

**MEETING OF THE BOARD OF TRUSTEES**  
**OF THE**  
**UNIVERSITY OF ILLINOIS**

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**February 15, 1978**



The February 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, February 15, 1978, beginning at 11:00 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, Mr. Earl Langdon Neal, Mrs. Jane Hayes Rader, Mrs. Nina T. Shepherd, Mr. Arthur R. Velasquez. Governor James R. Thompson was 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 William P. Gerberding, Urbana-Champaign campus; Chancellor Donald H. Riddle, Chicago Circle 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; Mr. R. R. Manchester, treasurer; and Dr. Earl W. Porter, secretary.

### **MINUTES APPROVED**

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of September 21 and October 19, 1977, copies of which had previously been sent to the board.

On motion of Mr. Livingston, these minutes were approved as printed on pages 369 to 458 inclusive.

### **MEETING OF FINANCE COMMITTEE**

President Howard announced there would be a meeting of the Finance Committee at 1:30 p.m. in Room 509-10, Chicago Circle Center.

### **STANDING COMMITTEES FOR 1978-79**

Mr. Howard announced appointments to the standing committees of the board, to serve during the year 1978-79, or until their successors have been appointed following the annual meeting of the Board of Trustees in January 1979.

(A list of the committees appears in the minutes of the annual meeting of January 18, 1978, in accord with the Bylaws of the Board of Trustees.)

### **REPORTS FROM THE PRESIDENT OF THE BOARD**

#### **Merit Board**

Mr. Howard announced that Mr. Lenz, who has been serving for some time as a member of the Merit Board, has been elected chairman of that board.

#### **State Universities Retirement System**

Mr. Howard asked Mr. Forsyth, who is currently serving as president of the State Universities Retirement System Board, to report briefly on a proposal that has been introduced by the director of the State Universities Retirement System. Briefly, the proposal is that, on the basis of recent Internal Revenue Service rulings, the 8 percent presently deducted from the salaries of employees covered by the system be ruled by Board of Trustees' resolution to be an employer contribution. It was made clear that this is a complex matter with potential effect upon retirement benefits, withdrawal of benefits, tax shelter programs, and other matters. It is currently being reviewed by the University administration and the university counsel, and, President Corbally reported, there will be consultation with campus senate groups, and possibly others, before an administrative recommendation on the subject is presented to the trustees.

### **RECOMMENDATION FOR AWARD OF BOARD OF TRUSTEES DISTINGUISHED SERVICE MEDALLION**

In 1973 the Trustees Distinguished Service Medallion was created to recognize those individuals whose contributions to the growth and development of the

University of Illinois, through extraordinary service or significant benefaction, have been of unusual significance.

The Distinguished Service Medallion Committee, consisting of five trustees, including the president of the board, ex officio, now recommends as recipient of the Trustees Distinguished Service Medallion for 1978 the following individual:

**JOHN BARDEEN** — physicist, electrical engineer, faculty member at the University from 1951 until his retirement in 1975, he has earned international distinction for his contributions to basic research in electronics and in the theory of superconductivity. Twice a winner of the Nobel Prize for Physics and the recipient of numerous other honors, he has brought great honor to the University.

The award would be conferred at the Commencement Exercises at Urbana on May 21, 1978.

*Presented by the Committee for the Trustees Distinguished Service Medallion Award:*

**JANE HAYES RADER**, *Chairman*

**RALPH C. HAHN**

**GEORGE W. HOWARD III**, *ex officio*

**EARL L. NEAL**

**NINA T. SHEPHERD**

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

## **BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY**

### **President's Report**

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.

### **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 to 748 candidates who passed the standard written examination in November 1977 in Illinois 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 on Accountancy also 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 fourteen candidates who wish to transfer the examination credit earned by passing the standard written examination in another 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. I concur.

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

**Dean, School of Associated Medical Sciences (SAMS),  
College of Medicine, Medical Center**

(2) The chancellor at the Medical Center has recommended the appointment of Dr. Thomas W. Beckham, presently director of admissions and records and assistant professor of health professions education, Center for Educational Development, as dean of the School of Associated Medical Sciences, College of Medicine, and associate professor of health professions education, Center for Educational Development, effective April 1, 1978, on a twelve-month service basis, at an annual salary of \$40,700.

Dr. Beckham will succeed Dr. Thomas F. Zimmerman who was appointed associate vice chancellor for academic affairs, effective February 16, 1977. Miss Barbara Loomis has served as acting dean.

The recommendation is made with the advice of a consultative committee<sup>1</sup> and is supported by the Executive Committee of the School of Associated Medical Sciences. The vice president for academic affairs concurs.

I recommend approval.

On motion of Miss Conlon, this appointment was approved.

**Head, Department of Speech Communication, Urbana**

(3) The dean of the College of Liberal Arts and Sciences has recommended to the chancellor at Urbana-Champaign the appointment of Dr. Jesse G. Delia, presently associate professor of speech communication and research associate professor in the Institute of Communications Research, as head of the Department of Speech Communication, beginning August 21, 1978, on an academic-year service basis. Appropriate salary adjustment will be determined at the time of the preparation of the 1978-79 budget.

Dr. Delia will continue to hold the rank of associate professor of speech communication and research associate professor in the Institute of Communications Research. He will succeed Dr. Roger E. Nebergall who has asked to be relieved of this administrative assignment.

The nomination is made with the advice of a search committee<sup>2</sup> and after consultation with the faculty members of the department. The Executive Committee of the college and the director of the School of Humanities concur in this appointment. The chancellor at Urbana-Champaign has approved the recommendation, and the vice president for academic affairs has concurred.

I recommend approval.

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

<sup>1</sup> Jean C. Aldag, associate dean, School of Associated Medical Sciences, Area Health Education System regional coordinator, Peoria School of Medicine (PSM), associate professor of preventive medicine and community health, PSM, and in the College of Nursing, and acting director of the Hospital Clinic, PSM, *chairperson*; D. D. Dettore, associate professor of family practice and physician surgeon and acting head of the department, Abraham Lincoln School of Medicine; Rita M. Finnegan, associate professor and director, Curriculum in Medical Record Administration, SAMS; Mary E. Gengul, research associate in the College of Medicine (staff); Maxine Hart, associate professor and director, Curriculum in Medical Dietetics, SAMS; Emil W. Hospodar, professor of medical art and director of the curriculum, medical and dental illustration, and director of the Curriculum in Medical Art, SAMS; Harry G. Knecht, associate professor of physical therapy, SAMS.

<sup>2</sup> Edward H. Davidson, professor of English, *chairperson*; Joanna H. MacLay, associate professor of speech communication; Ronald J. Pelias, graduate student; Kurt W. Ritter, assistant professor of speech communication; David R. Seibold, assistant professor of speech communication; R. Baird Shuman, professor of English; Joseph W. Wenzel, associate professor of speech communication.

### **Chairperson, Department of Vocational and Technical Education, Urbana**

(4) The dean of the College of Education has recommended to the chancellor at Urbana-Champaign the appointment of Dr. Hercules C. Kazanas, presently professor of vocational education at the University of Missouri—Columbia, as professor of vocational and technical education on indefinite tenure and chairperson of the Department of Vocational and Technical Education beginning June 7, 1978, on a twelve-month service basis, at a salary of \$38,000.

Dr. Kazanas will succeed Professor Rupert N. Evans who has been acting chairperson since the retirement of Professor Lloyd Phipps on August 31, 1977.

The nomination is made with the advice of a search committee<sup>1</sup> and endorsed by the Executive Committee of the department. The chancellor at Urbana-Champaign has approved the recommendation, and the vice president for academic affairs has concurred.

I recommend approval.

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

### **Appointments to the Faculty**

(5) 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).

### **Medical Center**

1. ZILI AMSEL, assistant professor of preventive medicine and community health, Abraham Lincoln School of Medicine, beginning January 15, 1978 (WY), at an annual salary of \$22,000.
2. LAWRENCE J. BLECKA, assistant professor of pathology, Abraham Lincoln School of Medicine, beginning February 1, 1978 (1Y), at an annual salary of \$29,000.
3. DOROTHY D. CAMILLERI, assistant professor of general nursing, College of Nursing, on 40 percent time, beginning January 1, 1978 (NY40), at an annual salary of \$9,240.
4. JOHN W. CLARKE, clinical assistant professor of family practice, on 25 percent

<sup>1</sup> Rupert N. Evans, professor of vocational and technical education in the Bureau of Educational Research and acting chairperson of the Department of Vocational and Technical Education, *chairperson*; Mildred B. Griggs, associate professor of vocational and technical education; Richard K. Hofstrand, State of Illinois Office of Education, Department of Adult, Vocational, and Technical Education; Bernard Karsh, professor of sociology and head of the department, associate director for instruction and research, Institute of Aviation, and professor in the Institute of Labor and Industrial Relations; James A. Leach, graduate student; M. Stephen Lilly, associate professor of special education and chairperson of the department; Burton E. Swanson, assistant professor of vocational and technical education.

time, and assistant director of family practice residency, Rockford School of Medicine, beginning January 1, 1978 (NY25;NY), at an annual salary of \$10,000.

5. **ROCHELLE S. COHEN**, assistant professor of anatomy, School of Basic Medical Sciences, beginning January 1, 1978 (1Y), at an annual salary of \$22,000.
6. **JEROME J. McDONALD**, assistant professor of occupational environmental medicine, School of Public Health, beginning March 1, 1978 (WY), at an annual salary of \$19,500.
7. **LARRY W. McDONALD**, professor of neuropathology in the departments of Neurosurgery, Neurology, and Pathology, and physician surgeon in the Department of Neurosurgery, Abraham Lincoln School of Medicine, beginning January 1, 1978 (WY88;NY12), at an annual salary of \$54,500.
8. **JOHN L. SKOSEY**, associate professor of medicine, on 88 percent time, and physician surgeon on 12 percent time, in the Department of Medicine, Abraham Lincoln School of Medicine, beginning January 1, 1978 (AY88; NY12), at an annual salary of \$49,000.

#### Urbana-Champaign

9. **PHILIP GARCIA**, assistant professor of agricultural economics, beginning January 3, 1978 (1Y), at an annual salary of \$20,000.
10. **DANIEL GIANOLA**, assistant professor of animal science, beginning April 21, 1978 (NY), at an annual salary of \$23,000.
11. **ABIGAIL A. SALYERS**, assistant professor of microbiology in the School of Basic Medical Sciences and in the College of Liberal Arts and Sciences, beginning January 1, 1978 (1Y;NY), at an annual salary of \$21,000.
12. **JOSEPH A. SHAEIWITZ**, assistant professor in the School of Chemical Sciences, beginning January 21, 1978 (1), at an annual salary of \$17,500.
13. **SEISHIRO TOMIOKA**, assistant professor of landscape architecture, beginning January 21, 1978 (1), at an annual salary of \$17,800.

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

#### Appointments to the Center for Advanced Study, Urbana

(6) On recommendation of the director of the Center for Advanced Study, and with the concurrence of the acting dean of the Graduate College, the chancellor at Urbana has recommended the following appointments of associates in the Center for Advanced Study for the academic year 1978-79 and for the program of research or study as indicated in each case. The vice president for academic affairs concurs.

I recommend approval.

**DENNIS E. BUETOW**, professor of physiology, for one semester, to explore the possibility of enhancing photosynthesis through identification and isolation of a chloroplast structural gene.

**WILLIAM C. BLAYLOCK**, professor of Spanish and chairperson of the Department of Spanish, Italian, and Portuguese, for one semester, to complete a dialect survey of Spanish in the Mexican state of Veracruz.

**DOUGLAS S. BUTTERWORTH**, associate professor of anthropology, for one semester, to study the effects of the devaluation of the Mexican peso on labor migration from the Lower Rio Grande Valley, Texas.

**JOHN J. COSTONIS**, professor of law, for one semester, to examine the metropolitan planning system in Brazil and to assess its use as a model for metropolitan planning elsewhere.

**WILLIS H. FLYGARE**, professor of chemistry, for one semester, to conduct new studies in molecular spectroscopy.

THOMAS H. GUBACK, professor of journalism and research professor in the Institute of Communications Research, for the academic year, to make an institutional analysis of the economic structure and behavior of the American film industry.

FRANK B. KNIGHT, professor of mathematics, for the academic year, to develop a mathematical model for the prediction process.

PETAR V. KOKOTOVIC, professor of electrical engineering and research professor in the Coordinated Science Laboratory, for one semester, to develop a methodology for strategies based on different models of the same complex system.

JORDAN KONISKY, associate professor of microbiology, for one semester, to use novel genetic techniques to elucidate the problem of cell resistance to colicins.

DONALD Q. LAMB, JR., associate professor of physics, for the academic year, to pursue theoretical studies of cosmic x-ray sources.

MIROSLAV MARCOVICH, professor of the classics, for one semester, to complete a critical edition of Diogenes Laertius' *Lives of the Philosophers*.

JAMES R. MILLAR, professor of economics, for one semester, to initiate a study of the evolution of Soviet economic thought since 1917.

WOLFGANG J. POPPELBAUM, professor of computer science and of electrical engineering, for the academic year, to coauthor a book describing key elements of computer hardware design and their implications for the future.

SUSAN SENSEMANN, assistant professor of art, for the academic year, to continue the conceptual, formal, and technical development of her paintings.

CHARLES C. STEWART, associate professor of history and acting director of the African Studies Program, for one semester, to complete a critical review of nineteenth century Nigerian history.

MARGARET UROFF, associate professor of English, for one semester, to begin a study of the influence of T. S. Eliot's *The Waste Land* on five American poets.

ROBERT S. WYER, JR., professor of psychology, for one semester, to study the psychological processes by which persons store and use information in making judgments about themselves and others.

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

### **Sabbatical Leave of Absence, 1977-78, Urbana**

(7) On motion of Mr. Neal, a sabbatical leave of absence recommended by the chancellor at Urbana-Champaign was granted. This leave will be included in an annual compilation of 1977-78 sabbatical leaves of absence to be made a part of the board *Proceedings* in March 1978.

### **President's Report on Actions of the Senates**

#### **Revision of Major in Spanish and Curriculum in Teaching of Spanish, Chicago Circle**

(8) The Chicago Circle Senate has approved a recommendation from the College of Liberal Arts and Sciences that the minimum number of hours required for these majors be raised from 52 to 56 quarter hours.

The Department of Spanish, Italian, and Portuguese is in the process of extensive revision of its course offerings and has developed new literature and conversation and composition series which are expected better to prepare both native and non-native students for advanced course work. The new core requirement is expected to respond more realistically to the ability of students who have completed the basic courses in Spanish. The advanced core courses will avoid the "survey" approach, focusing on the reading of complete works against the background of their historical and social content.

### **Establishment of Applied Psychology Option, Chicago Circle**

The Chicago Circle Senate has approved a recommendation from the College of Liberal Arts and Sciences that an applied psychology option be established within the psychology major. The option would require 44 hours: 36 hours of preparatory courses and 8 hours of fieldwork.

The new option is designed primarily for students who are not preparing for graduate study and who wish to utilize their psychological training in fieldwork settings. They may choose among three sequences of courses: organizational-industrial psychology, mental health services, and developmental disabilities.

This report was received for record.

### **Student Exchange Program with the University of Sussex at Brighton (Urbana)**

(9) Since 1973 undergraduate students from the University of Illinois at Urbana-Champaign have been able to spend a year at one of approximately twenty universities in the United Kingdom under a program sponsored by the College of Liberal Arts and Sciences and the Office of International Programs and Studies. Each year thirty to fifty Illinois students have taken advantage of this program.

The University of Sussex, the first of Britain's "new" universities, has now proposed a plan of reciprocity involving the exchange of four undergraduate students from each institution annually (for the initial year only, three Illinois students and two Sussex students will be involved).

To make the costs as equitable as possible for students from both countries, it is proposed that the University of Illinois waive the nonresident portion of tuition for Sussex students studying at Illinois. Illinois students' costs at Sussex will then be approximately the same as those for Sussex students in Illinois. In both cases, the two universities will act as agents in the collection and payment of fees and other costs for students who participate.

The chancellor at Urbana has recommended approval of the waiver of the nonresident portion of tuition for Sussex students under this program.

I concur.

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

### **Grant from the Community Service Administration, Chicago Circle**

(10) The University has received through its Energy Resources Center at the Chicago Circle campus a grant of \$297,690 by the federal Community Service Administration for a fourteen-month project entitled "Training and Technical Assistance for the Community Service Administration Weatherization Program."

The program will provide technical assistance and associated training to Community Service Administration personnel and to the personnel program directors and field assessors of thirty-six community action agencies for the weatherization of residences of low-income persons.

The program consists of the training of personnel, data analysis and management, fiscal control methods, and postweatherization analysis, as well as a continuous update and improvement of the weatherization program both technically and operationally. Architects and engineers from the Energy Resources Center will be assisted by faculty from the College of Business Administration.

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

On motion of Miss Winter, this recommendation was approved.



### **Radiation Safety Contract, Chicago Circle**

(11) The president of the University, with the concurrence of appropriate administrative officers, recommends the award of a contract for radiation services at the Chicago Circle campus to Radiation Safety Services, Inc., for the period January 1, 1978, through June 30, 1978, at the rate of \$19 per hour, not to exceed \$11,852.

The services include a review of the method of acquisition, delivery, and inventory control of radioisotopes, laboratory survey, management of radioactive wastes, authorization of users, surveying radiation-producing equipment, providing radiation safety training for users, preparing license applications, calibrating equipment, and providing reports and emergency services as needed.

Funds are available in the environmental health and safety budget for the Chicago Circle campus.

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

On motion of Mr. Forsyth, 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 Thompson.

### **Contracts for Educational Services with Health and Hospitals Governing Commission of Cook County, Medical Center**

(12) The School of Public Health at the Medical Center has recommended that the University contract with the Health and Hospitals Governing Commission of Cook County whereby the commission assumes full responsibility for all activities pertaining to the training of physicians in occupational medicine.

One contract in an amount not to exceed \$121,040 extending from January 1, 1978, to August 31, 1978, is funded from a federal training grant to the School of Public Health. A second contract in an amount not to exceed \$90,496 extending from July 1, 1977, to June 30, 1978, is funded from a Kellogg Foundation grant to the School of Public Health.

Under these contracts the Health and Hospitals Governing Commission will administer and manage the residency program in occupational medicine in accord with the terms of the grants.

The chancellor at the Medical Center has recommended approval of these contracts. The vice president for academic affairs and the vice president for administration concur.

I recommend approval.

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

On motion of Mr. Livingston, these contracts 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 Thompson.

### **Modification of Liability Provision, PLATO Agreement (University of Hawaii)**

(13) On June 1, 1977, the University of Illinois entered into an agreement with the University of Hawaii, as a "participating institution," to provide PLATO

services. Extended negotiations have failed to resolve questions raised by Hawaii concerning the liability provision of the contract, Article IX, which states:

Participating institution agrees that the University [of Illinois], its agents, servants, and employees will not be liable for any damages that the participating institution may sustain or become liable for on account of injury to or death of personnel, or on account of damages to or destruction of property, to the extent that such loss or damage arises out of use of equipment and/or services provided by the University under the terms of this agreement.

The attorney general of the state of Hawaii has rendered an opinion that the University of Hawaii should not waive its right of legal recourse through acceptance of the existing provision, and, accordingly, has proposed that Article IX be modified by adding the following sentence to the present language:

In no event will the participating institution indemnify the University [of Illinois] against the consequences of the University's negligence and omissions, or against claims by third parties arising therefrom.

The acting dean of the Graduate College and the chancellor of the Urbana-Champaign campus have recommended acceptance of the proposed modification. The vice president for administration supports the recommendation.

I concur.

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

#### **Legislation Relating to Medical Service Plan**

(14) Under current legislation, charges for medical and surgical services rendered at the University of Illinois Hospital by medical doctors on the staff may be established and collected only by the doctors, and then only pursuant to a plan organized and administered by them and approved by the University (Chapter 23, Section 1375, *Illinois Revised Statutes*).

The chancellor at the Medical Center campus has recommended that amendatory legislation be sought to permit doctors of dentistry on the staff of the University to charge for their professional services and to participate in an approved service plan.

In addition, present authority to make charges for professional services rendered at the University of Illinois Hospital would be extended to include such services when rendered at any other hospital, clinic, outpatient department, or office under the operation and control of the University, or elsewhere when the services are rendered pursuant to a University contract, program, or activity. The establishment and disbursement of professional fees would continue to remain under the supervision and control of the members of the plan(s), but the University would be permitted to assist in the collection process.

I concur.

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

#### **Risk Management Self-Insurance Program**

(15) On July 21, 1976, the Board of Trustees established a program of self-insurance for the purpose of paying certain types of claims which had previously been covered by insurance contracts with Continental Insurance Company and Glacier General Assurance Company. The program made provision for risk financing and management for University liabilities and certain claims asserted against trustees, officers, employees, and named students for actions taken by them within the scope of their University duties, relationships, or employment. The program was made effective August 1, 1976. This action was taken pending further

action by the Board of Trustees, and it was reported at the time that recommendations were being developed to define criteria for disposition or payment of such claims.

During the intervening period, the risk management program has been reviewed by the vice president for administration, and, after consultation with appropriate offices and committees, including the use of outside consultants,<sup>1</sup> it is proposed that the self-insurance program be revised. (The full text of the "University of Illinois Risk Management Program" now being proposed is filed with the secretary of the board for record.)

Specifically, the vice president for administration now has recommended Board of Trustees' actions as follows:

1. Approval of the revised "Risk Management Self-Insurance Program."
2. Establishment of the following accounts, and in the amounts indicated, by July 31, 1978:
  - a. Workmen's Compensation Reserve Fund in an amount to be determined by the actuarial study currently being conducted by Tillinghast, Nelson, and Warren, Inc.<sup>2</sup>
  - b. Public and Contract Liability Reserve Fund in the amount of \$608,000.
  - c. Hospital and Medical Professional Liability Reserve Fund in the amount of \$5,392,000, of which \$2,433,000 will be held in a trust fund with the First National Bank of Chicago.

(The board may be requested to supplement these amounts from time to time.)
3. Authorization of the vice president for administration to negotiate with the First National Bank of Chicago to establish the appropriate trust agreement and related documents to establish a Hospital and Medical Professional Liability Reserve Fund to be held in trust with the First National Bank of Chicago for malpractice and comprehensive patient liability associated with the University of Illinois medical facilities (as permitted under the United States Department of Health, Education, and Welfare Regulations for Provider's Reimbursement under the Medicare Program) — in the amount of \$2,433,000.
4. Appointment of James Gallivan, supervisor of insurance, as acting risk manager.

(These actions would supersede the July 1976 actions of the Board of Trustees.)

I recommend approval.

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

On motion of Mrs. Rader, the 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 Thompson.

### **Recommendation of the Committee on Copyrights and Recordings**

(16) The Board of Trustees on July 20, 1977, approved a contract for the publication by John Wiley and Sons, Inc., of a work entitled *Air and Water Quality* by Jon C. Liebman and James J. Stukel, professors of environmental engineering, and Michael J. Semmens, formerly assistant professor of environmental engineering, all at Urbana-Champaign, and distribution of 15 percent of net royalties received to National Science Foundation, which partially supported the work. It

<sup>1</sup> A Risk Planning Group study of September 1977 and a Tillinghast, Nelson, and Warren, Inc., report of October 1977.

<sup>2</sup> This amount will be reported to the board upon completion of the study.

was indicated that a recommendation would subsequently be submitted regarding distribution of royalty income to the authors.

The University Committee on Copyrights and Recordings now recommends that the remaining 85 percent of net royalties received be distributed to the authors to be allocated 34 percent to Professor Liebman and 33 percent each to Professors Semmens and Stukel in accordance with the written agreement among the authors. The committee recommends this action with the understanding that it not be regarded as a precedent for future cases.

I concur in this recommendation.

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

### **Recommendations of the University Patent Committee**

(17) The University Patent Committee submits the following recommendations relating to discoveries by staff members. The Committee on Patents of the Board of Trustees has examined related background material and recommends approval.

1. *Swine Influenza Virus Vaccine*—George T. Woods, professor of veterinary microbiology and public health in the College of Veterinary Medicine and professor of veterinary research in the College of Agriculture, Urbana, and Manford E. Mansfield, professor in Veterinary Programs in the College of Agriculture and professor of veterinary pathology and hygiene in the College of Veterinary Medicine, Urbana, inventors.

University Patents, Inc., reported that industrial response was negative. The University Patent Committee recommends that the rights of the University in this discovery be released to the inventors.

2. *Scanning Eye Movement Monitor*—John L. Semmlow, formerly assistant professor of bioengineering, Chicago Circle, inventor.

University Patents, Inc., reported that there was only limited patent protection and that the device was not suitable for general use. The University Patent Committee recommends that the rights of the University be released to the inventor.

3. *Improvement in Surface Acoustic Wave Resonators*—Bill J. Hunsinger, associate professor of electrical engineering and research associate professor in the Coordinated Science Laboratory, Urbana, and Roger D. Fildes, graduate research assistant in the Coordinated Science Laboratory, Urbana, inventors; sponsored by the Joint Services Electronics Program.

University Patents, Inc., reported that it wished to commercialize this idea. The University Patent Committee recommends (1) that the rights of the University be transferred to the University of Illinois Foundation, subject to the rights of the sponsor, and (2) that 15 percent of the net income received by the foundation on this idea, after payment of any costs and expenses of securing a patent and of development and administration, be distributed to the inventors, to be allocated equally between them in accordance with their written agreement.

4. *Protease Activated Anticancer Agents*—Philip L. Carl, visiting research assistant professor of chemistry in the Department of Microbiology, Urbana, Michael J. Weber, associate professor of microbiology, Urbana, and John A. Katzenellenbogen, associate professor of chemistry, Urbana, inventors; sponsored by the National Institutes of Health.

University Patents, Inc., reported that it would like to be in a position to file a patent application. The University Patent Committee recommends (1) that the rights of the University be transferred to the University of Illinois Founda-

tion, subject to the rights of the sponsor, and (2) that 15 percent of the net income received by the foundation from this idea, after payment of any costs and expenses of securing a patent and of development and administration, be distributed to the inventors, to be allocated equally among them in accordance with their written agreement.

5. *Use of Polyethylene Glycol* — Paul R. Hepperly, graduate research assistant in plant pathology, Urbana, and James B. Sinclair, professor of plant pathology, Urbana, inventors.

University Patents, Inc., reported that, because of the commercial potential of this discovery, it wished to apply for a patent. The University Patent Committee recommends that the rights of the University be transferred to the University of Illinois Foundation and that action as to distribution of net income be deferred until a later date.

6. *Low Temperature Firing of Ceramic Capacitors by Liquid Phase Sintering* — David A. Payne, assistant professor of ceramic engineering, Urbana, and Sang M. Park, research assistant in ceramic engineering, Urbana, inventors.

University Patents, Inc., reported that licensing attempts had begun and that it had received a great deal of interest from industry for this idea. The University Patent Committee recommends (1) that the rights of the University be transferred to the University of Illinois Foundation, and (2) that 15 percent of the net income received by the foundation from this idea, after payment of any costs and expenses of securing a patent and of development and administration, be distributed to the inventors, to be allocated equally between them in accordance with their written agreement.

I concur in these recommendations.

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

### Contracts for Remodeling, Medical Center

(18) The president of the University, with the concurrence of appropriate administrative officers, recommends award of the following contracts for remodeling in the basement of the Pharmacy Building (for the Purchasing Division) at the Medical Center campus, the award in each case being to the low base bidder.

	<i>Base Bid</i>
<i>General Work</i>	
Wm. J. Scown Building Co., Chicago.....	\$22 671
<i>Plumbing Work</i>	
Peter H. Smith Co., Chicago.....	1 776
<i>Heating and Air Conditioning</i>	
Schroeder-Safeway, Inc., Chicago.....	21 094
<i>Electrical Work</i>	
Premier Electrical Construction Co., Chicago.....	12 436
<i>Total</i> .....	<u>\$57 977</u>

Funds for this project are available in the Institutional Funds Budget of the Physical Plant.

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

### **Contract for Contractor's Fees, Electrical Work, Allerton House**

(19) The president of the University, with the concurrence of appropriate administrative officers, recommends the award of a cost-plus contract to G. L. Wilsky, an individual, doing business as Downtown Electric, Urbana, the only bidder, to upgrade the electrical service and install a fire alarm and evacuation system at Allerton House, Monticello, on the following basis:

<i>Percent for Material (estimated volume \$17,866)</i>	<i>Percent for Labor (estimated volume \$34,360)</i>	<i>Percent for Sub- contractors (esti- mated volume \$476)</i>	<i>Total Estimated Payments (including fees)</i>
25	30	5	\$67 500

The contractor bid on the percentage to be added to an estimated volume of material, labor, and subcontracts which may be furnished. The work will be done as ordered by the Operation and Maintenance Division and will be paid on the basis of the actual costs plus the contractor's fees as stated above.

Funds for the work are available in the Allerton House maintenance account.

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

On motion of Mr. Hahn, 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 Thompson.

### **Report of Rejection of Bids, Air Conditioning, Allerton House**

(20) On January 5, 1978, bids were received for two divisions of work for air conditioning that portion of Allerton House not presently air conditioned. The low bids received for this work, however, exceeded the funds available.

Pursuant to the provision of Section 15(e)(2) of the *General Rules Concerning University Organization and Procedure*, the president of the University, with the concurrence of appropriate administrative officers, rejected the bids for the work and reports their rejection.

This report was received for record.

### **Marie G. Page Memorial Fund**

(21) The University is the recipient of \$100,000 from a trust of the late Marie Gordon Page. The trust document reads in part:

Upon the death of the Settlor the Trustee shall distribute the principal of the trust and any undistributed income to the following-named organizations and persons: . . . (b) University of Illinois, Urbana, Illinois, to be designated as a memorial to Marie G. Page — \$100,000.

Mrs. Page made no other specific designation as to the use of the gift other than the language given above. An area resident for several years and a home economics student at the University, she moved in 1924 to Denver, Colorado, where she died on April 27, 1977.

The vice president for administration has recommended that the Marie G.

Page Memorial Fund be established as a quasi-endowment<sup>1</sup> with the income to be used as the president may designate.

I concur.

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

### **Contract for Software System for Medical Service Plan Billing, Medical Center**

(22) The president of the University, with the concurrence of appropriate administrative officers, recommends the award of a contract for the purchase of a software package from Kuhn, Olson, and West, Inc., Munster, Indiana, in the amount of \$125,970. The package will be used primarily for a patient billing system (currently handled manually) for the Medical Service Plan of the Abraham Lincoln School of Medicine.

The large volume of transactions does not allow an updated, valid billing and reporting system. The software system developed by Kuhn, Olson, and West, Inc., has been chosen from eight such systems evaluated by the School of Medicine and the Office of Information Systems and Services at the Medical Center. The automated billing system will permit the efficient billing and accounting of professional service fees.

Funds (Medical Service Plan) are available in the Restricted Funds, Independent Operations Budget of the College of Medicine.

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

On 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 Thompson.

### **Purchases**

(23) 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 .....	\$ 14 741 00
<i>From Institutional Funds</i>	
Recommended .....	628 049 47
<i>Grand Total</i> .....	\$642 790 47

A complete list of the purchases, with supporting information, including the quota-

<sup>1</sup> The term *quasi-endowment* is used here as defined by the American Institute of Certified Public Accountants in their *Industry Audit Guide*:

Quasi-endowment funds (funds functioning as endowment) are funds which the governing board of an institution, rather than a donor or other outside agency, has determined are to be retained and invested. Since these funds are internally designated rather than externally restricted, the governing board has the right to decide at any time to expend the principal.

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

### Report of Purchases Approved by the Vice President for Administration

(24) 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

(25) The comptroller's monthly report of contracts executed was presented.

#### Chicago Circle

##### Change Order

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
City of Chicago 43296	Provide services for implementing the Summer Youth Employment Program	\$ 12 000
<i>Total</i>		<u>\$ 12 000</u>

#### Medical Center

##### New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
American Chemical Society	Develop polymeric supports for peptide synthesis in mixed solvents	\$ 24 000
Northwestern University	Develop a reversible vas deferens blocking device	40 330
State of Illinois Institute for Environmental Quality 90,002	Provide support for the Environmental Health Resource Center	230 600
<i>Total</i>		<u>\$ 294 930</u>

##### New Contract

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Cook County Hospital (sub-contract under grant from the W. K. Kellogg Foundation)	Provide support for an occupational medical program	\$ 56 715
<i>Total</i>		<u>\$ 56 715</u>

##### Change Order

<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-MB-24380	Provide support for an area health education center	\$ 763 936
<i>Total</i>		<u>\$ 763 936</u>



## Urbana-Champaign

## New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Agency for International Development AID/Ia-C-1206	Assist the government of Peru in cultivation of soybeans and corn	\$ 652 487
College of St. Francis PI-66	Provide PLATO IV terminals and services	39 430
Decatur Housing Authority	Develop modernization concepts for Longview Place	9 483
Illinois Environmental Protection Agency	Analyze Illinois law regarding disposal of solid wastes and pollution of groundwater	21 824
National Aeronautics and Space Administration NAS1-15145	Perform a historical review of avionics	9 001
Pennsylvania State University PI-61	Provide PLATO IV terminals and services	10 525
Pfizer, Incorporated	Evaluate feed medication during various phases of swine production	5 500
RACOM International, Inc.	Develop pilot training devices referred to as ILLIMAC 1	15 000
State of Illinois Department of Business and Economic Development: 78-EPCA-AE-25	Develop an awareness program to encourage residential energy conservation	30 997
78-EPCA-AE-29	Develop an adult education course on how to conduct a home energy audit	16 852
State of Illinois Department of Conservation	Determine inflow hydrology of Horseshoe Lake	17 497
State of Illinois Governor's Office of Manpower and Human Development	Study interagency coordination	46 387
Illinois State Library	Applications and extensions of the ILLINET model project	28 349
State of Illinois Office of Education RD5-B8-572	Pesticide workshops and teaching methods for secondary and community college agriculture teachers	10 893
United States Air Force: F05600-78-M1422	Provide PLATO IV terminals and services	6 383
F19628-78-C-0025	Analyze the basic radiation mechanism of the micro-strip antenna	148 363
F19628-78-C-0040	Determine surface acoustic wave velocity and impedance differences between metal stripe and free surface regions of metallic gratings	137 996
United States Army: Construction Engineering Research Laboratory	Research as a systems analyst	17 564
DACA88-78-M-0042	Assist in research operations	69 480
	Predict time and cost impacts from changing military architect/engineer contracting procedures	9 912
Corps of Engineers	Develop an exhibit design concept plan for the Visitor Center at Lake Shelbyville	9 913
United States Council on Environmental Quality EQ7AC022	Analyze the impact on energy demand on alternative energy taxing and/or rebate policies	70 000
United States Department of Energy EW-78-S-21-8214	Evaluate the results of the Eastern Gas Shales Project in the Illinois Basin	60 000
United States Department of Defense DAAG29-78-G-0041	Martensitic transformations in iron alloys	38 959
United States Department of the Interior 14-34-0001-7811	Water reuse through groundwater recharge in north-eastern Illinois	100 000
United States Navy: N00600-78-A-0278	Provide educational services	83 000
N60921-78-C-0009	Study the effects of energy distribution rates and density distributions on blast wave structures	30 000
University of Missouri	Develop pest management strategies for soil insects on corn	89 072
<i>Total</i>		<b>\$1 784 867</b>

## New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Robert Dauffenbach (subcontract under NSF C-SRS-76-80591)	Study projected balances between the requirements for and the supply of scientific and technological manpower in the U.S. economy through 1980 and 1985	\$ 10 000
Perceptronics (subcontract under N00014-76-C-0002)	System for the enhancement of human performance through man-machine interaction	12 218
<i>Total</i>		<u>\$ 22 218</u>

## Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Electric Power Research Institute, Inc. RP645-1-4	Exploratory studies of high-efficiency advanced-fuel fusion reactors	\$ 225 000
Illinois Cancer Council 9396	Develop a data base system for the centralized cancer patient system	15 000
The Johns Hopkins University School of Medicine PI-54	Provide PLATO IV terminals and services	11 812
Mount St. Mary's College PI-22	Provide PLATO IV terminals and services	12 479
National Aeronautics and Space Administration NGR14-005-200	Discharge mechanism in high-pressure gases	40 000
United States Air Force AFOSR-77-3175	Stress corrosion cracking of high-strength aluminum alloys	37 471
United States Army: DAAG46-76-C-0046	Determine the relationship between process variables and structures of a Rheostat low-alloy steel	59 836
Construction Engineering Research Laboratory	Conduct research in energy systems	19 683
	Assist in an environmental program	8 352
	Assist with computer-related research and development	19 683
	Develop network access software	104 474
United States Department of Defense MDA904-77-C-0133		
United States Department of Energy: EY-76-S-02-2765	Study the behavior of ions in potential walls associated with transient switching of electron beams	60 000
EY-76-S-02-2917	Provide experimental data for evaluation of candidate energy crops as substrates for the bioconversion process	235 430
United States Department of Justice J-LEAA-007-75	Continued operation of the National Clearinghouse on Criminal Justice Planning and Architecture	300 000
United States Environmental Protection Agency 68-02-2704	Analyze the mutagenic properties of major pesticides used in commercial corn production	49 360
<i>Total</i>		<u>\$1 198 580</u>

## Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Grand Rapids Public Schools (subcontract under HEW G007605461)	Midwest office for materials development	\$ 46 448
Natural Land Institute	Inventory of Illinois natural areas	9 700
<i>Total</i>		<u>\$ 56 148</u>

## Summary

Amount to be paid to the University:	
Chicago Circle.....	\$ 12 000
Medical Center.....	1 058 866
Urbana-Champaign.....	2 983 447
<i>Total</i> .....	<u>\$4 054 313</u>
Amount to be paid by the University:	
Medical Center.....	\$ 56 715
Urbana-Champaign.....	78 366
<i>Total</i> .....	<u>\$ 135 081</u>

This report was received for record.

### Quarterly Report of the Comptroller

(26) The comptroller presented his quarterly report as of December 31, 1977.

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

### Comptroller's Report of Gifts and Funds Received from Outside Sources

(27) The comptroller presented a report of gifts, grants, and contract funds (including funds from private donors and funds received from governmental agencies) received by the University during the fiscal year July 1, 1976, through June 30, 1977.

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

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

#### Summary

##### From Private Gifts, Grants, and Contracts:

Chicago Circle .....	\$ 1 474 948
Medical Center .....	4 584 938
Urbana-Champaign .....	12 965 212
General University Units.....	430 964
University of Illinois Foundation.....	4 260 059
<i>Subtotal</i> .....	\$ 23 716 121

Less Gifts Transferred from the University of Illinois Foundation to All Campuses..... (\$ 3 031 856)

*Total Private Gifts, Grants, and Contracts.....* \$ 20 684 265

##### From United States Government Grants and Contracts:

Chicago Circle .....	\$ 5 254 388
Medical Center .....	17 318 439
Urbana-Champaign .....	51 237 192
General University Units.....	310 137
<i>Total United States Government Grants and Contracts....</i>	\$ 74 120 156

##### From State of Illinois Grants and Contracts:

Chicago Circle .....	\$ 506 440
Medical Center .....	681 024
Urbana-Champaign .....	4 225 567
General University Units.....	531 362
<i>Total State of Illinois Grants and Contracts.....</i>	\$ 5 944 393
<i>Grand Total</i> .....	\$100 748 814

**Report of Investment Transactions through January 31, 1978**

(28) The comptroller presented the investment report as of January 31, 1978.

**Changes in Investments Other than Endowment Pool  
(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>
<b>Sales:</b>				
1/17	\$1 000 000	First National Bank of Chicago 5 percent open-end time deposit.....	\$1 000 000 00	\$1 000 000 00
1/25	400 000	First National Bank of Chicago 5 percent open-end time deposit.....	400 000 00	400 000 00
1/31	279 177	First National Bank of Chicago 5 percent open-end time deposit.....	279 176 68	279 176 68
<b>Repurchase Agreements:</b>				
1/23	\$3 050 000	U.S. Treasury 6 percent notes due 3/31/79 for seven days with Blyth Eastman Dillon Capital Markets..	6.50%	\$3 000 000 00
1/24	5 000 000	Union Bank of Los Angeles 7½ percent certificate of deposit due 7/25/78, dated 7/24/77, and other collateral as substituted for seven days with Blyth Eastman Dillon Capital Markets .....	6.66	5 000 000 00
<b>Purchases:</b>				
1/2	\$ 20 000	Highland Community Bank 6 percent certificate of deposit due 1/2/79 .....	6.00%	\$ 20 000 00
1/3	1 017 836	Busey First National Bank 6.70 percent certificate of deposit due 3/31/78 .....	6.70	1 017 835 62
1/6	917 312	First National Bank of Chicago 5 percent open-end time deposit....	5.00	917 311 67
1/6	1 700 000	U.S. Treasury bills due 3/7/78..	6.17	1 682 688 33
1/10	600 000	First National Bank of Chicago 5 percent open-end time deposit....	5.00	600 000 00
1/11	1 000 000	New England Merchants 7.575 percent certificate of deposit due 7/13/78 .....	7.55	1 000 122 39
1/12	200 000	First National Bank of Chicago 5 percent open-end time deposit....	5.00	200 000 00
1/13	1 000 000	First National Bank of Chicago 5 percent open-end time deposit....	5.00	1 000 000 00
1/17	1 280 000	Continental Bank 7.35 percent time deposit due 8/4/78.....	7.35	1 280 000 00
1/18	1 013 514	Bloomington Federal Savings and Loan 7 percent certificate of deposit due 4/18/78.....	7.00	1 013 513 81
1/23	1 000 000	Continental Bank 6½ percent certificate of deposit due 5/30/78 dated 11/30/77 .....	7.07	999 077 87
1/23	2 000 000	Federal National Mortgage notes due 8/11/78 .....	6.85	1 923 888 89
1/23	100 000	U.S. Treasury bills due 4/20/78..	6.58	98 364 50

1/25	\$1 000 000	First National Bank of Springfield 7.30 percent certificate of deposit due 7/27/78 .....	7.30	\$1 000 000 00
1/26	1 000 000	Champaign National Bank 7¼ percent certificate of deposit due 4/26/78 .....	7.25	1 000 000 00
1/30	3 000 000	First National Bank of Chicago 7 percent certificate of deposit due 5/18/78 .....	7.00	3 000 000 00
1/31	2 000 000	Chicago Tokyo Bank 7¼ percent certificate of deposit due 4/28/78..	7.20	2 000 237 53
1/31	25 000	U.S. Treasury bills due 3/23/78..	5.62	24 802 50

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

### Designation of Member of the Rice Foundation

(29) The University has been made a party to litigation pending in Cook County and DuPage County, Illinois, in which the validity of certain 1974 amendments to the Articles of Incorporation and the Bylaws of an Illinois not-for-profit corporation known as the Rice Foundation is in question. Under the 1974 amendments each of the governing boards of "University of Illinois Medical School, Northwestern University School of Medicine, Loyola University School of Medicine, Rush Medical College at the Rush-Presbyterian-St. Luke's Medical Center, and Medical Research Institute of Michael Reese Medical Center" are to designate and certify, from time to time, one person to act as a member of the corporation. The Board of Directors consists of the five members so designated and four at-large directors selected by the five members.

The purpose of the Rice Foundation under the 1974 amendments is to render financial aid and support in the form of scholarships and grants to exceptional individuals pursuing studies in the fields of medicine and medical research at or under the auspices of one of the five designated institutions. Scholarship and grants are to be awarded on the basis of academic achievement, potential contribution to the medical profession, and financial need. They may be awarded by the Board of Directors in an aggregate amount equal to the sums required to be distributed by the Rice Foundation in order not to become subject to the tax on undistributed income imposed by the Internal Revenue Code. To the extent the Board of Directors does not award scholarships or grants in any year in such amount, the balance is to be distributed equally to the five institutions for their general purposes.

The university counsel states that it is appropriate at this time for the Board of Trustees to designate a member of the Rice Foundation. Accordingly, it is recommended (a) that Ronald W. Brady be designated to act on behalf of the University of Illinois as a member of the Rice Foundation until further action of the Board of Trustees, (b) that the secretary of the Board of Trustees be authorized to certify such designation to the Rice Foundation, and (c) that the following resolutions be adopted:

*Resolved* by The Board of Trustees of the University of Illinois that Ronald W. Brady is designated to act on behalf of the University of Illinois as a member of the Rice Foundation, a not-for-profit corporation of the state of Illinois, until further action by this Board of Trustees; and

*Resolved*, further, that the secretary of this Board of Trustees is authorized and directed to certify to Rice Foundation, and to others as appropriate from time to time, such designation by this Board of Trustees and any revocation thereof.

On motion of Mr. Neal, the recommendations were approved,

authority was given as recommended, and the foregoing resolutions were adopted.

### SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations and a declination, leaves of absence, and retirements. A copy of the report is filed with the secretary.

### DEGREES CONFERRED

The secretary presented for record the following summary of degrees conferred on candidates at the Urbana-Champaign campus on January 15, 1978.

#### Summary

Graduate College	
Doctor of Philosophy.....	107
Doctor of Education.....	5
Doctor of Musical Arts.....	3
Master of Arts.....	78
Master of Science.....	249
Master of Music.....	8
Master of Education.....	73
Master of Social Work.....	38
Master of Accounting Science.....	16
Master of Architecture.....	22
Master of Business Administration.....	25
Master of Comparative Law.....	2
Master of Extension Education.....	4
Master of Fine Arts.....	2
Master of Landscape Architecture.....	3
Master of Urban Planning.....	8
Advanced Certificate in Education.....	8
Certificate of Advanced Study in Librarianship.....	1
<i>Total, Graduate College.....</i>	<i>(652)</i>
College of Agriculture	
Bachelor of Science.....	109
College of Commerce and Business Administration	
Bachelor of Science.....	107
College of Communications	
Bachelor of Science.....	22
College of Education	
Bachelor of Science.....	45
College of Engineering	
Bachelor of Science.....	243
College of Fine and Applied Arts	
Bachelor of Fine Arts.....	39
Bachelor of Landscape Architecture.....	3
Bachelor of Science.....	50
Bachelor of Urban Planning.....	3
Bachelor of Music.....	5
<i>Total, College of Fine and Applied Arts.....</i>	<i>(100)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts.....	191
Bachelor of Science.....	144
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(335)</i>
College of Applied Life Studies	
Bachelor of Science.....	55

College of Law	
Juris Doctor .....	23
School of Social Work	
Bachelor of Social Work .....	9
<i>Total, Degrees Conferred at Urbana-Champaign Campus.....</i>	<i>1700</i>

### ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Howard called attention to the schedule of regular meetings for the next three months: March 15, Urbana; April 12, Medical Center; May 17, Chicago Circle.

He also announced that an executive session had been requested and would be convened after the meeting to consider a report on acquisition of property.

### RECESS AND EXECUTIVE SESSION

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

#### Purchase and Lease of Land, Allerton Endowment Farms

(30) The University acquired the "Amenia" grain elevator improvements as a part of the Allerton endowment farms. (The improvements consist of a grain elevator and two bins with a capacity of 50,000 bushels of grain.) A major portion of the improvements is located on the Illinois Central Gulf Railroad right-of-way and the balance on Allerton endowment farmland. The University has been leasing the right-of-way for several years. Inasmuch as the University no longer ships grain from this area by rail, it is desirable for the institution to guarantee its right to continued use of the grain storage facilities. The railroad has agreed in principle to sell land to within twenty-five feet of the centerline of its main tracks and to lease to the University the balance of the land on which the improvements are located.

The president of the University, with the concurrence of appropriate administrative officers, recommends entering into agreements with the Illinois Central Gulf Railroad Co. for the purchase of approximately 3,500 square feet of right-of-way at a price of \$1,050 (30¢/square foot); and for the lease, at a nominal charge, of approximately 86 square feet of land. The lease would continue so long as the University occupies the land for the operation of the elevator facility.

Funds are available in the Allerton farms operation account.

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

On motion of Mr. Lenz, 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 Thompson.

There being no further business, the board adjourned.

EARL W. PORTER  
*Secretary*

GEORGE W. HOWARD III  
*President*