

**MEETING OF THE BOARD OF TRUSTEES**  
**OF THE**  
**UNIVERSITY OF ILLINOIS**  
**AS A COMMITTEE OF THE WHOLE**

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**July 18, 1978**



A meeting of the Board of Trustees of the University of Illinois as a Committee of the Whole was held in Chicago Room C, Chicago Illini Union, Medical Center campus, Chicago, Illinois, on Tuesday, July 18, 1978, beginning at 3:00 p.m.

President George W. Howard III called the meeting to order. The following members of the board were present: Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Park Livingston, Mrs. Jane Hayes Rader, Mrs. Nina T. Shepherd, Mr. Arthur R. Velasquez. The following members of the board were absent: Mr. Robert J. Lenz, Mr. Earl Langdon Neal, and Governor James R. Thompson. The following nonvoting student trustees were present: Miss Venus D. Kooper, Chicago Circle campus; Mr. Paul A. Sobotka, Medical Center campus; Mr. Charles S. Watson, Urbana-Champaign campus.

Also present were President John E. Corbally; Chancellor Joseph S. Begando, Medical Center campus; Chancellor William P. Gerberding, Urbana-Champaign campus; Chancellor Donald H. Riddle, Chicago Circle campus; 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.

The meeting was the third of a series arranged to enable the trustees to receive detailed presentations of the University budget requests for 1980 and to conduct extended discussion in the process of reviewing the requests. (The previous meetings were held on Tuesday, May 23, 1978, and Tuesday, June 20, 1978.) The following documents were presented for discussion at the meetings of the committee: "Trends and Background Information for Preparation of FY 1980 Budget Request" dated May 23, 1978; "Background Information for the Review of the FY 1980 Capital and Operating Budget Request, Volume I, and Volume II (Programmatic Components)" dated June 21, 1978; and "Preliminary Budget Review for Operating and Capital Funds Fiscal Year 1980." (These documents are on file with the secretary of the board.)

On July 18, the trustees were presented in the last-named document (p. 18) with alternative operating budget requests for review: three sets of figures, headed "Continuing Components," "Recommended" Requests, "Needs" Requests, each representing different increases over the present budget by percentages of 10.41 percent, 13.66 percent, and 20.46 percent, respectively.

Discussion centered for the most part on that section having to do with salary increases and compensation. The "Recommended" alternative proposed an increase in the regular salary budget of 7.5 percent and an additional "compensation improvement" of 2 percent, the latter to be obtained by means of transferring 2 percent from the employee contribution to the State Universities Retirement System to the state. Thus, the proposal would reduce the employee contribution by 2 percent and increase the state's share by 2 percent.

Mr. Forsyth and Mr. Howard expressed concern about this recommendation. Both have served as members as well as presidents of the State Universities Retirement System board, and both based their concern on a belief that it was unrealistic to expect the state to assume the additional financial obligation described — especially in the light of the state's record of insufficient funding of the State Universities Retirement System. It was pointed out that the state has not provided full funding for other state-supported retirement systems, as well as the University system.

Other trustees indicated similar uncertainty but expressed their belief that the proposal was worthy of discussion, even in a preliminary way, at the state level and even if its acceptance might take time.

Finally, on motion of Mr. Livingston, the trustees approved the alternative level of budget requests "Recommended," a total increase in the operating budget of \$39,709,800, 13.66 percent over the previous base. The vote in favor of this motion was five, yes; two, nay. Those in favor were: Mr. Hahn, Mr. Livingston, Mrs. Rader, Mrs. Shepherd, and Mr. Velasquez; those opposed: Mr. Forsyth, Mr. Howard. (Both Mr. Howard and Mr. Forsyth indicated that their major objection rested, not on the totality of the budget request, but on that aspect dealing with the transfer to the state of additional cost of the State Universities Retirement System.)

The capital budget request was then presented and discussed, and on motion of Mrs. Rader the recommendations as presented were approved, the specific projects and priorities being as described in Table 11 in the document identified earlier: "Proposed University Priorities — FY 1980 Capital Budget Request" (p. 46).

Treated and discussed separately was the funding proposed for the food production research program, the University of Illinois's "Food for Century Three" program. On motion of Mr. Livingston, the recommendations regarding this program were approved as presented in Table 28 (p. 128 ff.) and as amended by Mr. Brady.

The actions of the committee will enable the administrative officers to present preliminary figures immediately to the Illinois Board of Higher Education. At the September meeting of the Board of Trustees, final documents seeking formal authority to request funds for operations and for capital programs for fiscal year 1980 will be presented to the board for action.

There being no further business, the meeting was adjourned.

EARL W. PORTER  
*Secretary*

GEORGE W. HOWARD III  
*President*