

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

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**October 16, 1980**



The October meeting of the Board of Trustees of the University of Illinois was held in Chicago Room A, Chicago Illini Union, Medical Center campus, Chicago, Illinois, on Thursday, October 16, 1980, beginning at 2:30 p.m.

President William D. Forsyth, Jr., called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Dr. Edmund R. Donoghue, Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Robert J. Lenz, Mr. Earl Langdon Neal, Mrs. Nina T. Shepherd, Mr. Paul Stone, Mr. Arthur R. Velasquez. Governor James R. Thompson was absent. The following nonvoting student trustees were present: Mr. Joseph P. Maltese, Chicago Circle campus; Mr. Gregory J. Peterson, Urbana-Champaign campus; Mr. David I. Silverman, Medical Center campus.

Also present were President Stanley O. Ikenberry; Dr. Peter E. Yankwich, vice president for academic affairs; Chancellor Joseph S. Begando, Medical Center campus; Chancellor John E. Cribbet, Urbana-Champaign campus; Chancellor Donald H. Riddle, Chicago Circle campus; and the officers of the board, Dr. Ronald W. Brady, comptroller (and executive vice president of the University); Mr. James J. Costello, university counsel; and Dr. Earl W. Porter, secretary.

### MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meeting of June 19, 1980, copies of which had previously been sent to the board.

On motion of Mr. Peterson, these minutes were approved as printed on pages 627 to 670 inclusive.

### INTRODUCTIONS

President Forsyth introduced the three Republican candidates for the office of trustee in the November 1980 election who were in attendance as observers: Mrs. Galey Day of Belvidere; Mr. Lawrence Gougler of Winnetka; Mr. Dean Madden of Decatur.

He also introduced the three incumbent Democratic candidates for the office of trustee: Mr. Robert J. Lenz, Mrs. Nina T. Shepherd, Mr. Arthur R. Velasquez.

### BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Ikenberry recognized and introduced observers from the campus senates and from the University Senates Conference.<sup>1</sup>

#### President's Reports

The president 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.

The president also reported briefly on a variety of recent activities, including his first visit to the Dixon Springs Agricultural Center; conferences with the auditor general and the Legislative Audit Commission; a recent visit by trustees and officers of the University and of the University of Illinois Foundation to the Hazelwood Estate, a property given to the University by Mr. and Mrs. Charles R. Walgreen, Jr. He indicated, as well, that meetings soon would be scheduled with the staff of the Illinois Board of Higher Education and the Office of the Governor with regard to University budgets for 1981-82.

### REGULAR AGENDA

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

#### Annual Operating Budget for Fiscal Year 1980-81

(1) On September 17, 1980, the Board of Trustees approved the FY 1980-81 budget for operations with the understanding that a final summary document would be brought forward at the October meeting.

<sup>1</sup> University Senates Conference: Rose Ann Grundman, associate professor of mathematics in medicinal chemistry at the Medical Center; Medical Center Senate: Mary Bevis, assistant dean for graduate studies in the College of Nursing and associate professor of general nursing; Chicago Circle Senate: Frank Tachau, professor and chairman of the Department of Political Science; Urbana-Champaign Senate Council: Milan F. Knickerbocker, graduate student, education administration.

The attached documents, "Budget Summary for Operations, FY 1980-81" and "Personal Services Supplement," now accurately reflect the budgetary allocations presented to the board in September. (Copies of these documents are filed with the secretary of the board for record.)

Accordingly, the president of the University recommends that the budgetary actions taken by the board with regard to the annual operating budget on September 17 be ratified and confirmed.

On motion of Mr. Howard, the budgetary actions of September 1980 with regard to the annual operating budget were ratified and confirmed by the following vote: Aye, Dr. Donoghue, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Neal, Mrs. Shepherd, Mr. Stone, Mr. Velasquez; no, none; absent, Governor Thompson.

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson, Mr. Silverman; no, none.)

At the suggestion of Mr. Forsyth, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 2 through 9 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

#### **Award of Certified Public Accountant Certificates**

(2) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to eighteen 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 Committee on Accountancy also recommends that the certificate of certified public accountant be awarded to one candidate who passed the standard written examination given in May 1980 in Illinois and who has fulfilled all other legal requirements under Sections 1, 2, and 3 of the Illinois Accountancy Act of 1943, as amended.

The names of the candidates are filed with the secretary.

I concur in these recommendations.

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

#### **Revocation of Certified Public Accountant Certificate**

(3) The Board of Trustees, upon recommendation of the Committee on Accountancy, awarded Illinois C.P.A. certificates to the following persons:

<i>Name</i>	<i>Certificate Number</i>	<i>Date of Issuance</i>
MELVIN GREENBERG	9384	September 16, 1964
JEROME KESSLER	8741	February 20, 1963
DONALD W. WARDEN	8442	February 21, 1962

The Illinois Department of Registration and Education has notified the University that, pursuant to Section 20 of the Illinois Accountancy Act, it has completed proceedings with respect to these individuals which have resulted in the revocation of their registration by the department based upon their conviction of a felony.

Under Section 22 of the Illinois Accountancy Act, upon receipt of such notification "without further proceedings, the University shall revoke the certificate as a certified public accountant, if any has been issued by it, to said applicant or person." Accordingly, the Committee on Accountancy recommends that the Board of Trustees revoke these certificates.

I concur.

On motion of Mr. Neal, these certificates were revoked.

### **Advisory Committee for the College of Pharmacy, Medical Center**

(4) The chancellor at the Medical Center campus has recommended the following appointments to the advisory committee for the College of Pharmacy for three-year terms ending June 30, 1983.

MICHAEL W. BOOTH, community pharmacist, Frank's Pharmacy of Centralia, Inc., Centralia

JAMES C. BOYLAN, industrial pharmacist, G. D. Searle & Company, Chicago

DAVID W. HICKS, community pharmacist, Denson-Hicks Clinical Pharmacy, Carol Stream

#### *Ex-officio Members for 1980-81*

HENRY CADE, chairman, Illinois State Board of Pharmacy

EDWARD J. MONROE, president, Illinois Pharmacists Association

CLYDE BUCHANAN, president, Illinois Council of Hospital Pharmacists

I recommend approval.

(Members of the advisory committee whose terms will expire June 30, 1981, are: Marvin Graber, Chicago; J. Thomas Gulick, Danville; and Terry W. Trudeau, Normal. Members whose terms will expire June 30, 1982, are: Craig Kueltzo, Lombard; Harland Lee, Evanston; and George Scharringhausen, Park Ridge.)

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

### **Advisory Council, College of Commerce and Business Administration, Urbana**

(5) The chancellor at Urbana-Champaign, on the advice of the dean of the College of Commerce and Business Administration, has recommended the following new appointments and reappointments to the advisory council for the college, the terms to expire on the dates indicated.

#### **New Appointments**

##### *Term to Expire August 31, 1981*

KENNETH G. ARNESEN, associate general counsel, First National Bank of Chicago, Chicago

##### *Terms to Expire August 31, 1983*

DAVID A. FEWKES, vice president, general counsel and secretary, Bunker Ramo Corporation, Oak Brook

RALPH M. GONZALEZ, president, Central National Life Insurance Co., Jacksonville

CLARENCE E. JOHNSON, vice president-human resources, Borg-Warner Corporation, Chicago

JOHN E. JONES, senior vice president and treasurer, CBI Industries, Inc., Oak Brook

JAMES E. MURPHY, senior vice president, Beatrice Foods Company, Chicago

WILLIAM L. NEEDLER, William L. Needler & Associates Ltd., Chicago

ROGER W. RASMUSEN, vice president-finance, Baxter-Travenol Labs, Inc., Deerfield

GERALD D. STEPHENS, president, RLI Insurance Co., Peoria  
 CHARLES W. WELLS, executive vice president, Illinois Power Company, Decatur  
 ARTHUR R. WYATT, managing director, accounting principles, Arthur Andersen & Co., Chicago

### Reappointments

#### *Terms to Expire August 31, 1983*

JAMES R. ARNOLD, president, Kearney: Executive Search Group, Chicago  
 LEONARD B. BAENEN, human resources officer, Health Care Services Corporation, Blue Cross/Blue Shield, Chicago  
 VICTOR H. BROWN, vice president and controller, Standard Oil Company (Indiana), Chicago  
 DAVID L. DIANA, president, Eisner Food & Agency Stores, Champaign  
 FREDERICK C. FORD, senior vice president, Draper & Kramer, Inc., Chicago  
 D. J. HENSLEY, vice president, Supply Division, Owens-Corning Fiberglas Corporation, Toledo, Ohio  
 WALTER J. KOTTEMANN, vice president-network services, Illinois Bell Telephone Company, Chicago  
 RICHARD C. LONERGAN, vice president, Allstate Insurance Company, Northbrook  
 EARL MANSFIELD, treasurer, Masonite Corporation, Chicago  
 WILLIAM D. MATHEWSON, director of administration, FMC Corporation, Chicago  
 JOHN W. PAINTER, president, Eagle-Picher Industries, Inc., Cincinnati, Ohio  
 ROBERT J. PENN, financial vice president, Unarco Industries, Inc., Chicago  
 RUSSELL V. PUZEY, Palatine  
 EARNEST E. ROGERS, president, Rogers Chevrolet Company, Rantoul  
 GEORGE A. SCHAEFER, financial vice president, Caterpillar Tractor Co., Peoria  
 ROBERT THORNE, vice president and controller, United States Gypsum Company, Chicago  
 JAMES L. WEAVER, vice president and treasurer, General Mills, Inc., Minneapolis, Minnesota

I concur in these recommendations.

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

### Chairperson, Department of Finance, Urbana

(6) The dean of the College of Commerce and Business Administration has recommended to the chancellor at Urbana-Champaign the appointment of Charles M. Linke, presently professor of finance, as chairperson of the Department of Finance beginning January 6, 1981, on an academic year service basis.

Dr. Linke will succeed William R. Bryan, who asked to be relieved of this administrative assignment, and he will continue to hold the rank of professor of finance on indefinite tenure.

In accordance with the bylaws of the Department of Finance, Dr. Linke was nominated by the departmental faculty and endorsed by the executive committee of the college.

The chancellor and the vice president for academic affairs recommend approval.

I concur.

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

### Appointments to the Faculty

(7) 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).

#### Urbana-Champaign

1. TAI-CHANG CHIANG, assistant professor of physics, beginning August 21, 1980 (1), at an annual salary of \$23,000.
2. ANTONY R. CROFTS, professor of biophysics in physiology and biophysics, beginning August 21, 1980 (A), at an annual salary of \$37,500.
3. JOHN W. EICHENSEHER, assistant professor of accountancy, beginning August 21, 1980 (1), at an annual salary of \$26,000.
4. CAROLINE S. FISK, assistant professor of civil engineering, beginning August 21, 1980 (1), at an annual salary of \$23,500.
5. PAUL A. GARBER, assistant professor of anthropology, beginning August 21, 1980 (1), at an annual salary of \$16,000.
6. HOWARD B. GELBERG, assistant professor of veterinary pathobiology, beginning September 1, 1980 (1Y), at an annual salary of \$35,500.
7. JUDITH N. GONDA, assistant professor of family life extension in human development and family ecology, beginning August 25, 1980 (1Y), at an annual salary of \$22,500.
8. KARL HESS, professor of electrical engineering, on 75 percent time, and research professor in the Coordinated Science Laboratory, on 25 percent time, beginning August 21, 1980 (A), at an annual salary of \$31,000.
9. RICHARD G. JOHNSON, assistant professor of veterinary clinical medicine, beginning September 8, 1980 (1Y), at an annual salary of \$27,500.
10. EARL R. JONES, assistant professor of urban and regional planning, beginning August 21, 1980 (1), at an annual salary of \$19,000.
11. FREDERICK F. SCHMITT, assistant professor of philosophy, beginning August 21, 1980 (1), at an annual salary of \$15,000.
12. DAVID K. STIGBERG, assistant professor of music, beginning August 21, 1980 (1), at an annual salary of \$15,000.
13. SAMUEL I. STUPP, assistant professor of ceramic engineering and of bioengineering, beginning August 21, 1980 (1;N), at an annual salary of \$24,000.
14. LEWIS W. TANNER, professor in the School of Clinical Medicine, on 50 percent time, beginning July 1, 1980 (WY50), at an annual salary of \$37,600.
15. RICARDO VILLOTA, assistant professor of food engineering in food science, beginning August 21, 1980 (1Y), at an annual salary of \$23,500.
16. HARTMUT ZABEL, assistant professor of physics, beginning August 21, 1980 (1), at an annual salary of \$24,500.

**Medical Center**

17. **BALBIR Singh R. BAGGA**, assistant professor of pediatric dentistry, beginning September 1, 1980 (1Y), at an annual salary of \$27,000.
18. **JOANN C. BAXTER**, assistant professor of prosthodontics, beginning August 1, 1980 (1Y), at an annual salary of \$28,000.
19. **MADELINE J. DUCATE**, assistant professor of medical laboratory sciences, beginning September 1, 1980 (1Y), at an annual salary of \$22,000.
20. **JOAN M. FRANCKOWIAK**, assistant professor of general nursing, beginning September 1, 1980 (1), at an annual salary of \$17,750.
21. **DIANA I. LUSKIN**, assistant professor of nursing administration, beginning September 1, 1980 (1Y), at an annual salary of \$25,700.
22. **SUSAN B. MARSHALL**, librarian and assistant professor, Library of the Health Sciences, beginning August 23, 1980 (1Y), at an annual salary of \$12,710.
23. **MARGARET M. OVITSKY**, information services librarian, on 25 percent time, and assistant professor in the Library of the Health Sciences, on 75 percent time, beginning October 1, 1980 (NY25;1Y75), at an annual salary of \$21,800.
24. **PATRICIA E. PINKOWSKI**, librarian and assistant professor in the Library of Health Sciences, beginning September 15, 1980 (1Y), at an annual salary of \$12,710.
25. **G. WESLEY WHITE**, assistant professor of medicine, on 90 percent time, and physician surgeon, on 10 percent time, beginning September 1, 1980 (1Y90;-NY10), at an annual salary of \$44,540.
26. **WENDY BABCOCK YOUNG**, assistant professor of introductory nursing, Department of General Nursing, on 50 percent time, beginning August 30, 1980 (NY50), at an annual salary of \$11,500.

**Chicago Circle**

27. **KEITH BOYER**, research professor of physics, on 25 percent time, beginning September 1, 1980 (A25), at an annual salary of \$15,000.
28. **RONALD T. BROWN**, assistant professor of education, beginning September 1, 1980 (1), at an annual salary of \$17,500.
29. **MARSHA F. CASSIDY**, assistant professor of communication and theatre, beginning September 1, 1980 (1), at an annual salary of \$17,500.
30. **AMITABHA DEBCHAUDHURY**, assistant professor of structural engineering in materials engineering, beginning September 1, 1980 (1), at an annual salary of \$21,000.
31. **LEE E. DUTTER**, assistant professor of political science, beginning September 1, 1980 (2), at an annual salary of \$18,000.
32. **THEODORE EDEL**, assistant professor of music, beginning September 1, 1980 (1), at an annual salary of \$18,500.
33. **JANE N. HAGSTROM**, assistant professor of quantitative methods, beginning September 1, 1980 (1), at an annual salary of \$22,000.
34. **MICHAEL L. KAMIL**, associate professor of education, for three years beginning September 1, 1980 (Q), at an annual salary of \$24,500.
35. **CHARLES W. KING**, professor of marketing, beginning September 1, 1980 (A), at an annual salary of \$37,000.
36. **SANY M. LEINWAND**, assistant professor of information engineering, beginning September 1, 1980 (1), at an annual salary of \$23,000.
37. **ROBERT B. MCPHERSON**, professor of education, beginning September 1, 1980 (A), at an annual salary of \$32,000.
38. **ROJEAN M. MUNOZ**, assistant professor of urban science, beginning September 1, 1980 (1), at an annual salary of \$17,750.
39. **RUTH A. PEARL**, assistant professor of education and research associate in the

- Institute for the Study of Developmental Disabilities, beginning September 1, 1980 (1;NY), at an annual salary of \$16,500.
40. RENO J. RAMELLA, assistant professor of physical education, beginning September 1, 1980 (1), at an annual salary of \$18,000.
  41. ITALA T. RUTTER, assistant professor of Italian, beginning September 1, 1980 (1), at an annual salary of \$17,500.
  42. TIMOTHY E. SHANAHAN, assistant professor of education, beginning September 1, 1980 (1), at an annual salary of \$16,000.
  43. UDAY P. SUKHATME, assistant professor of physics, beginning September 1, 1980 (2), at an annual salary of \$22,000.
  44. HARRIET S. WADESON, associate professor of art and design and director of art therapy program in art and design, beginning September 1, 1980 (A;NY), at an annual salary of \$30,000.

#### Administrative Staff

45. BRUCE K. CROWTHER, director of professional services, University of Illinois Hospital, Medical Center, beginning September 1, 1980 (NY), at an annual salary of \$32,000.
46. RICHARD L. DAVIDSON, director of the Center for Education and Research in Genetics, on 50 percent time, and associate professor of genetics, School of Basic Medical Sciences, Medical Center, beginning November 1, 1980 (NY50;-AY), at an annual salary of \$27,500.
47. DAVID LEE SMITH, associate director of Business Affairs, Urbana, beginning September 21, 1980 (NY), at an annual salary of \$34,500.

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

### Changes in Policy and Rules—Nonacademic, Chapter XII, Disability Benefits

(8) A resolution of the Merit Board of the State Universities Civil Service System (approved on June 24, 1970) recommends that all institutions have uniformity in benefits for nonacademic employees. Since that date, benefits have remained approximately the same within the four systems of public higher education in Illinois. However, two systems, Southern Illinois University and the Board of Governors, have improved their sick leave benefit programs so that accumulated sick leave can be used for absence from the job in the case of illness of the spouse, children, or other members of the immediate household.

The Administrative Advisory Committee, the Employees' Advisory Committee, and the Personnel Directors' Advisory Committee to the Merit Board recommended that the improved benefits be approved, by resolution, by all systems. The Merit Board approved the recommendation by amending its original resolution on June 17, 1980.

Adoption of the terms of the amended resolution within the University's *Policy and Rules—Nonacademic* will not delete any benefits currently enjoyed by Civil Service employees. The primary advantage of the expanded benefits will be to provide all such employees the same opportunity to use sick leave where family illness is concerned. The proposed change will have a significant positive effect on women employees who heretofore may have carried the burden of lost work time as a result of family illness. It will also equalize the use of sick leave benefits among Civil Service employees of the University of Illinois and employees at other public senior institutions of higher education in Illinois.

A second benefit proposed would allow for the restoration of previously earned sick leave and should serve as an incentive to former Civil Service employees who left in good standing to return to the University of Illinois. This change will affect



those employees who terminate employment subsequent to the Board of Trustees' approval of this recommendation.

To implement the changes described, the university director of personnel services and the executive vice president have recommended the following revision of the *Policy and Rules-Nonacademic*, Chapter XII, Disability Benefits (new material is italicized).

University Policy, Paragraph B2 and B3:

2. Sick Leave Uses

An employee may use accumulated Sick Leave when absent because of *personal illness, illness of spouse and/or children*, injury, Maternity Leave, or to obtain medical or dental consultation or treatment. *Exceptions and applications of this policy beyond spouse and children, e.g., members of household, may be granted. Members of household should be defined as dependent residents of the employee's household.*

3. Reinstatement of Accumulated Sick Leave

*A former employee who separates in good standing and returns to employment within two years, shall have former accrued sick leave restored.*

I recommend approval.

On motion of Mr. Neal, the revision of the *Policy and Rules-Non-academic* was approved as recommended.

### Student Legal Services, Urbana

(9) On June 21, 1978, the Board of Trustees approved the establishment of a Student Legal Services Plan (SLS) on the Urbana-Champaign campus for a two-year trial period. The approval was encompassed in the approval of a Student Organization Resource Fee.

The Student Legal Services Plan was organized in September 1978 and became fully operational in November 1978.

Contacts by individual students with the legal service have approximated 300 per month during the past school year. A survey conducted by the SLS has indicated high client satisfaction, and the SLS Advisory Board has reported its satisfaction with the program.

The trustees have also received the second annual report of the university counsel, made in accordance with terms of the original SLS plan. That report indicates that the SLS has been operating effectively and merits continuation.

With the successful completion of the trial period, the chancellor at Urbana-Champaign now has recommended that the Student Legal Services be continued on a regular basis with funding from the Student Organization Resource Fee as previously authorized.

I concur.

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

### Changes in Undergraduate Residence Hall Contract, Urbana

(10) The chancellor at the Urbana-Champaign campus has recommended that the current provision in the Undergraduate Residence Hall contract, by which students are permitted to terminate such contracts at the end of the fall semester, be deleted effective August 1, 1981.

The contract would be changed as indicated below. (Material in parentheses would be deleted; italicized material would be added.)

The contract is binding upon the student . . . for the academic year (unless the student requests cancellation of the contract for the second semester during the announced termination period about the middle of the first

semester). After signing a contract the student will be required to fulfill the contract (for the first semester) if the student attends the University, unless request for release in writing is received, postmarked before midnight, July 21. . . .

Beginning July 22 (or after the first semester termination period) the student will be released from this agreement only for one of the following reasons:

- a. Not attending the University.
- b. Marriage if living with spouse in the community.
- c. *To enter other available certified housing, where a reciprocal agreement for midyear contract terminations exists between the private certified housing unit and the University.*

It is clearly the expectation that residence hall contracts, in general, will be in effect for the entire academic year.

The economic impact of the recommendation on residence hall operations will be considerable. Approximately \$30 of the current room and board rate is attributable to the fact that many students (some 800 annually) leave the residence halls at the end of the fall semester. In addition to some significant financial benefit in setting future rates, the Housing Division will be able to provide space for more new freshmen and transfers.

If the recommendation is approved, the Housing Division will notify all persons who have already received housing information for fall 1981. In addition, signed agreements will be sought from such other certified housing units as may wish to participate in a reciprocal arrangement for midyear contract terminations. The director of housing will continue to have discretion for contract releases for other justifiable reasons.

I recommend approval.

(A memorandum providing further information is filed with the secretary of the board for record.)

Upon presentation of the recommendation, Mrs. Shepherd moved that it be referred to the Student Welfare and Activities Committee for a hearing next month, or at the earliest opportunity. She expressed concern as to the timing of the recommendation, questioning whether sufficient provision had been made for student reaction to the proposal and, specifically, student comment to the trustees through the Student Welfare and Activities Committee. President Ikenberry asked that the board consider the recommendation, although disposing of it as they might decide. He indicated he had no doubt as to its merit, granting that it was a question of timing. He did not wish the trustees to feel that they should act precipitately. He had been advised that failure to approve the proposal at this meeting would delay its implementation for a year, *i.e.*, making it effective no earlier than fall of 1982.

In the course of the ensuing discussion, the trustees expressed varying views on the matter. The point was made that in recent years the board had been reluctant to act on significant matters of policy with regard to students without providing for hearings before taking action. The following points were also made: that the need to make the changes recommended was self-evident; that students had in fact been consulted; and that one of the signal merits of the proposal was the saving of money by students, a saving that could serve as an offset to tuition increases.

At Mr. Peterson's request, a student speaker, Mr. Larry Corcoran, vice president of the Student Government Association (SGA) at the Urbana-Champaign campus, presented a statement recommending that the proposal not be adopted in its present form and that it be subsequently referred to the Student Welfare and Activities Committee. The SGA argued that the economic impact of the full-year contract had not been adequately established; a reciprocal agreement had not been clearly defined; that there had not been sufficient "input" from students and that in general there had been insufficient information presented to certified housing units. Mr. Corcoran also presented letters from the Interfraternity Council and Panhellenic Council also (endorsing the proposal); and from the Residence Hall Association, essentially agreeing with the SGA position.

Mrs. Shepherd's motion then was approved by the following vote: Aye, Dr. Donoghue, Mr. Howard, Mr. Lenz, Mr. Neal, Mrs. Shepherd; no, Mr. Forsyth, Mr. Hahn, Mr. Stone, Mr. Velasquez; absent, Governor Thompson.

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson, Mr. Silverman; no, none.)

Accordingly, the recommendation will be referred to the Student Welfare and Activities Committee at a forthcoming meeting of the board and of the committee.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 11 through 19 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

#### **Naming of the University of Illinois Northwestern Illinois Agricultural Research and Demonstration Center**

(11) The University has taken title to 160 acres of land in Warren County to be used to develop a new agricultural research and demonstration center.

The chancellor at the Urbana-Champaign campus has recommended that the new center be officially designated the "University of Illinois Northwestern Illinois Agricultural Research and Demonstration Center."

I concur.

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

#### **Contract for Distribution of BCG Vaccine, Medical Center**

(12) The chancellor at the Medical Center has recommended approval of an agreement with Antigen Supply House, Inc., to act as the exclusive distributor for BCG vaccine and related vaccination materials produced by the Institution for Tuberculosis Research.<sup>1</sup> Antigen Supply is registered with the Food and Drug Administration for the distribution of biological materials to hospital pharmacies.

Since May 1978 external distribution of the vaccine for licensed purposes and for research programs has been conducted by the University. Earlier, external distri-

<sup>1</sup> The University of Illinois' Institution for Tuberculosis Research was established in 1947 to pursue research in BCG vaccine and related areas of immunology.

bution for licensed purposes was conducted under an exclusive distribution agreement with Research Foundation, a not-for-profit organization.

Under the agreement proposed, the University will continue to supply BCG vaccine to the National Cancer Institute and other experimental programs in which the vaccine is used to treat cancer patients. (The experimentation with BCG for cancer therapy is the major use of the vaccine in the United States.) The agreement will provide that either party may terminate the contract with three months advance written notice. The University will retain all rights, title, and interest in the vaccine.

The estimated annual distribution for licensed purposes in fiscal year 1981 is 10,000 ampules, producing an estimated annual income to the University of \$73,400.

The executive vice president has recommended approval.

I concur.

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

### **Agreement with Lions of Illinois Foundation to Construct an Eye Research Institute, Medical Center**

(13) On July 21, 1976, the Board of Trustees indicated its interest in a proposal from the Lions of Illinois Foundation, in which the Lions would initiate a fund-raising effort and contribute the proceeds to the University of Illinois Foundation for the construction of an eye research facility at the Medical Center campus.

The trustees' action anticipated the development of a definite agreement with the Lions of Illinois Foundation. The chancellor at the Medical Center now has recommended that the board authorize the execution of such an agreement. Under its terms, the Lions of Illinois Foundation will:

1. Conduct a fund-raising effort with a goal of \$5,000,000.
2. Transfer the funds raised to the University, or to the University of Illinois Foundation as the University may elect, to construct and equip an eye research facility at the Medical Center campus.

Under the agreement, the University of Illinois will:

1. Name the facility the "Lions of Illinois Eye Research Institute" if \$3,000,000 or one-half the total project cost (now estimated to be \$6,000,000), whichever is greater, is received from the Lions of Illinois Foundation. Further, the Lions of Illinois "logo" will be displayed on the exterior of the facility in conjunction with the name identified above.
2. Permit the Lions of Illinois Foundation to designate rooms or areas within the facility to recognize major donors, subject to the approval of the chancellor at the Medical Center.
3. Prepare an application to the National Eye Institute for a matching construction grant; and consider any such funds awarded as part of the dollar requirement for naming the building the "Lions of Illinois Eye Research Institute." The University, under the agreement, also may be asked to advise and assist the Lions Foundation with its fund raising efforts and to join in or make additional grant requests.
4. Provide a prominent and visible site for the facility, adjacent to the Eye and Ear Infirmary at the Medical Center campus.
5. Own, operate, and maintain the facility.
6. Directly, or through the University of Illinois Foundation, be responsible for the award of contracts for construction of the facility when funds are available.
7. Initiate a University fund-raising effort if funds beyond those raised by the Lions are required. (Note: This project is identified in the current \$100,000,000 campaign of the University of Illinois Foundation.)

If construction of the building is cancelled for any reason, or if there are substantial alterations of the proposed construction or use, any funds transferred by the Lions Foundation will be returned to it, except those previously expended for planning, design, and preparation of bid documents.

The Lions of Illinois Foundation has a long history of interest in problems related to visual disabilities and has provided substantial amounts of financial assistance to the visually handicapped in Illinois. Further, the organization has supported basic and clinical eye research at the Medical Center campus for many years and proposes to continue to do so in the new facility.

Pledges and cash received to date exceed \$2,200,000 and the Lions are confident their fund-raising objectives can be met.

The executive vice president concurs in the recommendation for authorization to execute the agreement as described above.

I recommend approval.

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

### Recommendations of the University Patent Committee

(14) The University Patent Committee has submitted the following recommendations relating to discoveries and developments by staff members. Background information concerning these recommendations has been sent to the Committee on Patents of the Board of Trustees.

1. *Use of Oral Bovine Interferon* — Joseph M. Cummins, Jr., formerly assistant professor of veterinary pathobiology in the College of Veterinary Medicine and assistant professor in veterinary programs in the College of Agriculture, and Wayne A. F. Tompkins, professor of veterinary pathobiology in the College of Veterinary Medicine and professor of zoonoses and comparative medicine in the Center for Zoonoses Research, Urbana, inventors.
2. *Bipolar Pulse Conductometric Monitoring of Ion-selective Electrodes* — Timothy A. Nieman, assistant professor of chemistry, Urbana, inventor; developed with support from the National Science Foundation.
3. *Carbonylation of Methanol Using Heterogeneous Catalysts* — Russell S. Drago, professor of chemistry, Eric Nyberg, graduate research assistant in chemistry, and Alan Zombeck, graduate research assistant in chemistry, Urbana, inventors; developed with support from the U.S. Department of Defense.

University Patents, Inc., reported that it intended to file patent applications on these discoveries. The University Patent Committee recommends that the rights of the University in all three be transferred, subject to the rights of the sponsor, if any, to the University of Illinois Foundation for commercialization.

4. *Detection of Polyclonal Lymphocyte Activator in Patient Serum* — Marius Teodorescu, professor of microbiology and immunology, John L. Skosey, associate professor of medicine in the Abraham Lincoln School of Medicine, and Jin-Lai Chang, formerly teaching assistant in microbiology and immunology, Medical Center, inventors; developed with support from the U.S. Department of Health and Human Services.

University Patents, Inc., reported that no commercial interest was found for this discovery. The University Patent Committee recommends that the rights of the University be released to the sponsor.

5. *Tactile Guidance System for the Blind* — Bryce G. Rutter, formerly graduate teaching assistant in art and design, Urbana, inventor.

University Patents, Inc., reported that there appeared to be no patentability and recommended that the discovery not be transferred for commercialization. The

University Patent Committee recommends that the University retain the rights to make and use the discovery and release all other patent rights to the inventor.

I concur in these recommendations.

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

### **Agreement with Ozark Air Lines**

(15) The annual agreement with Ozark Air Lines for services in Willard Airport Administration Building, including operation and maintenance service, which would have expired June 30, 1980, was extended by authorization of the Board of Trustees to October 31, 1980.

Negotiations for a new operation and maintenance agreement have not been completed; and it has been determined that provisions for funding repair and replacement reserves, currently included in the annual services agreement, should be included as an addendum to the fifteen-year space rental agreement which was executed in July 1978.

It is anticipated that negotiations for both agreements will be completed in January 1981. Service rates in the new service agreement will be made effective retroactive to July 1, 1980, and appropriate adjustments will be made to bring payments received under interim rates into agreement with the contractual rates effective July 1, 1980 — provided, however, that such adjustments will not be such as to require refund payments to Ozark pursuant to the annual services agreement.

The chancellor at the Urbana-Champaign campus and the executive vice president have recommended that the comptroller and the secretary be authorized to execute extensions of the present service agreement above through January 1981.

I concur.

On motion of Mr. Velasquez, authority was given as recommended.

### **Agreement with Flo-Con Systems, Inc., for Facilities, Willard Airport**

(16) Flo-Con Systems, Inc., with corporate offices in Champaign, is seeking an agreement to construct and lease back hangar facilities at Willard Airport for the storage, maintenance, and boarding of its corporate aircraft.

The agreement would provide that the following facilities be constructed by the company at its expense: a metal hangar building of approximately 4,550 square feet which will also contain office and restroom facilities; an exterior concrete apron and asphalt access taxiway to the existing taxiway; an asphalt automobile parking area adjacent to the hangar for approximately seven automobiles; and miscellaneous work. The estimated cost of the project is \$131,500.

All improvements would be designed by a registered architect or engineer, and the design and construction are subject to University approval. The improvements would become the property of the University immediately upon their completion.

Further, the company would maintain the facilities and would receive rent-free use of the premises and the facility for a period of fifteen years. Should the agreement be terminated, all permanent facilities constructed by the company, pursuant to this agreement, would remain the property of the University without cost or obligation to the University.

The Buildings and Grounds Committee approved the site on September 18, 1980.

The chancellor at the Urbana-Champaign campus and the executive vice president have recommended that the comptroller and the secretary be authorized to execute an agreement with Flo-Con Systems, Inc., as described.

I concur.

On motion of Mr. Velasquez, authority was given as recommended.

**Agreement with Midstate Aviation Center, Inc., for Facilities,  
Willard Airport**

(17) Midstate Aviation Center, Inc., Savoy, has entered into an agreement to construct and lease certain facilities at the University of Illinois-Willard Airport for it to conduct business as a fixed-base operator. The company is now proposing to enter into an agreement to construct and lease back additional permanent facilities at the airport for maintenance of aircraft.

The agreement would provide that the following facilities will be constructed by the company at its expense: a metal hangar of approximately 6,000 square feet; an exterior concrete apron; and miscellaneous work. The estimated cost of the project is \$157,500. All improvements would be designed by a registered architect and/or engineer, and the design and construction are subject to University approval. The improvements would become the property of the University immediately upon completion of construction.

Furthermore, the company would maintain the facilities and would receive rent-free use of the premises and the facility for a term of fifteen years. Should the agreement be terminated, all permanent facilities constructed by the company, pursuant to this agreement, would remain the property of the University without cost or obligation to the University.

The Buildings and Grounds Committee approved the site on September 18, 1980.

The chancellor at the Urbana-Champaign campus and the executive vice president have recommended that the comptroller and the secretary be authorized to execute an agreement with Midstate Aviation Center, Inc., as described above.

I concur.

On motion of Mr. Velasquez, authority was given as recommended.

**Amendment to Agreement with Midstate Aviation Center,  
Willard Airport**

(18) In June 1979 the Board of Trustees approved an agreement with Midstate Aviation Center, Inc., of Savoy, Illinois, allowing the company to conduct business at Willard Airport as a fixed-base operator. Under the agreement, which terminates on June 30, 1984, the company has constructed and leased certain facilities for its use.

Midstate is now in need of additional operating facilities and proposes to amend the present agreement with the University to permit the leasing of additional hangar space and parking spaces from the University.

The company currently leases one-third of Hangar No. Three. The amendment would provide that Midstate lease the remaining two-thirds of the hangar and an additional ten parking spaces. In addition to the terms of the present agreement, Midstate would pay \$5,800 annually in cash rent (they now pay \$2,000) for the additional hangar space and parking. Further, Midstate would be charged \$5,500, plus a percent of sales annually (they now are charged \$2,300 plus the percentage) as rent — this charge to be as credits against the capital cost incurred by Midstate in providing the aircraft apron and addition thereto as provided in the original agreement.

Thus, under the original agreement and the proposed amendment, the University would receive annual rental cash payments of \$7,800 and apron capital cost offsets will be allowed in the amount of \$7,800 plus a percent of sales for a total annual rental of \$15,600 plus a percent of sales.

The chancellor at the Urbana campus and the executive vice president have recommended that the present agreement as described be amended.

I concur.

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

### **Report of Budget Allocation for the Pavilion, Chicago Circle**

(19) On May 16, 1979, the Board of Trustees authorized the award of a contract for excavation and backfill work for the Pavilion at the Chicago Circle campus to Bongti Cartage, Inc., Cicero.

The Pavilion site was formerly occupied by the Racine Avenue Building. It was contemplated that subsoil foundations, slabs, and footings would be encountered during the excavation work. The contract provides that additional work of this nature may be authorized on a unit cost basis. The contractor has experienced additional costs for this work which have been established at \$34,787.90. Accordingly, the president reports the transfer of that sum from the project contingency to the contract of Bongti Cartage, Inc.

On motion of Mr. Velasquez, this report was received for record.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 20 through 22 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

### **Increase in Contract for the Pavilion, Chicago Circle**

(20) On March 20, 1980, the Board of Trustees authorized the award of a contract for general work and cast-in-place concrete for the Pavilion at the Chicago Circle campus to Pora Construction Company, Des Plaines. Due to the characteristics of the subsoil material under Congress Parkway, which is adjacent to the northern border of the site excavation, the City of Chicago indicated the need for a retention system. At the request of the University, the contractor developed such a system in accord with the city's specifications. The cost of this additional work is \$68,375.

Accordingly, the president of the University, with the concurrence of the appropriate administrative officers, recommends that the contract with Pora Construction Company be increased by \$68,375 for the retention system.

Funds are available from the proceeds of the sale of University of Illinois Auxiliary Facilities System Revenue Bonds, Series N.

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

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson, Mr. Silverman; no, none.)

### **Contracts for Remodeling, Administrative Service Building, Medical Center**

(21) The president of the University, with the concurrence of the appropriate administrative officers, recommends award of the following contracts for remodeling for the Office of Administrative Studies, Administrative Service Building, at the Medical Center campus. The award in each case is to the lowest bidder on its base bid, less acceptance of the indicated deductive alternatives.

#### **General Work**

Wm. J. Scown Building Co., Chicago

Base Bid less Deductive

Alternatives 1, 2 and 4 . . . \$32 528



*Ventilation Work*

Narowetz Mechanical Contractors, Inc., Melrose Park	Base Bid less Deductive Alternatives 1 and 3.....	33 850
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*Electrical Work*

Midwest Interstate Electrical Construction Co., Chicago	Base Bid less Deductive Alternative 1 .....	16 719
<i>Total</i> .....		\$83 097

Funds for this project are available from the institutional funds budget of the Medical Center campus.

(A schedule of the bids received has been filed with the secretary of the board.)

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

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson, Mr. Silverman; no, none.)

**Purchases**

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

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:

*From Appropriated Funds*

Recommended .....	\$ 34 422 00
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*From Institutional Funds*

Recommended .....	1 500 066 86
<i>Grand Total</i> .....	\$1 534 488 86

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.

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

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson, Mr. Silverman; no, none.)

**Report of Purchases Approved by the Executive Vice President**

(23) The executive vice president also submitted a report of purchases approved by him on recommendation of the directors of purchases in amounts of \$12,500 to

\$15,000, and a report of bids taken by the Illinois Educational Consortium for generic commodities. A copy of this report is filed with the secretary.

This report was received for record.

### The Comptroller's Monthly Report of Contracts Executed

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

Chicago Circle		
Contract Change Order		
<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Case International Company	Removing existing pile obstructions at the Chicago Circle Pavilion	\$ 14 850
<i>Total</i>		<hr/> \$ 14 850
Medical Center		
New Contracts		
<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
State of Illinois, Department of Mental Health 17-121-105	Residency training in community psychiatry	\$ 15 000
State of Illinois, Illinois State Library	Research and reference services	30 000
United States Environmental Protection Agency CR807293010	Public health hazards of atmospheric nitrogen oxides as in vivo precursors of nitrosamines	99 656
<i>Total</i>		<hr/> \$ 144 656
Urbana-Champaign		
New Contracts		
<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
Decatur Housing Authority	Anti-crime program	\$ 20 000
Electric Power Research Institute, Inc.: RP1162-5	Investigation of thermal hydraulic performance characteristics of steam separators in PWR U-Tube Steam Generator under transient conditions	24 197
RP1760-2	Coupling of hydrogen generation and thermal hydraulics in reactor core under core-uncovering conditions	29 980
Illinois Arts Council 81-860	Publication of four volumes of the Illinois Short Fiction Series and two volumes of poetry	6 000
Illinois State University	Establishing and operating a Library Circulation System	28 109
National Council of Teachers of English	Read and approve the reading portion of council documents	8 972
Parkland College	Provide training experience for students in the Parkland Animal Health Technology Program	37 347
Rachelle Laboratories	Additive effect of chlortetracycline and sulfamethazine in promoting weight gains and improved feed efficiency in swine	11 786
State of Illinois, Environmental Protection Agency DAS #810811	Evaluate the effectiveness of municipal street sweeping in control of urban storm runoff pollution	18 190
State of Illinois, Institute of Natural Resources: 20.142	Identification and relative influence of nonpoint sources of the water quality of Court Creek	30 855
30.018	Support for economic impact study of proposed airport noise regulations	5 425
90.025	Potential ecological and health problems associated with fly ash	26 824
Transelco	Research on electrical ceramic materials	60 000
United States Department of Agriculture 8000235	Role of phytoalexins in soybean resistance to insect pests	25 000

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
United States Department of Army: DADA11-80-D-0003	Perform indirect fluorescent antibody test on each dog to be tested for the detection of ehrlichia canis or babesia canis	\$ 49 671
DACA88-80-C-0019	Budget level trade-off analysis for the Army's Real Property Management System	40 883
DACW88-80-C-0003	Administration and operation of an Environ- mental Technical Information System	49 989
DAAH01-80-C-1749	Subnanosecond near millimeter waves	30 000
United States Department of Navy: N00014-80-C-0858	Feasibility study for computer-assisted undersea search using multisensor data	40 000
N00014-80-C-0840	Calculate effective linear medium parameters for internal waves in the ocean	48 000
N00019-80-C-0284	Propagation of electromagnetic waves through a radome	41 387
University of North Carolina at Charlotte (Subcontract under National Institute for Mental Health # R01MH33128)	Local representation and the quality of urban life	15 797
<i>Total</i>		\$ 648 412

## New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Illinois State University 80-128 (Subcontract under Illinois Department of Adult, Voca- tional, and Technical Education)	Planning for the development of comprehensive, sequential vocational home economics curric- ulum	\$ 23 959
Purdue Research Foundation 80-129 (Subcontract under National Oceanic and Atmospheric Administration # NA80RAC00072)	Precipitation augmentation for crops experiment pre-experiment studies	10 225
<i>Total</i>		\$ 34 184

## Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
Electric Power Research Insti- tute, Inc. RP1583-1	Develop multigroup coarse-mesh methods for reactor analysis	\$ 49 969
United States Agency for International Development AID/Ta-C-1294	Development of improved varieties of soybeans, and supporting cultural and marketing prac- tices for production in the tropics	1 992 270
United States Department of the Air Force AFOSR-79-0124	Optical studies of excitons in highly stressed polar semiconductors	40 000
United States Department of the Army, Construction Engineering Research Lab- oratory DACA88-80-C-0003	Measuring brainwave emission as a production task	9 053
United States Department of Energy DE-AC02-76ER-01195	Elementary particle interactions in the high energy region	80 000
United States Department of Navy: N00014-75-C-0612	Develop techniques for construction of the next generation of computer-based information sys- tems	110 000
N00173-80-C-0052	Study of the fracture behavior on at least two model glassy-adhesive, one model elastomeric- adhesive, and two model commercial adhesives	13 471
N00014-76-C-0806	Ion implantation doping studies in gallium	165 500
United States Nuclear Regu- latory Commission NRC-04-77-159	Study the structural framework of the Mississippi embayment of Southern Illinois	33 600
<i>Total</i>		\$2 493 863

## Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Purdue Research Foundation (Subcontract under United States Department of Health, Education, and Welfare IR01-GM24994-01)	Ultrasonic propagation properties in intact tissue	\$ 15,986
<i>Total</i>		<u>\$ 15,986</u>

## Summary

Amount to be paid to the University:	
Medical Center .....	\$ 144,656
Urbana-Champaign .....	3,142,275
<i>Total</i> .....	<u>\$3,286,931</u>
Amount to be paid by the University:	
Chicago Circle .....	\$ 14,850
Urbana-Champaign .....	50,170
<i>Total</i> .....	<u>\$ 65,020</u>

This report was received for record.

## Report of Investment Transactions through September 30, 1980

(25) The comptroller presented the investment report as of September 30, 1980.

## Transactions under Finance Committee Guidelines

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Sales:				
9/8	\$ 217 000	Borg Warner Acceptance "B" demand notes .....	\$ 217 000 00	\$ 217 000 00
9/8	150 000	City Products demand notes..	150 000 00	150 000 00
Purchases:				
9/8	3 800 shares	Champion International common stock	5.20%	\$ 102 216 50
9/8	6 600 shares	Colgate common stock .....	7.04	101 244 00
9/8	3 000 shares	Monsanto common stock .....	6.60	163 740 00

## Transactions under Comptroller's Authority

Sales:				
8/26	\$ 58 000	International Harvester Credit demand notes .....	\$ 58 000 00	\$ 58 000 00
9/22	1 000 000	U.S. Treasury bills due 11/20/80 .....	969 907 78	983 037 50
9/24	2 000 000	U.S. Treasury bills due 12/18/80 .....	1 936 826 67	1 951 927 78
9/25	1 000 000	U.S. Treasury bills due 12/4/80 .....	976 933 33	979 875 00
9/25	4 000 000	U.S. Treasury bills due 1/22/81 .....	3 846 033 33	3 857 861 11

## Repurchase Agreement:

9/3	\$1 000 000	Government National Mortgage Pool No. 22167, 8 percent due 12/15/07
	1 005 000	Government National Mortgage Pool No. 12549, 8 percent due 12/15/06
	2 000 000	Government National Mortgage Pool No. 5709, 7½ percent due 1/15/05
	1 000 000	Government National Mortgage Pool No. 16503, 7½ percent due 6/15/07

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
9/3	\$1 024 905	Government National Mortgage Pool No. 16429, 7½ percent due 3/15/07 with Bache Halsey Stuart for 19 days	10.10%	\$3 000 000 00
<i>Purchases:</i>				
8/29	\$ 17 000	Ford Motor Credit "A" demand notes	10.80%	\$ 17 000 00
9/2	1 000 000	Bussey First National Bank 10.70 percent certificate of deposit due 11/5/80	10.70	1 000 000 00
9/2	100 000	First National Bank of Tuscola 11.46 percent certificate of deposit due 12/3/80 .....	11.46	100 000 00
9/3	9 000	Associates demand notes.....	10.39	9 000 00
9/3	1 023 128	First National Bank of Chicago 10½ percent certificate of deposit due 10/8/80 .....	10.25	1 023 127 78
9/4	19 000	Associates demand notes.....	10.39	19 000 00
9/4	22 000	Household Finance demand notes....	10.53	22 000 00
9/4	59 000	J. P. Morgan demand notes.....	9.76	59 000 00
9/4	3 000 000	U.S. Treasury bills due 1/22/81.....	10.12	2 886 366 66
9/5	2 000 000	Bloomington Federal Savings and Loan 10.40 percent certificate of deposit due 10/22/80 .....	10.40	2 000 000 00
9/5	800 000	First National Bank of Chicago 10½ percent certificate of deposit due 11/19/80 .....	10.38	800 000 00
9/5	300 000	Household Finance demand notes....	10.25	300 000 00
9/5	150 000	U.S. Treasury bills due 6/18/81.....	10.56	138 393 17
9/8	1 000 000	Champaign Loan and Building 11½ percent certificate of deposit due 11/19/80 .....	11.13	1 000 000 00
9/8	1 000 000	Harris Trust and Savings Bank 10½ percent certificate of deposit due 10/8/80 .....	10.25	1 000 000 00
9/9	2 000 000	Continental Bank 10.85 percent time deposit due 12/17/80.....	10.85	2 000 000 00
9/10	1 500 000	Continental Bank 11 percent time deposit due 3/19/81.....	11.00	1 500 000 00
9/12	1 500 000	Continental Bank 11½ percent time deposit due 7/9/81.....	11.13	1 500 000 00
9/12	1 500 000	First National Bank of Chicago 10½ percent certificate of deposit due 11/21/80 .....	10.75	1 500 000 00
9/12	300 000	First National Bank of Chicago 11.30 percent certificate of deposit due 3/11/81 .....	11.30	300 000 00
9/15	1 500 000	Continental Bank 11½ percent time deposit due 3/19/81.....	11.50	1 500 000 00
9/15	1 000 000	U.S. Treasury bills due 12/4/80.....	10.63	976 933 33
9/16	300 000	First National Bank of Chicago 11.40 percent certificate of deposit due 12/31/80 .....	11.40	300 000 00
9/17	2 000 000	First National Bank of Chicago 11½ percent certificate of deposit due 12/22/80 .....	11.25	2 000 000 00
9/18	200 000	U.S. Treasury bills due 1/15/81.....	10.49	193 322 78

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
9/18 \$	200 000	U.S. Treasury bills due 2/12/81.....	10.86	\$ 191 506 67
9/18	200 000	U.S. Treasury bills due 3/12/81.....	10.95	189 888 89
9/19	535 000	U.S. Treasury 7% percent bonds due 2/15/07 .....	10.16	380 518 75
9/22	35 000	U.S. Treasury bills due 3/19/81.....	10.61	33 255 22
9/26	315 000	U.S. Treasury bills due 9/10/81.....	12.59	280 736 91
9/26	1 100 000	U.S. Treasury bills due 11/20/80....	10.41	1 082 774 31
9/30	2 000 000	Harris Trust and Savings Bank 12% percent certificate of deposit due 11/21/80 .....	12.25	2 000 000 00
9/30	2 000 000	First National Bank of Chicago 12% percent certificate of deposit due 12/3/80 .....	12.38	2 000 000 00
9/30	4 000 000	U.S. Treasury bills due 1/22/81.....	11.77	3 856 233 32
9/1-				
9/30	125 155	First National Bank of Chicago 5% percent open-end time deposit.....	5.25	125 154 88

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

### SECRETARY'S REPORT

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

### ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Forsyth called attention to the following schedule of meetings: November 20, Urbana-Champaign campus; January 15, 1981, Urbana-Champaign campus (annual meeting); February 19, 1981, Medical Center campus. There will be no December meeting.

### COMMENTS FROM REPUBLICAN TRUSTEE CANDIDATES

Mr. Dean Madden was recognized and expressed appreciation on behalf of the three Republican candidates for trustee for the opportunity each had in observing meetings of the Board of Trustees over the recent months. Each of the candidates was appreciative of the courtesy extended to them by the board and by the University officers in their attempt to become more familiar with the operation of the board and of the University.

The board adjourned at 4:30 p.m.

### EXECUTIVE SESSION

The Board of Trustees reconvened in executive session at 9:30 a.m. on October 17, 1980, in Room 206 of the Chicago Illini Union, Medical Center campus, Chicago, Illinois.

President William D. Forsyth, Jr., called the meeting to order and asked the secretary to call the roll. The following members of the board

were present: Dr. Edmund R. Donoghue, Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Robert J. Lenz, Mrs. Nina T. Shepherd, Mr. Paul Stone. The following members of the board were absent: Mr. Earl Langdon Neal, Governor James R. Thompson, Mr. Arthur R. Velasquez. The following nonvoting student trustees were present: Mr. Joseph P. Maltese, Chicago Circle campus; Mr. Gregory J. Peterson, Urbana-Champaign campus. Mr. David I. Silverman, Medical Center campus, was absent.

Also present were President Stanley O. Ikenberry; Dr. Peter E. Yankwich, vice president for academic affairs; Chancellor Joseph S. Begando, Medical Center campus; Chancellor John E. Cribbet, Urbana-Champaign campus; Chancellor Donald H. Riddle, Chicago Circle campus; and the officers of the board, Dr. Ronald W. Brady, comptroller (and executive vice president of the University); Mr. James J. Costello, university counsel; and Dr. Earl W. Porter, secretary.

The board considered the following item of business.

#### **Litigation Initiated by James Mauck, d/b/a Graphic Services**

(26) A complaint has been filed in the Circuit Court of Cook County, Illinois, (Case No. 80 L 22900) by James Mauck, doing business as Graphic Services, seeking damages in the amount of \$53,456.50 from the University on the basis of an alleged termination of a procurement contract by the University.

The complaint alleges that in November 1979 the plaintiff submitted to the University a bid to supply certain patient statement forms to be used at the University of Illinois Hospital and in January 1980 was awarded a contract therefor. (The complaint incorrectly designates the total price to be \$530,456.50 but the bid and contract documents attached to the complaint correctly identify the amount of award as \$53,456.50.) It is alleged that the plaintiff incurred substantial expenses in preparation for the performance of the contract but was advised by University representatives that the contract was terminated. The fact of termination is in issue, as is the timeliness of the plaintiff's performance.

The university counsel has recommended that he be authorized to take such steps as are necessary or appropriate, including the employment of special counsel, to protect the interests of the University in this matter and to defend the action.

I concur.

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

(The student advisory vote was: Aye, Mr. Maltese, Mr. Peterson; no, none; absent, Mr. Silverman.)

There being no further business, the board adjourned.

EARL W. PORTER  
*Secretary*

WILLIAM D. FORSYTH, JR.  
*President*