

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

April 12, 1978



The April 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, April 12, 1978, 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, 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; 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.

Interpretation of the University Statutes

President Corbally observed that there had been discussion at the Urbana campus concerning an amendment of the *Statutes* approved by the board in July 1977 and a question as to whether or not the amendment made "designated student representatives" eligible to vote with the faculty of a college. He noted that the president of the University was expected to interpret the *Statutes* and expressed his view that the amendment of 1977 in no way affected the preexisting text of the *Statutes* which did not provide for students or their representatives to vote with the faculty of a college. Mr. Howard indicated that he too had reviewed the *Statutes* and was in agreement with the president's interpretation. (The amendment was to Article III, Section 2b, of the *Statutes*.)

REGULAR AGENDA

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

Award of Certified Public Accountant Certificates

(1) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to four 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 have been filed with the secretary.

I concur.

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

**Advisory Committee, College of Commerce and Business
Administration, Urbana**

(2) The dean of the College of Commerce and Business Administration at Urbana-Champaign has recommended to the chancellor the following new appointments and reappointments to the advisory committee for the college, the terms to expire at the times indicated.

New Appointments***Terms to Expire August 31, 1980***

Jerry E. Dempsey, vice president — chemicals, Borg-Warner Corporation, Chicago
James L. Dutt, president, Beatrice Foods Company, Chicago

S. Martin Hickman, president, Health Care Service Corporation, Blue Cross/Blue Shield, Chicago

Walter C. Kottemann, vice president — network services, Illinois Bell Telephone Company, Chicago

John W. Painter, president, Eagle-Picher Industries, Inc., Cincinnati, Ohio

Robert J. Penn, financial vice president, Unarco Industries, Inc., Chicago

Reappointments

Terms to Expire August 31, 1979

Clarence Burrell, president, Burrell Enterprises, Inc., Cincinnati, Ohio
 Vernon Herndon, senior vice president, Hilton Hotels Corporation, Chicago
 R. A. Stipes, Jr., president, Stipes Publishing Company, Champaign

Terms to Expire August 31, 1980

James R. Arnold, vice president, A. T. Kearney & Co., Chicago
 Victor H. Brown, vice president and controller, Standard Oil Company, Chicago
 Thomas W. Cheney, president, Modern Woodmen of America, Rock Island
 Forrest Colwell, The Colwell Company, Champaign
 Kenneth J. Douglas, chairman of the board, Dean Foods Company, Franklin Park
 Frederick C. Ford, senior vice president, Draper & Kramer, Inc., Chicago
 Robert H. Hayes, president, Robert H. Hayes & Associates, Inc., Chicago
 D. J. Hensler, vice president, Supply Division, Owens-Corning Fiberglas Corporation, Toledo, Ohio
 Sidney T. Keel, senior vice president, agricultural marketing, International Minerals & Chemicals Corporation, Libertyville
 Wendell W. Kelley, chairman and president, Illinois Power Company, Decatur
 Phillip Lifschultz, vice president, Tax Division, Montgomery Ward & Company, Chicago
 Earl Mansfield, treasurer, Masonite Corporation, Chicago
 Earnest E. Rogers, president, Rogers Chevrolet Company, Rantoul
 L. K. Smith, vice president — general manager, United States Steel Corporation Central Steel Division, Chicago

I concur in these recommendations.

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

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. ALAN H. FRIEDMAN, professor of English, beginning September 1, 1978 (A), at an annual salary of \$32,000.
2. CLARK N. GLYMOUR, professor of philosophy, beginning September 1, 1978 (A), at an annual salary of \$25,000.
3. WAYNE J. VILLEMEZ, associate professor of sociology, beginning September 1, 1978 (A), at an annual salary of \$24,000.

Medical Center

4. ANTHONY M. MARINELLI, JR., assistant professor of clinical medicine, beginning March 15, 1978 (1Y), at an annual salary of \$34,500.
5. HARRY SASSOON, associate professor of clinical radiology, on 88 percent time, and physician surgeon, on 12 percent time, Abraham Lincoln School of Medicine, beginning April 1, 1978 (WY88;NY12), at an annual salary of \$55,000.

Urbana-Champaign

6. RICHARD E. BOPP, assistant reference librarian and assistant professor of library administration, beginning April 1, 1978 (NY), at an annual salary of \$12,400.
7. WILLIAM R. DALY, assistant professor of veterinary clinical medicine, beginning June 1, 1978 (1Y), at an annual salary of \$27,500.
8. LLOYD E. DAVIS, professor of veterinary anatomy, physiology, and pharmacology, and of veterinary clinical medicine, beginning April 1, 1978 (AY;NY), at an annual salary of \$37,500.
9. J. MICHAEL FOSTER, assistant music catalog librarian and assistant professor of library administration, Library, beginning March 21, 1978 (NY), at an annual salary of \$12,320.
10. GEORGIA A. PORTUONDO, cataloger and assistant professor of library administration, Library, beginning March 21, 1978 (NY), at an annual salary of \$12,650.
11. RICHARD H. WESLEY, assistant professor of architecture, beginning January 6, 1978 (1), at an annual salary of \$14,000.

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

AMOCO Foundation Awards for Undergraduate Instruction, Urbana

(4) Under the Urbana-Champaign campus undergraduate instructional awards program, awards (generally full-time salary for two months) have for some years been provided for work on projects designed to improve the quality of undergraduate instruction. Following completion of the projects last summer, a campus review committee selected the projects most deserving of recognition for "excellence in teaching in the undergraduate programs by senior staff at the University." The awards are again provided by the AMOCO Foundation.

The committee's selections are:

- CLIFFORD G. CHRISTIANS, research assistant professor of communications, "Guided Decision-Making"
- T. JOHN KIM, assistant professor of urban and regional planning, "Workshop Materials for Land Use Planning"
- ANTHONY L. PERESSINI, professor of mathematics, and WILSON M. ZARING, associate professor of mathematics, "Pilot Project for the Improvement of Course Materials in Calculus and Precalculus Mathematics"

The chancellor at Urbana-Champaign and the vice president for academic affairs have recommended that awards of \$1,000 be made for each of the foregoing projects.

I concur.

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

Curriculum Development Grants for Summer 1978 and Awards for Summer 1977, Chicago Circle

(5) The curriculum development grant program at the Chicago Circle campus seeks to encourage better teaching at all levels by systematic improvement of existing courses or development of new courses. The grants generally provide a full-time salary for two months to the recipients. In addition, those most deserving of recognition may be selected for an additional cash award. In both cases, the

evaluation and selection has been carried out by a campuswide committee which makes its recommendations to the vice chancellor for academic affairs.

From eighteen applications for the summer of 1978, the vice chancellor has recommended to the chancellor grants to the following six faculty members whose projects are believed to hold the greatest potential benefit:

	Salary	Expenses	Total
ROBERT J. BECK, assistant professor of physical education.....	\$ 3 617	\$150	\$ 7 869
HAROLD H. NEMOTO, assistant professor of physical education.....	4 102		
PHILIP E. FREEDMAN, associate professor of psychology.....	2 344 ¹	—0—	3 987
NEAL J. GORDON, assistant professor of education.....	1 643 ¹		
HARRIET B. HARRAL, assistant professor of communication and theatre.....	3 231	—0—	3 231
EDWARD L. SUNTRUP, assistant professor of management.....	4 220	—0—	4 220
Totals.....	\$19 157	\$150	\$19 307

It is further recommended that, of five projects supported under this program during the summer of 1977, special awards of \$500 be given to the following two individuals:

Dale E. Layman, assistant professor of education, The Diagnostic-Prescriptive Process: Video-tape — Programmed Instruction. (Diagnostic-prescriptive teaching is a process which requires a teacher to understand the implications of and evaluation of psychological-educational test data to plan educational programming for exceptional learners.)

William M. Kaplan, associate professor of music, Development of a course in which actual excerpts from music literature were incorporated into the ear training curriculum.

Funds for this program have been included in the appropriation bill of the General Assembly to meet the ordinary and contingent expenses of the University for Fiscal Year (FY) 1979 and will be included in the Chicago Circle campus operating budget authorization request for FY 1979 to be submitted to the Board of Trustees. These grants and awards are subject to the availability of such funds.

The chancellor at Chicago Circle concurs in the recommendations as does the vice president for academic affairs.

I recommend approval.

On motion of Miss Winter, these recommendations were approved.

Administrative Leaves, Chicago Circle and Urbana

(6) In accordance with the plan for administrative leaves approved by the Board of Trustees,² the chancellors at the Chicago Circle and Urbana-Champaign campuses have recommended such leaves for the following persons:

Chicago Circle

TUNIS H. DEKKER, director of the Office of Extension since September 1, 1973, has requested leave for the period January 1 through April 30, 1979. He plans to study methods, sources, and amounts of funding for continuing education and extension at member institutions of the Committee of Urban Public Universities and to review the educational projects and programs for which such funds are designated.

¹ One-month award. All others are two-month awards.

² The plan, approved on June 20, 1973, provides for paid leaves of two to four months for certain administrative officers for the purpose of "keeping abreast of developments in their profession and to find time to design new approaches to their tasks."

MARIE L. JOHNSON, associate dean of student affairs since September 1, 1971, has requested leave for the period January 1 through April 30, 1979. She plans to use the leave to improve her skills in statistics and research and to learn more about computers in order to conduct an evaluation of the student affairs functions at Chicago Circle.

Urbana-Champaign

MILDRED W. BARKSDALE, assistant dean of the College of Liberal Arts and Sciences since August 1973, has requested leave for the period August 20 through December 19, 1978. She intends to study the working relationships between academic assistant deans and counselors in university counseling centers in the delivery of services to students.

HARLAND N. HENSON, director of Study Abroad Office in the Office of International Programs and Studies and in the College of Liberal Arts and Sciences since August 1973, has requested leave for the period July 1 through October 31, 1978. He plans to complete for publication a study of motivations and attitudes of undergraduates regarding foreign study and foreign reactions to University of Illinois at Urbana-Champaign students on host campuses in Great Britain. Part of this leave time will be spent at the University of Illinois at Urbana-Champaign and part in Great Britain.

SANDRA NORRIS, assistant dean of the Office of Student Services since August 1971, has requested leave for the period June 5 through September 30, 1978. She proposes to examine career counseling in the high schools, to investigate career trends, and to obtain information on hiring practices among employers in the state of Illinois. Her work will be centered primarily in the metropolitan Chicago area. (Subsequently resigned and leave was cancelled.)

DAVID OPPERMAN, assistant dean of the College of Engineering since August 1956, has requested leave for the period January 14 through April 21, 1979, in order to experience one full recruiting cycle from the employer's point of view to learn how manpower targets and employment decisions are made in industry. His work will be undertaken at the Hewlett-Packard Corporation headquarters in Palo Alto, California. He has been selected to receive a grant for expenses related to this leave by the National Association of College and University Business Officers.

EMILY PECK, assistant dean of the College of Liberal Arts and Sciences since August 1973, has requested leave for the period January 1 through April 30, 1979. She plans to study the problems of transfer students who enter the physical science and mathematics curricula and to profile their progress at the University of Illinois at Urbana-Champaign through statistical studies.

CLARENCE SHELLEY, dean in the office of student services since June 1974, has requested leave for the periods September 1 through November 30, 1978, and January 1 through January 31, 1979. He plans to develop strategies to improve the level of usage of campus affairs services by minority and low income students at the University of Illinois at Urbana-Champaign.

The proposed leaves have been reviewed by the committee on administrative leaves which recommends approval.

I concur.

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

Sabbatical Leaves of Absence, 1978-79, Urbana

(7) On motion of Mr. Neal, six sabbatical leaves of absence recommended by the chancellor at Urbana-Champaign were granted. These leaves will be included in an annual compilation of 1978-79 sabbatical leaves of absence to be made a part of the board *Proceedings* in March 1979.

Student Service Fee Increase, Chicago Circle, Medical Center, and Urbana

(8) Recommendations are submitted herewith for increases in the student service fee at each campus, beginning with the 1978-79 academic year. These proposed increases may be divided into two components. The first is the additional funding required by the campus facilities and programs to meet the effects of inflation. The second component is the funding necessary to eliminate tuition retention previously required by the student fee support facilities at the Urbana and Medical Center campuses. At the March 1978 meeting, the board endorsed the elimination of tuition retention.

The proposed student service fee increase for each campus,¹ beginning with the 1978-79 academic year, is as follows:

	Current Amount	Operating Require- ments	Percent of Increase	Elimination of Tuition Retention	Proposed Amount
Chicago Circle (per quarter).....	\$47 00	\$5 00	10.6	\$5 00	\$57 00
Medical Center (per quarter).....	77 00	5 00	6.5	5 00	87 00
Urbana-Champaign (per semester).....	65 00	6 50	10.0	7 50	79 00

(The figures above represent the fee for full-time students and, therefore, would be prorated for part-time students.)

Chicago Circle — Operating Requirements

The increase recommended is based on the need to adjust for cost escalation of current services and programs since the last fee increase in 1975. Specific operations supported by the service fee include: student activities, intramural sports and recreation, intercollegiate athletics, the Chicago Circle Center, and the Health Service. The proposed increase was approved by the chancellor upon recommendation of the vice chancellor for administration.

Medical Center — Operating Requirements

The proposed increase is required to cover the cost escalation of salaries, utilities, and general commodities in maintaining the current level of services and programs. The service fee supports the operations of the Chicago Illini Union; Second Unit, Dentistry-Medicine-Pharmacy Building; campus programs; student activities; campus recreation; and student government. The proposed service fee increase was approved by the chancellor upon the review and recommendation of the Chicago Illini Union Board and the Medical Center Executive Student Council.

Urbana-Champaign — Operating Requirements

Of the proposed increase, \$2 will provide for cost escalation of salaries, utilities, and general commodities in maintaining the current levels of service and programs in the Assembly Hall, Illini Union, McKinley Health Center, Intramural-Physical Education Building, and Student Services Building operations. Four dollars and fifty cents of the fee is being allocated to the Illini Union to reduce the working capital deficit associated with maintaining required inventory levels, primarily in the bookstore operations. The increases were approved by the chancellor and the vice chancellor for campus affairs upon the recommendation of a Service Fee Advisory Committee.

¹ *Historical Summary of Student Service Fee* — The following summary reflects the student service fee (excluding the hospital-medical-surgical fee) for the last three academic years and the proposed fee for 1978-79:

	1975-76	1976-77	1977-78	1978-79
Chicago Circle (per quarter).....	\$47	\$47	\$47	\$57
Medical Center (per quarter).....	67	73	77	87
Urbana-Champaign (per semester).....	58	63	65	79

Elimination of Tuition Retention

The proposed increase at each campus of \$15 per year (\$5 per quarter or \$7.50 per semester) allows for the elimination of tuition retention funds required by the fee-supported facilities to meet their previous debt service requirements.

I concur in these recommendations and recommend their approval.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet; no, Miss Winter.

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

Rate Increases for University-Operated Housing Facilities, Urbana and Medical Center

(9) The chancellors at the Urbana-Champaign and Medical Center campuses have recommended rate increases for University-operated housing facilities beginning with the 1978-79 academic year. The rates proposed are necessary to offset the inflationary cost increases anticipated in utilities (15 percent), salaries (8 to 10 percent), food supplies (7 percent), and general commodities (6 percent), in order to maintain the current level of services and programs of these facilities. The proposed rate increases for the academic year 1978-79 are to offset the inflationary impact of housing operations only.

The proposed annual rate increases are as follows:

Urbana-Champaign

	Current	Proposed	Increase	Percent of Increase
<i>Undergraduate Housing (room and board)</i>				
Single.....	\$1 684	\$1 796	\$112	6.6
Double.....	1 492	1 590	98	6.6
Triple.....	1 404	1 496	92	6.6
<i>Graduate Housing</i>				
Sherman Hall — single.....	\$ 872	\$ 924	\$ 52	6.0
Sherman Hall — double.....	832	882	50	6.0
Daniels Hall — single.....	760	806	46	6.0
Daniels Hall — double.....	678	718	40	6.0
Optional board contract.....	860	920	60	7.0
<i>Cooperative Houses</i>				
Alpha and Gamma — shared.....	\$ 580	\$ 628	\$ 48	8.3
Alpha and Gamma — single.....	632	682	50	8.0
Delta.....	850	918	68	8.0
French.....	1 230	1 324	94	7.6

Medical Center

	Current	Proposed	Increase	Percent of Increase
<i>Housing</i>				
Student Residence Hall — double... ..	\$ 808	\$ 873	\$ 65	8.0
Women's Residence Hall — double... ..	853	921	68	8.0
<i>Board Contract</i>				
Fourteen-meal plan.....	\$ 840	\$ 924	\$ 84	10.0

I concur in these recommendations and recommend their approval.

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

Amendment to the Bylaws of the Board of Trustees

(10) At the request of bond counsel (Chapman and Cutler) in connection with the refinancing issue, it apparently is in order for there to be an amendment of the Bylaws of the board as they relate to the duties of the treasurer.

The amendment would also incorporate into the Bylaws the past practices of the board. Accordingly, the following changes in Article VI, Section 4, of the Bylaws of the board are recommended (new material is in italics):

Sec. 4. Treasurer. The Treasurer shall be the custodian of all the funds and securities belonging to the University. He shall give bond for the faithful performance of his duties and the proper accounting and delivery thereof, whenever required and with such security as may be approved by the Board.

Such bond shall be in such amount as the Board may require from time to time, but not for less than five hundred thousand dollars.

He shall not have authority to invest any permanent funds or convert any securities in his hands, except as directed by the Board. *He shall not have authority to act or vote upon the making or letting of any University contract or the performance of any work, including but not limited to, the selection of any bank in which the University's funds or property may be deposited.*

He shall pay out of any funds, such sums only as shall be represented by warrants signed by the President of the Board and countersigned by the Secretary of the Board.

He shall make a detailed report to the Board of all securities held by him and of all receipts and disbursements annually, or oftener when required, beginning with the balances shown in last report.

On motion of Mr. Neal, this recommendation and the proposed revision of Article VI, Section 4, of the Bylaws of the Board of Trustees were approved.

Revised Project Cost, Single-Student Residence; and Its Inclusion in Campus Life Auxiliary Support System, Medical Center

(11) On April 20, 1977, the Board of Trustees approved the construction of a 200-unit residence facility at the Medical Center campus and authorized the employment of architectural and engineering services for planning. The cost of the project was then estimated to be \$7,500,000.

On December 18, 1977, the total of the low bids received exceeded the funds available to finance the project by approximately 10 percent (\$585,000), and on January 18, 1978, the president of the University reported the rejection of the bids.

An analysis has indicated that the high level of bids was due primarily to an unpredicted increase in construction costs during the last quarter of 1977. The architects (Dubin, Dubin, Black, & Moutoussamy, Chicago) have now reviewed the plans and the program with University officers and have recommended modifications that will result in a revised project cost of \$8,000,000.

The economics feasibility study indicates that the facility will be self-supporting for operations, including the funding requirement for debt service and building renovations and repair reserve.

Therefore, the president of the University recommends that the Board of Trustees authorize the project at a cost not to exceed \$8,000,000, and that the project be included in the Campus Life Auxiliary Support System Parity Bond Issue "N." (It is anticipated that bids will be received in August or September 1978.)

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

On motion of Mr. Lenz, these recommendations were approved and authority was given as recommended by the following vote: Aye, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, Mr. Forsyth; absent, Governor Thompson.

CHANGE OF DATE FOR MAY 1978 MEETING

In the presentation of the following items (related to the advance re-fund bond sale), it was pointed out that there will be sales of bonds by state and state-related agencies in the next few weeks and that the Governor's Office and the Bureau of the Budget have indicated that additional time between the sale of these bonds and the University's bond sale will be advantageous to both. Accordingly, the president recommended that the Board of Trustees change its regular May 1978 meeting date from May 17 to May 24, to delay briefly board action regarding the proposed University bond sales. On motion of Mr. Neal, the trustees unanimously approved the change as recommended.

[Subsequently, in view of new rules issued by the Department of the Treasury, Internal Revenue Service, relating to arbitrage bonds, it became necessary to call a special meeting of the board to authorize the bond sale earlier than planned. Such a meeting was held on May 15, 1978, in Springfield, Illinois. (The minutes of that meeting are published following these minutes.)]

Preliminary Official Statement, Advance Re-Funding Bond Issue

(12) At the March 15, 1978, meeting of the board, authorization was given to proceed with a planned underwriting for an advance re-funding bond issue encompassing all outstanding bonded indebtedness of the University as of April 12, 1978, and encompassing the outstanding existing indebtedness on loans of the University of Illinois Foundation on Memorial Stadium and the Intramural-Physical Education Building.

A draft "Preliminary Official Statement" has been prepared by A. G. Becker, with the assistance of Chapman and Cutler, bond counsel, and the University. It is desirable for the Board of Trustees to approve the statement in order to proceed to obtain the necessary certifications and bond ratings and to arrange for the planned underwriting sale.

The statement has been reviewed and approved by Chapman and Cutler.

The vice president for administration has recommended approval of the "Preliminary Official Statement"¹ for the Advance Re-Funding Bond Issue of 1978 and has requested authority to procure any necessary outside public accounting firm certifications, bond ratings, and other legally required documents in connection with the bond issue. A formal resolution adopting a final "Official Statement" will be presented to the board for approval at the May 1978 meeting.

I concur and recommend the adoption of the following resolution:

The form of the "Preliminary Official Statement" presented to this meeting is hereby approved, and the comptroller or the assistant comptroller of the board is hereby authorized and directed to execute the same in the name and on behalf of the board in substantially the form presented to this meeting, or with such changes as may be approved by the officer of the board executing the same, his execution thereof to constitute conclusive evidence of the board's approval of all changes from the form

¹ A copy has been filed with the secretary of the board for record.

thereof presented to this meeting; provided, however, that if any such changes constitute a substantial change in the form of the "Preliminary Official Statement" presented to this meeting they shall first be approved by the Executive Committee of the board, to which authority for such approval is delegated by the board.

On motion of Mrs. Rader, the foregoing resolution was adopted.

**Contract with A. G. Becker to Serve as Financial Adviser,
Series N Parity Bonds**

(13) The board approved on March 15, 1978, a contract with A. G. Becker Municipal Securities, Incorporated, to serve as financial adviser to the University for the advance re-funding bond sale. A proposal has now been received from A. G. Becker to serve as financial adviser to the University for the issuance of \$35,500,000 in parity bonds to be known as Series N under the Campus Life Auxiliary Support System.

A. G. Becker will provide the following advisory services for a fee¹ of \$50,500, with payment to be made upon successful completion of the competitive sale and subsequent delivery of the bonds:

1. Analyze the financial and other economic factors relating to the proposed bonds, including any related estimates of possible future financial and other economic consideration; coordinate financial activities with the University engineers, architects, accountants, and other specialists engaged by the Board of Trustees; and plan a financial program for the issuance and sale of bonds to be presented to the board for approval.
2. Prepare the "Official Statement" and distribute it to potential underwriters.
3. Recommend the necessary provisions and covenants to be contained in the bond authorizing and securing instruments, including, but not limited to, bond amounts, dates, maturities, interest rates, redemption provisions, flow of funds, debt service coverage requirements, reserve funds, rates and charges, security pledges, and, if required, conditions relating to the issuance of any additional bonds.
4. Coordinate work with bond counsel regarding the financial and security provisions to be contained in the instruments authorizing and securing the bonds, attend meetings, and otherwise assist to the extent reasonably necessary and proper.
5. Prepare any necessary illustrations, charts, graphic presentations, and other information of use to potential underwriters and investors.
6. Initiate and conduct an information program designed to stimulate interest of underwriters and investors in purchasing the bonds.
7. Prepare information necessary to obtain the most favorable bond rating and present this information to the major bond rating organizations.
8. Advise and assist in arranging for printing, execution, and signing and delivery of the bonds after the bond sale.
9. Attend any sale of the bonds to advise and assist in awarding the sale of the bonds to the buyer that is in the best interest of the University.
10. Meet with representatives of the University and with the parties designated for such purpose by the University at all reasonable times.
11. Advise the University as to the time, or times, of offering of the obligations and the most favorable method of sale of the board's bonds, taking into account market conditions and other known offerings of bonds.

The foregoing assistance shall be of a technical nature. The University shall at all times independently determine all matters of fiscal and financial policy with respect to the financing and construction of facilities. Without limiting the generality of the foregoing, nothing herein or otherwise shall make or authorize A. G.

¹ Fee schedule: For the first \$10,000,000 — \$2.50 per \$1,000; for all over \$10,000,000 — \$1.00 per \$1,000.

Becker to act as agents or employees of the University, or shall establish any fiduciary or confidential relationship, or shall limit or restrict in any way the unqualified right of the University to proceed with the construction and financing of facilities at such time and in such manner as it deems to be in its own best interest.

The University will bear all proper expenses of printing the revenue bonds, the Bond Resolution, the Official Statement, such reports as may be issued with A. G. Becker's approval, and the cost of advertising for bids for the sale of the bonds.

The University has been advised by A. G. Becker that, once the "System" has been established and the first series of "Parity Bonds" have been issued thereunder, financial services, such as are provided by A. G. Becker, for future "Parity Bond" issues will not be required.

This contract is considered exempt from competitive bidding procedures as service requiring professional skills.

The vice president for administration has recommended acceptance of the proposal and has requested authorization for the appropriate officers to execute the documents necessary to authorize A. G. Becker to act as financial adviser to the University for this undertaking.

I concur.

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

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

Employment of Chapman and Cutler to Serve as Bond Counsel, Series N Parity Bonds

(14) On March 15, 1978, the Board of Trustees authorized the employment of the law firm of Chapman and Cutler to act as bond counsel for the University in connection with the advance re-funding bond issue. The university counsel has recommended that the firm also be employed as bond counsel in connection with the issuance by the University of approximately \$35,500,000 in parity bonds to be known as Series N under the Campus Life Auxiliary Support System.

I concur.

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

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

Establishment of Parking Operations Development Reserve Fund and Award of Contracts for Site Improvements, Medical Center

(15) In December 1975, the City Council of the city of Chicago approved an ordinance vacating Hermitage Avenue between West Polk Street and West Taylor Street. The site of the replacement hospital includes the southern portion of the vacated street. All of the improvements within the hospital site are being financed by Capital Development Bond Funds, except for landscape improvements on the perimeter.

The University, through the proceeds of sale of revenue bonds, constructed a 1,100-car parking structure east of the replacement hospital. In addition to the

parking structure, the University proposes to expand an existing parking lot (Lot E) which is adjacent to the replacement hospital.

Other site improvements also are contemplated for the area north of the replacement hospital between the Pharmacy Building and Paulina Avenue. These improvements include:

1. Sprinkler system and protective covering under the Chicago Transit Authority tracks;
2. Resurfacing and striping of expanded Parking Lot E;
3. A covered pedestrian way, extending from the west side of Paulina Avenue adjacent to the parking structure to the north side of the replacement hospital;
4. Pedestrian lighting and a pedestrian walk and service drive in the remaining portion of the vacated Hermitage Avenue north of the replacement hospital.

The work would be undertaken in three phases, at a total project cost of \$428,600. Funds are available from the following sources:

1. FY 1978 general revenue appropriations..... \$200 000
2. Uncommitted balance in the project budget
for Parking Structure No. 1..... \$ 25 000
3. Repair and renovation funds from the Parking Revenue Bonds,
Series of 1976.....\$203 600

On May 18, 1977, the trustees approved guidelines and definitions pertaining to locally held funds. In accordance with those guidelines, the president of the University, with the concurrence of appropriate administrative officers, recommends the establishment of a parking operations development fund reserve from the Parking Operations Auxiliary Enterprise, at the Medical Center campus, in the amount of \$203,600.

It is further recommended that the following contracts be awarded for site work for vacated Hermitage Avenue and Parking Lot E at the Medical Center campus, the award in each case being to the low base bidder.

<i>General Work</i>	<i>Base Bid</i>
Wm. J. Scown Building Co., Chicago.....	\$146 000
<i>Electrical Work</i>	
Fries Walters Company, Hillside.....	42 700
<i>Total</i>	\$188 700

Funds are available from the FY 1978 state appropriations to the University.

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 recommendations were approved and the 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 Minor Repairs, Relamping, and Cleaning Lighting Fixtures, Chicago Circle and Medical Center

(16) The president of the University, with the concurrence of appropriate administrative officers, recommends award of a contract, subject to the availability of funds, in the amount of \$113,490 to Sylvania Lighting Services Corp., Elk Grove Village, the low bidder, on its base bid for minor repairs, relamping, and cleaning of lighting fixtures in selected buildings during FY 1979 at the Chicago Circle and Medical Center campuses.

Funds have been included in the appropriation bill of the General Assembly to meet the ordinary and contingent expenses of the University for FY 1979. The funds will be included in the Physical Plant Department operating budget authorization request for the Chicago campuses for FY 1979 to be submitted to the Board of Trustees. This contract is subject to the availability of such funds.

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. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Mr. Lenz, Governor Thompson.

Lease of Space for Cooperative Extension Service, Cook County

(17) The president of the University, with the concurrence of appropriate administrative officers, recommends the execution of an agreement, subject to the availability of funds, to lease 1,950 square feet of space located at 17500 South Oak Park Avenue, Tinley Park, Illinois. The space is for the Cook County Cooperative Extension Service Office. The period of the lease is from July 1, 1978, through June 30, 1979, at a monthly rental of \$1,137.50.

Funds have been included in the appropriation bill of the General Assembly to meet the ordinary and contingent expenses of the University for FY 1979 and will be included in the County Extension Trust Fund operating budget authorization request for FY 1979 to be submitted to the Board of Trustees. This lease is subject to the availability of such funds.

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

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

Sale of Property, Will County (Report for Information)

(18) On January 18, 1978, the trustees authorized the sale of a 253.78-acre farm in Will County by sealed bid auction. The auction brought a high, acceptable bid of \$2,800 per acre from N. Keith Jackson, Manteno. The bid was in excess of all appraisals. The president of the University reports that a contract of sale has been entered into with Mr. Jackson and the purchase price will be paid in full and possession delivered on April 15, 1978.

This report was received for record.

Authorization for Use of Bank Credit Cards, Urbana

(19) For some years the directors of the Assembly Hall, Krannert Center for the Performing Arts, and the University Press at the Urbana campus have been considering the use of credit cards for box office orders and for the sale of books and other published materials. Similar organizations throughout the country are following this procedure, and a significant percentage of sales are handled in this way. It is anticipated that the use of credit cards in these University activities will increase sales and possibly reduce operating costs incurred for mail and telephone services.

Accordingly, sealed bids were solicited in accordance with *Regulations Governing Procurement and Bidding at State Systems Universities in Illinois*. In addition, all of the banks in Champaign and Urbana were invited to bid on the service as were two major Chicago banks. All were requested to present proposals for providing both Master Charge and VISA services. Responses expressing interest con-

sistent with University specifications were received from four of the banks. It appears that the Champaign National Bank in Champaign offers the most advantageous proposal for providing the service as measured by the lowest net cost to the University.

Initially, the credit card usage will be confined to the operations of the Assembly Hall, Krannert Center for the Performing Arts, and the University Press. If successful in these operations, its use may be extended to other auxiliary enterprise activities at Urbana.

The chancellor at the Urbana-Champaign campus has recommended that authorization be given to utilize credit cards as described.

Therefore, I recommend that the comptroller and the secretary be authorized to execute contracts and establish appropriate bank accounts with the Champaign National Bank in Champaign to provide services of Master Charge and VISA to the University for an initial period covering the balance of the fiscal year ending June 30, 1978, with an option to renew the arrangement for FY 1979 under the same prices, terms, and conditions, based on a continuing need and the availability of funds. It is also recommended that the comptroller be authorized to exercise such an option.

It is further recommended that the following resolutions be adopted.

Resolution of the Board of Trustees

(Authority to Open Deposit Account)

I hereby certify that I am the duly elected and qualified Secretary of The Board of Trustees of the University of Illinois and the keeper of the records and corporate seal of said Corporation and that the following is a true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said Corporation held in accordance with the Bylaws of said corporation at Chicago on the 12th day of April 1978.

Be It Resolved, that Champaign National Bank, Champaign, Illinois, be, and it is hereby, designated a depository of this corporation and that funds so deposited may be withdrawn upon a check, draft, note, or order of the corporation.

Be It Further Resolved, that all checks, drafts, notes, or orders drawn against said account be signed by any one of the following:

<i>Name</i>	<i>Title</i>
R. W. Zimmer	Assistant director of business affairs
Ray D. Sanden	Collection specialist
Debra K. Goodin	Accountant
Harold G. Poindexter	Director of business affairs

and countersigned by any one of the following:

<i>Name</i>	<i>Title</i>
Michael L. Crowell	Chief accountant
Robert H. Suter	Assistant chief accountant
Charles O. Parvin	Supervising accountant

whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes, or orders drawn against said Bank shall be valid unless so signed.

Be It Further Resolved, that said Bank is hereby authorized and directed to honor and pay any checks, drafts, notes, or orders so drawn, whether such checks, drafts, notes, or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes, or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes, or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes, or orders, or to the individual credit of any of the other officers or not. This resolution shall continue in force, and said Bank may consider the facts concerning the holders of said offices, respectively, and their signatures

to be and continue as set forth in the certificate of the secretary or assistant secretary, accompanying a copy of this resolution when delivered to said Bank or in any similar subsequent certificate, until written notice to the contrary is duly served on said Bank.

In Witness Whereof, I have hereunto affixed my name as Earl W. Porter, secretary, and have caused the corporate seal of said corporation to be hereto affixed this 14th day of April 1978.

Secretary

I, Ronald W. Brady, comptroller of said corporation, do hereby certify that the foregoing is a correct copy of a resolution adopted as above set forth.

Comptroller

Corporate Resolution — Depository

I, Earl W. Porter, do hereby certify that I am the duly elected and acting secretary and the keeper of the records and corporate seal of The Board of Trustees of the University of Illinois, a body corporate and politic organized and existing under the laws of the State of Illinois, and that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Trustees thereof, convened and held in accordance with law and the Bylaws of said corporation on the 12th day of April 1978, and that such resolutions are now in full force and effect and are not in contravention of, or in conflict with, the Bylaws or the charter or articles of incorporation of said corporation:

Be It Resolved, that any one of the following: the comptroller and the secretary of this corporation be and hereby are authorized:

To execute and deliver on behalf of this corporation a Town & Country Charge Member Agreement between this corporation, The Board of Trustees of the University of Illinois, and Champaign National Bank of Champaign, Illinois, and Town & Country Charge, a division of Continental Illinois National Bank and Trust Company of Chicago ("Town & Country"), and supplemental agreements amending or revising such Agreement from time to time; and

To deliver for credit, in accordance with the terms of such Member Agreement and any supplemental agreements thereto (such Member Agreement and supplemental agreements being hereafter referred to as the "Agreement"), such sales slips as are executed and delivered to the corporation as payment for merchandise and/or services sold through the use of Master Charge and/or VISA Charge Cards or any other charge card issued by a member of the Interbank Card Association and/or VISA U.S.A., Inc.; to execute and deliver credit slips in accordance with the terms of the Agreement; and to pay any amounts payable by this corporation under the terms of the Agreement; and

To pay all fees imposed upon this corporation as a condition of becoming or continuing as a Member of Town & Country Charge Plan, and to perform all acts and execute and deliver all such other instruments or documents which Town & Country or Depository may deem necessary to carry out the purposes and intent of the Agreement and these Resolutions; and

Be It Further Resolved, that the secretary or any other officer of this corporation be and hereby is authorized to certify to Town & Country and Depository a copy of these resolutions and the names and signatures of this corporation's officers or employees hereby authorized to act in the premises, and Town & Country and Depository each is hereby authorized to rely upon such certificate until formally advised by a like certificate of any changes therein, and upon any such additional certificates.

On motion of Mr. Overstreet, the foregoing resolutions were adopted.

Certificate of The Board of Trustees of the University of Illinois.

I, Earl W. Porter, do hereby certify that I am the duly elected and qualified

secretary and the keeper of the records and corporate seal of The Board of Trustees of the University of Illinois, a corporation organized and existing under the laws of the state of Illinois, and that the following persons have been appointed or elected, have qualified, and are now acting as officers or employees of said corporation in the capacity set after their respective names:

<i>Name</i>	<i>Title</i>
R. W. Zimmer	Assistant director of business affairs
Ray D. Sanden	Collection specialist
Debra K. Goodin	Accountant
Harold G. Poindexter	Director of business affairs

and countersigned by any one of the following:

<i>Name</i>	<i>Title</i>
Michael L. Crowell	Chief accountant
Robert H. Suter	Assistant chief accountant
Charles O. Parvin	Supervising accountant

In Witness Whereof, I have subscribed my name as secretary and have caused the corporate seal of said corporation to be hereunto affixed this 14th day of April, 1978.

Secretary

Extended Use of Depositaries at Rockford and Peoria, Medical Center

(20) The vice president for administration has recommended that previous board authorization for the deposit of Medical Service Plan receipts in the American National Bank & Trust Co. of Rockford and the Commercial National Bank of Peoria be extended to include all University receipts at these respective locations.

Authorization is needed so that continuing education receipts, tuition and fees, library charges, parking charges, and other funds collected for the Rockford School of Medicine and the Peoria School of Medicine can be deposited safely and promptly.

I concur and recommend approval.

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

Purchases

(21) 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	\$111 627 22
<i>From Institutional Funds</i>	
Recommended	880 546 39
<i>Grand Total</i>	<u>\$992 173 61</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. Velasquez, 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

(22) 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

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

Medical Center

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
The National Foundation CPE-2/10-12	Support education programs for health professionals in perinatal health care	\$ 47 000
State of Illinois Department of Mental Health and Developmental Disabilities 720-03	Provide community-based programs for the developmentally disabled	38 160
	Aberrations in endocrine and neurochemical control in alcoholism	28 989
United States Department of Health, Education, and Welfare, Public Health Service 232-78-0007	Operate an area health education center	2 037 312
<i>Total</i>		<u>\$2 151 461</u>

Urbana-Champaign

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
The American Soybean Association Research Foundation 78-ASARF-521-3	Soybean improvement using tissue culture techniques	\$ 45 000
Champaign Consortium VI-P023	Operate an employment and training program	88 068
Macro Systems, Inc.	Drug abuse studies	41 577
State of Illinois Department of Children and Family Services S243002	Develop a model child abuse and neglect network	9 162
State of Illinois Office of Education H431	Provide consulting linkage training skills	11 991
State of Illinois Office of the State Fire Marshall	Operate a fire college and regional fire school	245 000
United States Army: DACW72-78-C-0005	Grain commodity flow study for calendar year 1977	95 894
Construction Engineering Research Laboratory	Provide assistance in environmental studies	58 351
	Provide accounting expertise	6 175
	Assist on research of Corps of Engineers operations	37 337
	Assist in computer programming	17 974
United States Department of Energy: EM-78-S-02-4628	Evaluate the total energy requirements of alternate patterns of personal consumption	100 000
ER-78-S-02-4679	Evaluate candidate ferroelectric materials for dielectric power conversion	71 000

United States Department of Health, Education, and Welfare 400-78-0008	ERIC Clearinghouse on early childhood education	215 651
University of Chicago, Argonne National Laboratory 31-109-38-4104	Assist in nuclear power project training for managers	18 290
University of Kentucky Research Foundation UKRF A4121-78-29	Swine as an animal model for human oral bioavailability testing	46 175
<i>Total</i>		<u>\$1 107 645</u>

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Illinois State University (subcontract under State of Illinois Department of Transportation FAP 409)	Prepare a contour map of archaeological sites	\$ 10 309
Science Spectrum, Inc. (subcontract under United States Department of Health, Education, and Welfare 223-74-7178)	Detect drug residues in tissue of food-producing animals	14 642
Southern Illinois University (subcontract under State of Illinois Department of Transportation FAI-270)	Establish a program of cooperative archaeological mitigation	48 415
University of Minnesota (subcontract under United States Department of Interior 14-34-0001-8081)	Develop methods to detect trace amounts of selected carcinogenic amines in water and screening of selected Midwestern water supplies	18 105
<i>Total</i>		<u>\$ 91 471</u>

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
United States Air Force AFOSR 77-3195	Fatigue crack initiation and propagation of members subjected to variable loadings	\$ 42 928
United States Army, Construction Engineering Research Laboratory	Provide accounting services	13 881
	Develop analytical methods	6 503
	Provide computer analyst services	7 063
	Provide systems engineering services	5 680
	Provide assistance in architectural research development	16 846
University of Maryland PI-55	Provide PLATO IV terminals and services	20 712
<i>Total</i>		<u>\$ 113 613</u>

Summary

Amount to be paid to the University:	
Medical Center.....	\$2 151 461
Urbana-Champaign.....	1 221 258
<i>Total</i>	<u>\$3 372 719</u>
Amount to be paid by the University:	
Urbana-Champaign.....	\$ 91 471
<i>Total</i>	<u>\$ 91 471</u>

This report was received for record.

Annual Report of the Treasurer

(24) In accordance with the Bylaws of the Board of Trustees, the treasurer of the University has submitted a report of receipts and disbursements of University funds in his custody for the period March 1, 1977, to February 28, 1978, certified by the comptroller. A copy of this report was sent to each member of the Board of Trustees prior to the meeting, and a copy is filed with the secretary of the board.

This report was received for record.

Report of Investment Transactions through March 31, 1978

(25) The comptroller presented the investment report as of March 31, 1978.

**Changes in Endowment Pool Investments
(Under Finance Committee Guidelines)**

Date	Face Value or Number of Shares	Description	Cost or Yield (Percent)	Amount
Purchases:				
3/28	\$ 52 000	Hertz demand notes.....	7.11%	\$ 52 000 00
3/29	38 000	Hertz demand notes.....	7.11	38 000 00

**Changes in Other Investments
(Under Comptroller's Authority)**

Date	Face Value or Number of Shares	Description	Cost or Yield (Percent)	Amount
Sales:				
3/1	\$ 300 000	First National Bank of Chicago open-end time deposit..		\$ 300 000 00
3/8	710 417	First National Bank of Chicago open-end time deposit..	710 416 50	710 416 50
3/9	20 000	U.S. Treasury 7½ percent notes due 8/15/78.....	20 119 52	20 007 50
3/10	1 700 000	First National Bank of Chicago open-end time deposit..	1 700 000 00	1 700 000 00
3/15	2 000 000	U.S. Treasury bills due 6/27/78.....	1 897 146 67	1 963 426 67
3/29	2 895 000	U.S. Treasury bills due 3/6/79.....	2 698 870 60	2 706 882 90
Purchases:				
2/6	\$ 930 669	First National Bank of Chicago open-end time deposit.....	5.00%	\$ 930 669 44
2/24	150 000	U.S. Treasury bills due 3/23/78.....	5.67	149 364 38
2/28	610 000	U.S. Treasury bills due 3/23/78.....	5.72	607 779 94
2/28	360 000	U.S. Treasury bills due 9/19/78.....	6.96	346 399 00
2/28	15 000	U.S. Treasury 6½ percent notes due 8/31/79.....	7.52	14 870 31
2/28	175 000	U.S. Treasury 8 percent notes due 2/15/83.....	7.83	176 228 13
3/1	75 000	U.S. Treasury bills due 9/19/78.....	6.92	72 197 50
3/3	45 000	U.S. Treasury bills due 9/19/78.....	6.95	43 375 00
3/6	3 000 000	Continental Bank 6.65 percent time deposit due 4/5/78.....	6.65	3 000 000 00
3/7	2 047	First National Bank of Chicago open-end time deposit.....	5.00	2 046 90
3/7	85 000	U.S. Treasury bills due 3/23/78.....	5.76	85 782 78
3/7	10 000	U.S. Treasury bills due 7/25/78.....	6.36	9 758 72
3/7	200 000	U.S. Treasury bills due 9/19/78.....	7.11	192 769 78
3/7	2 145 000	U.S. Treasury bills due 3/6/79.....	7.28	1 997 953 10
3/8	413 665	McLean County Bank 7 percent certificate of deposit due 6/6/78.....	7.00	413 665 34
3/8	1 000 000	Union Bank of Los Angeles 7½ percent certificate of deposit due 7/24/78 dated 1/23/78.....	7.10	1 001 249 83
3/9	350 000	First National Bank of Chicago open-end time deposit.....	5.00	350 000 00
3/10	1 000 000	First National Bank of Springfield 7 percent certificate of deposit due 7/18/78..	7.00	1 000 000 00
3/15	50 000	U.S. Treasury bills due 3/6/79.....	7.28	46 647 67
3/16	20 000	U.S. Treasury bills due 9/19/78.....	6.80	19 317 45

3/17	\$	3 935	First National Bank of Chicago open-end time deposit.	5.00%	\$	3 935 18
3/17		509 938	National Republic 6½ percent certificate of deposit due 6/15/78.	6.88		509 937 50
3/17		713 670	Palmer American ¾ percent certificate of deposit due 6/15/78.	6.75		713 670 14
3/20		2 817 239	Continental Bank 6.60 percent time deposit due 4/19/78.	6.60		2 817 238 89
3/20		3 358	First National Bank of Chicago open-end time deposit.	5.00		3 357 69
3/20		1 500 000	First National Bank of Chicago 6½ percent certificate of deposit due 7/20/78.	6.88		1 500 000 00
3/20		1 030 000	U.S. Treasury bills due 9/14/78.	6.77		996 642 31
3/23		1 450 000	U.S. Treasury bills due 3/6/79.	7.24		1 355 107 17
3/27		1 000 000	LaSalle National Bank of Chicago 7.10 percent certificate of deposit due 8/8/78.	7.05		1 000 181 35
3/28		86 000	Hertz demand notes.	7.11		86 000 00
3/28		245 000	U.S. Treasury bills due 9/19/78.	6.66		237 318 23
3/31		1 034 090	Bussey First National Bank 6½ percent certificate of deposit due 5/3/78.	6.38		1 034 090 32
3/31		1 000 000	Northern Trust 7.20 percent certificate of deposit due 9/27/78.	7.20		1 000 000 00

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

Contract for Police Social Work Services, Urbana

(26) Since 1975 the police departments of the cities of Champaign and Urbana and the University of Illinois at Urbana-Champaign have been participating in a police social work program. The program has been funded with federal, state, and local funds—the federal and state funds coming from the Federal Law Enforcement Assistance Administration and the Illinois Law Enforcement Commission on a step-down basis.¹ The city of Champaign has served as the principal applicant for the grant and, by agreement between the cities and the University, Champaign provides the necessary governmental services, including the employment of necessary personnel. The city of Champaign bills the other jurisdictions for their respective share of the local match based upon budgets approved jointly by representatives of the three jurisdictions.²

The program provides the respective law enforcement agencies with a coordinated twenty-four-hour social worker operated service for dealing with situations involving social and psychological disorders in the local community. This program has successfully relieved police officers of time-consuming responsibilities for which they have insufficient professional preparation.

The police departments of all three jurisdictions have recommended that the program be funded for at least one additional year.

The University's share of the total cost is \$17,216, which provides for the University's participation for the period May 1, 1978, through April 30, 1979. The University police department has sufficient funds in its current budget (\$2,869) to cover the period from May 1, 1978, to June 30, 1978, and will have available the balance of \$14,346 for the period July 1, 1978, through April 30, 1979, subject to the appropriation of such funds to the University.

The chancellor at the Urbana campus has recommended that authorization be granted to pay \$2,869 this fiscal year and the balance of \$14,346 during the next fiscal year, subject to the appropriation of such funds to the University, to the city of Champaign pursuant to the agreement as described and for the period specified.

I recommend approval.

¹ This step-down basis provided for a 95 percent federal and state and 5 percent local cash match for the period September 1, 1975, to August 31, 1976; 62 percent and 38 percent, respectively, for the period September 1, 1976, to April 30, 1977; and 33 percent and 67 percent, respectively, for the period May 1, 1977, to April 30, 1978.

² The University's share of the local match has been 32 percent or a total of \$9,838 for the entire period September 1, 1975, through April 30, 1978.

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

On motion of Miss Conlon, 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.

1978 Interession, Urbana

(27) Students at the Urbana campus have expressed increasing interest in the development of short-term, intensive courses for periods between the academic year and the summer session. Such a program will allow students to take courses which are not well adapted to extended periods, as well as permit the greater use of facilities which would otherwise be idle.

An Urbana campus committee has recommended that such a program, to be known as Interession 1978, be conducted on an experimental basis from May 22 through June 9. It would involve approximately 200 continuing students in six to seven courses in the College of Liberal Arts and Sciences. The courses, in fields such as anthropology, geology, English, and biology, have been selected to test the interession format in field trip settings as well as laboratory and classroom situations.

Tuition for the three-week interession program would be the same as that charged for the eight-week summer session with identical credit ranges. Tuition waivers currently authorized for students and staff would be applicable. Because this program is limited to continuing students last enrolled for spring 1978 whose service fee and hospital-medical-surgical coverage extends through June 13, 1978, no additional fees for these purposes need be assessed.

Faculty on regular academic-year appointments will be given an additional appointment (analogous to a summer session appointment) providing up to one-ninth of their academic-year salary.

Funds for the program, estimated at \$16,500, are available in the summer session budgets of the Chancellor's Office and the College of Liberal Arts and Sciences.

The chancellor at the Urbana campus has recommended the adoption of the Interession 1978 program as outlined above as an amendment to the 1978 summer session budget for the Urbana campus approved by the board March 15, 1978. The vice president for academic affairs concurs.

I recommend approval.

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

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

SECRETARY'S REPORT

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

ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Howard called attention to the schedule of regular meetings for the next three months: May 24, Chicago Circle; June 21, Urbana; July 19, Medical Center.

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

RECESS AND EXECUTIVE SESSION

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

Purchase of Property, 907 West Illinois Street, Urbana

(28) The president of the University, with the concurrence of appropriate administrative officers, recommends that the University of Illinois Foundation be requested: (1) to purchase the property at 907 West Illinois Street, Urbana, at a price of \$72,970; and (2) to lease the property to the University at a rental sufficient to enable the foundation to pay the interest on a loan secured to finance the acquisition. The property is owned by the Wesley Foundation and operated as a cooperative student house. When purchased, the property will be assigned to the Housing Division for the same use.

It is also recommended that authorization be given to enter into a lease with the foundation until June 30, 1978, with options for annual renewals thereafter during the term of the lease, subject to funds being made available. The lease will also provide an option for the University to acquire the property at its acquisition cost.

Funds through June 30, 1978, are available in the budget of the Housing Division, and funds required after that date will be included in the budget on an annual basis.

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

On motion of Mr. Livingston, the purchase of this property at the price indicated was authorized, and authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, Mr. Lenz; absent, Governor Thompson.

Litigation Initiated by Sandor John

(29) A complaint has been filed in the United States District Court for the Northern District of Illinois, Eastern Division (Case No. 78C 1224), by Sandor John and the Spartacus Youth League, alleging that certain regulations adopted at the Chicago Circle campus and actions of University employees in implementing the same have constituted a deprivation of the plaintiff's rights, privileges, and immunities secured by the First and Fourteenth Amendments to the United States Constitution. The named defendants include Governor Thompson and the elected trustees, all of whom are sued in their individual and official capacities, and Chancellor Riddle, William McKay, and Stanford Delaney, who are described "as administrators of the Circle Center of the University of Illinois Chicago Circle campus" and who are also sued in their individual and official capacities.

The complaint alleges that Plaintiff John is a member of the Spartacus Youth

League, but is not a student, faculty member, or staff member of the Chicago Circle campus and alleges that the Spartacus Youth League has chapters at various institutions of higher learning, including Chicago Circle campus, at which it is "a duly registered student political organization." The complaint sets forth certain published regulations at the Chicago Circle campus concerning the distribution of literature, with or without a charge, by student organizations and individual students, faculty members, or staff members. It is alleged that Plaintiff John was prohibited by the defendants and their agents from selling or distributing literature on the Chicago Circle campus "solely on the ground that he is not a student, faculty member, or staff member of Circle Campus and solely upon the above stated regulations." The complaint then alleges that the regulations in question are unconstitutional on their face and seeks a judgment (a) declaring the regulations unconstitutional and void; (b) enjoining preliminarily and permanently the enforcement of said regulations or otherwise prohibiting Plaintiff John or other persons who are not students, faculty, or staff from distributing literature, with or without a charge, on the Chicago Circle campus; and (c) an award of plaintiff's costs and attorneys' fees and such further relief as may be deemed proper.

The university counsel has requested 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 the matter and to provide representation for those University trustees and employees who request the same and represent that actions, if any, taken by them in connection with the matters alleged in the complaint were taken in their respective capacities as University trustees or employees.

I concur.

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

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

There being no further business, the board adjourned.

EARL W. PORTER

Secretary

GEORGE W. HOWARD III

President

LUNCHEON GUESTS

Guests of the board at luncheon included the deans of the schools and colleges at the Medical Center campuses and members of the Executive Student Council at the Medical Center campus in Chicago.