

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

January 14, 1982



The annual meeting of the Board of Trustees of the University of Illinois was held in Room 1135, University of Illinois Hospital, Medical Center campus, Chicago, Illinois, on Thursday, January 14, 1982, beginning at 8:30 a.m.

President Paul Stone called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mrs. Galey S. Day, Dr. Edmund R. Donoghue, Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Dean E. Madden, Mr. Earl Langdon Neal, Mrs. Nina T. Shepherd, Mr. Paul Stone. Governor James R. Thompson was absent. The following non-voting student trustees were present: Mr. Leonard C. Bandala, Medical Center campus; Mr. Matthew R. Bettenhausen, Urbana-Champaign campus; Mr. David T. Persons, Chicago Circle campus.

Also present were President Stanley O. Ikenberry; Dr. Peter E. Yankwich, vice president for academic affairs; Dr. Joseph S. Begando, chancellor, Medical Center campus; Dr. John E. Cribbet, chancellor, Urbana-Champaign campus; Dr. Donald H. Riddle, chancellor, 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.

CALL TO EXECUTIVE SESSION

President Stone, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider information regarding the appointment, employment, or dismissal of employees or officers, and to discuss pending, probable, or imminent litigation against or on behalf of the University."

The motion was made by Mr. Howard and approved by the following vote: Aye, Mrs. Day, Dr. Donoghue, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Madden, Mr. Neal, Mrs. Shepherd, Mr. Stone; no, none; absent, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Complaint of Hiring Decision, Medical Center

The trustees had received letters complaining of an alleged discriminatory action with regard to a hiring decision at the Medical Center campus concerning an employee, one Show-Jen Horng. The president asked the university counsel, Mr. Costello, to provide background information. Mr. Costello reported that the complaint is now before the Human Rights Commission, and he distributed a letter summarizing the case from Norman P. Jeddeloh, legal counsel at the Medical Center. Chancellor Begando will take the initiative to respond to the letters.

Case of Robert N. Parker (Recovery of Funds)

The university counsel reported on continuing discussions with the surety companies involved in this case, outlining alternatives now under consideration that might promote the University's recovery of the funds without litigation. He reported no resolution of these discussions at this time.

Possible Misuse of Funds, Office of Public Affairs, Medical Center

Vice President Brady reported on an investigation currently underway by the internal auditors, still incomplete but sufficiently informative to report to the Board of Trustees.

The investigation, which will be completed within about a month, indicates that two employees may have submitted inappropriate travel expense claims and received payment for the same; and may have submitted inappropriate charges for the employment of consultants. In both instances there may have been a misuse of both appropriated funds and University funds. The total sum involved may be something less than \$100,000. Upon completion of the investigation, the matter will be reported to the external auditors.

Reports of Searches for Administrative Positions

The president reported that the committee to advise in the search for the new chancellor of the University of Illinois at Chicago was essentially

complete and that he expected to appoint and charge the committee within the next week or two.

Similarly, efforts are underway to establish a search mechanism for the vice president for academic affairs position. The committee should be formed shortly.

The president and Mr. Brady reported that a committee has been formed and work is now underway to search for a senior associate vice president for business and finance to fill the vacancy created by the resignation (last June) of Mr. Robert Parker.

Treasurer's Bond

President Ikenberry pointed out that over the many years of the University's relationship with the First National Bank of Chicago, the bank has purchased the bond required of the treasurer of the University (a \$6 million bond normally costing approximately \$5,000 per year). He observed that Mr. Bernard Wall, now beginning the second year of a two-year term as treasurer, is no longer connected with the bank and reported an administrative decision that the University will purchase the bond now and in the future.

There being no further business, Mr. Stone announced the executive session would be adjourned.

The Board of Trustees' regular meeting reconvened at 9:10 a.m.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of September 17 and October 15, 1981, copies of which had previously been sent to the board.

On motion of Mr. Howard, these minutes were approved as printed on pages 343 to 410 inclusive.

SPECIAL ORDER OF BUSINESS

Election of a Temporary Chairman

Mr. Stone asked for nominations for a temporary chairman to conduct the election of the president of the board. On the motion of Mrs. Day, Mr. Forsyth was nominated to serve as temporary chairman. There being no further nominations, Mr. Forsyth was unanimously elected and took the chair.

ELECTION OF OFFICERS

President of the Board

Mr. Forsyth called for nominations for president of the board.

Dr. Donoghue nominated Paul Stone. The nominations were closed, and, by unanimous ballot, Mr. Stone was reelected as president of the board to serve until the next annual meeting of the board or until his successor shall have been elected. Mr. Stone took the chair.

Executive Committee

Mr. Stone asked for nominations for the Executive Committee.

Mr. Forsyth nominated Nina T. Shepherd and Dean E. Madden to serve as members of the Executive Committee with the president of the board as chairman *ex officio*.

The nominations were closed, and the secretary was instructed to cast a unanimous ballot of the board for the election of Mrs. Shepherd and Mr. Madden to the Executive Committee. The ballot was so cast, and Mrs. Shepherd and Mr. Madden were declared elected members of the Executive Committee to serve until the next annual meeting of the board or until their successors shall have been elected.

Secretary, Comptroller, and University Counsel of the Board

President Ikenberry reported that, in accord with the bylaws, his advice to the Board of Trustees was that the three incumbents — Earl W. Porter, secretary of the board; Ronald W. Brady, comptroller of the board; and James J. Costello, university counsel — be reelected.

Mr. Forsyth moved that the nominations be closed and a unanimous ballot be cast. The three incumbents — Mr. Porter, Mr. Brady, Mr. Costello — were declared elected secretary, comptroller, and university counsel of the board, respectively, to serve until the next annual meeting of the board or until their successors shall have been elected.

Delegation of Signatures

On motion of Mr. Howard, the following resolutions were unanimously adopted.

Resolved that the President of the Board of Trustees is authorized to delegate to such individuals, as he may designate from time to time, authority to sign his name as President of the Board of Trustees to vouchers presented to the State Comptroller and authority to sign his name to warrants on the University Treasurer covering vouchers approved in accordance with regulations approved by the Board; and

Resolved further that the Secretary of the Board of Trustees is authorized to delegate to such individuals, as he may designate from time to time, authority to sign his name as Secretary of the Board of Trustees to vouchers presented to the State Comptroller and to warrants on the University Treasurer covering vouchers approved in accordance with regulations of the Board.

Be It Further Resolved that the First National Bank of Chicago, as a designated depository of Bernard T. Wall, Treasurer of this corporation, be and it (including its correspondent banks) is hereby requested, authorized, and directed to honor checks, drafts, or other orders for the payment of money drawn in this corporation's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures of the two following: President and Secretary; and the First National Bank of Chicago (including its correspondent banks) shall be entitled to honor and to charge this corporation for all such checks, drafts, or other orders, regardless of by whom or by what means the facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens duly certified to or filed

with the First National Bank of Chicago by the Secretary or other officer of this corporation. And be it further

Resolved that the State Comptroller is hereby authorized and directed to honor vouchers bearing facsimile signatures of the President and Secretary of the Board of Trustees of the University of Illinois if such facsimile signatures resemble the facsimile specimens duly certified to or filed with the State Comptroller by the Secretary.

These authorizations are to continue in effect until the State Comptroller has been supplied with specimen signatures of succeeding officers of this Board.

Appointments of Committees and Election to Other Boards

Mr. Stone announced that nominations and appointments for these posts would be considered and announced in February.

RECESS

The board recessed briefly to permit the taking of photographs of the officers and members of the board.

MEETING AS A COMMITTEE OF THE WHOLE

The Board of Trustees reconvened as a Committee of the Whole at 10:05 a.m. to receive a report on the University Hospital. (President Ikenberry said that this would be the first of a series of general reviews and discussions of the operation of the University Hospital; that the reports will be presented when the board is meeting at the Medical Center campus.) The trustees received presentations from Dr. Alexander M. Schmidt, vice chancellor for academic affairs and for health services, from other staff members at the hospital, and from Executive Vice President Brady. A series of documents was presented and discussed, and filed with the secretary of the board for record.

The Board of Trustees regular meeting reconvened at 11:00 a.m.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Ikenberry recognized and introduced observers from the campus senates and from the University Senates Conference.¹

President's Reports

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

President's Report on Other Matters

The president presented the following written report:

¹ University Senates Conference: Phillip M. Forman, dean, Abraham Lincoln School of Medicine, and acting dean, School of Basic Medical Sciences at the Medical Center; Urbana-Champaign Senate Council: Kenneth E. Andersen, professor of speech communication and associate dean of the College of Liberal Arts and Sciences; Medical Center Senate: Ruy V. Lourenco, Edmund F. Foley Professor of Medicine and head of the Department of Medicine, Abraham Lincoln School of Medicine; Chicago Circle Senate: Frank Tachau, professor and chairperson of the Department of Political Science.

Budget Report, Fiscal Year 1983

The University budget request moved into "Phase II" in January when the Illinois Board of Higher Education approved recommendations for the support of higher education in Fiscal Year 1983. The recommendations, in my judgment, can be described as stringent and reflect the strains now clearly evident in the Illinois economy. Stringent as the recommendations are, if approved by the governor and the General Assembly, they would allow the University of Illinois to continue to make progress, even in an extraordinarily difficult economic time.

Although the increase in general revenue support for the University is approximately 7 percent and well below the level of general revenue support recommended by the Board of Trustees, the recommendations adhere to the same fundamental priorities established by this board. Improved compensation for faculty and staff members at the University of Illinois remains the number one priority. This item alone consumes some two-thirds of the recommended increase for the University of Illinois.

In the area of program improvements, these too reflect our priorities, including the need to revitalize programs in science and engineering, repair equipment budgets, and address needs such as those in law, veterinary medicine, the Extended Day program, and others. These program needs, as they were last year, are being met largely from the differential tuition revenues, underlining again, in my judgment, the importance of this program.

Achievement of the budgets as recommended by the Board of Higher Education will require continued cooperation from the universities, students, the governor and members of the General Assembly. As for the University, we must recognize the difficult times in which we live and provide a portion of the monies needed to accomplish the overall budget program through internal reallocation. This we are willing to do, although I do not believe we can go beyond the figures already recommended. In the case of students and their parents, they too will carry a disproportionate burden in the form of higher tuition levels. These will come at a time when it is unlikely they will be compensated by corresponding increases in state and federal student aid.

The governor in recent years has made clear his commitment to restore fiscal stability in our universities and to improve compensation for faculty and staff members. This has been recognized from the start as a multi-year effort. It will require that the governor and the leaders of the General Assembly again accord a stronger priority to higher education.

A special word is in order in regard to the need to strengthen the fiscal health of the State Universities Retirement System (SURS). The Board of Higher Education recommended that SURS funding be increased by nearly \$33 million in order to restore funding to the gross benefit pay-out level. Trustee Howard, president of SURS, has written me, indicating his strong support for that recommendation. Clearly, the SURS must receive a sharp increase in support to restore it, at a very minimum, to net pay-out and preferably, as recommended by the Board of Higher Education to the gross pay-out level.

In the weeks and months ahead we will continue to work as aggressively as possible to articulate the needs of the University, recognizing that the fundamental fiscal problems faced by our universities are not likely to be resolved until the State of Illinois makes fundamental revisions in the tax structure necessary to strengthen the revenue base. In the meantime, our approach for FY83 will be one of prudence and balance.

Campaign for Illinois

I am pleased to report to you that the Campaign for Illinois achieved its target to have in excess of \$60 million in pledges and contributions by December 31, 1981. All of us in the University community owe a debt of gratitude to William Karnes and to others who are providing leadership to the campaign. Increasing

private support to University academic programs is critically important to the long-term future of the University.

In this connection I am pleased to report to you that we have completed negotiations with Arnold Beckman, enabling the formation for the first time of a \$10 million endowment fund for the Graduate Research Board at the Urbana-Champaign campus. The fund will be composed of the \$5 million initially pledged by Dr. Beckman and an additional \$5 million in matching funds as provided in the agreement. For the first time, the critically important work of the Graduate Research Board will be underwritten by an endowment, the earnings from which will provide continuity and stability to its efforts.

IRS Ruling

I am pleased also to acknowledge that the University was successful in securing a ruling from the Internal Revenue Service which defers contributions made to the State Universities Retirement System from income tax. Since the ruling is retroactive to January 1, 1981, most of our faculty and staff members will receive refunds when they file their 1981 returns. In 1982, this ruling should mean an increase in take-home pay each month of from 2 to 4 percent, depending on the tax bracket.

Efforts to secure the ruling before the end of the 1981 tax year were led by Congressman Daniel Rostenkowski of Chicago, with special assistance from Congressman Edward Madigan of Lincoln and Congressman Robert Michel of Peoria. On behalf of the University community, we acknowledge the efforts of these gentlemen and express our gratitude for their diligent attention to a sometimes frustrating task.

George D. Stoddard

I note with regret the recent death of the tenth president of the University of Illinois, George D. Stoddard, on December 28, 1981. President Stoddard served as president of this University from 1946 to 1953. He later held a number of other academic positions of distinction, including that of chancellor of New York University. In conferring an honorary degree upon George Stoddard in 1968, the University of Illinois citation took note of his many posts of honor and responsibility, describing him as "one of the nation's foremost educational statesmen." His contributions live on and he will remain a part of the history of this University.

James C. Colvin

I also note with sadness the passing of James C. Colvin, who served the University for nearly forty years. Mr. Colvin died December 3, 1981. His quiet, but effective leadership as editor of the *Alumni News* and as executive director of the foundation contributed greatly to the welfare of the University. The University has lost a loyal and trusted servant.

Advent of a New Year

The advent of a new year, 1982, invites reflections on the year just completed. The year 1981 was a difficult one in many respects, but for the University, overall, it was a good year. The severe conflict between the University and the Big Ten Conference, which attracted great public attention and consumed inordinate amounts of administrative time early in 1981, was resolved. In the process of resolution, it buttressed efforts already underway to enhance faculty oversight of intercollegiate athletics. The Illini spirit was not crushed, nor was it dampened; indeed, as we enter 1982, it is my impression that that spirit has never been stronger.

In the area of the budget, while sister universities in neighboring states suffered significant cutbacks, the University of Illinois continued to achieve reason-

able fiscal stability. In 1981 we improved our relative position among state governmental priorities. Salary increases were among the highest in Big Ten universities. A few dollars were available to attack the most pressing program needs. We can only hope as we enter 1982 that the commitment of the people of Illinois, as articulated by the governor and the members of the General Assembly, will remain steadfast.

By year-end faculty members in the College of Medicine had achieved consensus on a reorganization plan for the college which established the framework for more realistic planning for enrollment and budget, streamlined the administration, and laid the groundwork for enhanced program quality. The college reaffirmed the need for a single College of Medicine and reaffirmed its determination to be a national leader in regional medical education.¹

Fundamentally new directions were set by the Board of Trustees when the decision was reached to join the two Chicago campuses of the University under the leadership of a single chancellor. Many universities would have been incapable of reaching a decision on a matter of such complexity, in the orderly and rational way exemplified by the University of Illinois. The benefits to be achieved under this new configuration will emerge over the years, but as we enter 1982, I sense in Chicago a sense of optimism and a constructive spirit on both campuses, eager to move confidently under the new unified approach.

To be sure, 1981 brought disappointment, frustration, and from time to time what appeared to be inordinate burdens. On the other hand, the administrative preoccupations of the moment can obscure the more fundamental reality that the real work of the University continues. Our students continued to be bright and well motivated. They continued to receive one of the finest opportunities for learning available at any university in the United States. Even in a period in which the number of potential college students is in decline, applications for admission to the University of Illinois continued to rise. The faculty and the programs of the University of Illinois continued to be recognized as among the best and most productive in the country. We continue to expand our services to the people of Illinois. In short, in those fundamental areas central to the mission of the University—excellence in teaching, research, and public service—1981, as it was in the years that went before, was a good year. I suspect 1982 will continue in this great tradition.

(Mrs. Shepherd was unable to be present for the remainder of the meeting.)

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 12 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

(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 twenty 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

¹ The details of the reorganization plan and the procedures for its further consideration within the University were discussed in some detail at a meeting of the board meeting as a Committee of the Whole on Wednesday, January 13, 1982. Documents detailing the plan and other matters were distributed to the trustees and are on file with the secretary of the board.

United States and who qualify in all other respects under this provision of the law.

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

The names of the candidates are filed with the secretary.

I concur in these recommendations.

On motion of Dr. Donoghue, these certificates were awarded.

Head, Department of Botany, Urbana

(2) The dean of the College of Liberal Arts and Sciences has recommended to the chancellor at Urbana-Champaign the appointment of Dr. Fakhri Bazzaz, presently professor and acting head of the Department of Botany and professor of forestry, as head of the Department of Botany beginning January 21, 1982, on an academic year service basis at an annual salary of \$44,500.

Dr. Bazzaz will continue to hold the rank of professor on indefinite tenure. He has been acting head since December 1, 1981, succeeding Dr. John B. Hanson.

The nomination is made with the advice of a search committee¹ and after consultation with faculty members of the department. The director of the School of Life Sciences and the executive committee of the College of Liberal Arts and Sciences endorse this recommendation. The chancellor at Urbana-Champaign and the vice president for academic affairs concur.

I recommend approval.

On motion of Dr. Donoghue, this appointment was 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).

Urbana-Champaign

1. JOHN MIROWSKY II, assistant professor² in the School of Clinical Medicine on

¹ Nelson J. Leonard, professor of chemistry and biochemistry and in the Center for Advanced Study, *chairman*; John S. Boyer, professor of botany and of crop physiology in the Department of Agronomy; Zane B. Carothers, professor of botany; Tuan-Hua David Ho, assistant professor of botany; Robert W. Howell, professor of agronomy and head of the department.

² Dr. Mirowsky's change in status to assistant professor could not be accomplished until he had completed his work on his doctorate degree. The work was completed in August 1981, but official notification was not received from Yale University until October.

38 percent time and of sociology in the College of Liberal Arts and Sciences on 13 percent time, beginning August 21, 1981 (1-51), at an annual salary of \$8,900; and visiting assistant professor in the School of Clinical Medicine on 22 percent time for the period August 21 through December 31, 1981 (N22), at a salary of \$1,748.41.

Medical Center

2. CASPER H. BADENHORST, assistant professor of anesthesiology on 60 percent time and physician surgeon on 40 percent time, Abraham Lincoln School of Medicine, beginning January 1, 1982 (1Y60;NY40), at an annual salary of \$75,000.
3. STEPHEN S. CHUNG, assistant professor of biological chemistry, School of Basic Medical Sciences, beginning December 1, 1981 (1Y), at an annual salary of \$30,000.
4. MAURICE W. DYSKEN, associate professor of psychiatry, Abraham Lincoln School of Medicine, on 15 percent time beginning November 1, 1981 (WY15), at an annual salary of \$8,500.
5. MARK A. ESPELAND, assistant professor in the School of Public Health, beginning November 16, 1981 (1Y), at an annual salary of \$22,000.
6. THOMAS M. GUENTHNER, assistant professor of pharmacology, School of Basic Medical Sciences, beginning December 15, 1981 (3Y), at an annual salary of \$28,500.
7. JAMES W. MAAS, professor of psychiatry, Abraham Lincoln School of Medicine, on 40 percent time beginning November 1, 1981 (AY40), at an annual salary of \$30,000.
8. ROBERT C. SMOLEN, assistant professor of psychology on 80 percent time and clinical psychologist on 20 percent time, Peoria School of Medicine, beginning December 7, 1981 (1Y80;NY20), at an annual salary of \$40,000.

Chicago Circle

9. GRETCHEN A. LAGANA, special collections librarian with rank of assistant professor in the library, beginning December 1, 1981 (1Y), at an annual salary of \$29,000.
10. PATRICIA TEGLER, assistant reference librarian with rank of assistant professor in the library, beginning October 19, 1981 (1Y), at an annual salary of \$18,200.

Administrative Staff

11. PHILLIP M. FORMAN, acting dean of the School of Basic Medical Sciences, dean of the Abraham Lincoln School of Medicine, professor of health professions education in the Center for Educational Development, and professor of clinical neurology and of clinical pediatrics, Medical Center, beginning December 1, 1981 (NY;NY;AY;AY;NY), at an annual salary of \$85,000.
12. HAROLD E. KAUFFMAN, director of INTSOY (International Soybean Program) in International Agriculture and professor of plant pathology, Urbana-Champaign, beginning December 21, 1981 (NY;AY), at an annual salary of \$42,000.
13. ROBERT E. PAASWELL, director of the Urban Transportation Center, professor of materials engineering and of systems engineering, Chicago Circle, beginning January 1, 1982 (NY;A.N), at an annual salary of \$57,000.
14. MARY T. SHEEHAN, acting director of nursing, University of Illinois Hospital, Medical Center, beginning November 1, 1981 (NY), at an annual salary of \$47,500.

On motion of Dr. Donoghue, these appointments were confirmed.

Tuition Increase, Executive MBA Program, Urbana

- (4) In January 1980, the Board of Trustees approved an increase of \$1,150 in the tuition charged students in the Executive Master of Business Administration

program at the Urbana-Champaign campus, raising that tuition to \$3,950 per year. The dean of the College of Commerce and Business Administration and the chancellor at the Urbana-Champaign campus now have recommended an \$815 increase — to a total of \$4,765.¹ Rising costs associated with the program have made the action necessary. The increase proposed would apply to the Executive MBA class entering in the fall of 1982.

I concur in this recommendation.

On motion of Dr. Donoghue, this recommendation was approved.

President's Report on Actions of the Senates

Revision of the Master of Arts in Urban and Quantitative Economics, Chicago Circle

(5) The Chicago Circle Senate has approved a revision of the Master of Arts in Urban and Quantitative Economics by adding an option to the research requirement for the degree. At present, the research requirement may be satisfied by independent study, a thesis, a workshop, or an internship. The new option will permit a student to take an additional 400-level economics course, which includes writing a research paper, to satisfy the research requirement. It is felt that most students would derive more benefit by writing a research paper for an additional course in the program, than by attempting the same topic via independent study. For this reason, the fifth option was added.

Deletion of the Comprehensive Design Curriculum in the School of Art and Design, Chicago Circle

The Chicago Circle Senate has approved the deletion of the comprehensive design curriculum major of the Bachelor of Arts in Design. Information from design professionals indicates that graduates who follow the comprehensive design curriculum are not always adequately prepared for the jobs they enter. The curriculum prescribes a wide range of courses distributed among the various disciplines and makes it impossible for the student to take advanced courses in any one discipline. To preserve the present major while insuring adequate preparation in at least one discipline would require an unacceptably large number of total hours for the degree.

Dropping the comprehensive design curriculum will not end the opportunity to diversify but it will allow the student to take advanced courses in at least one discipline. The School of Art and Design will continue to offer the following majors for the degree of Bachelor of Arts in Design: communications design, industrial design, and photography/film design (to be changed to photography/film/video design).

Revision of the Photography/Film Design Curriculum in the School of Art and Design, Chicago Circle

The Chicago Circle Senate has approved a revision of the photography/film design curriculum in the School of Art and Design. The revision incorporates the area of video design into the present curriculum and changes the title of the curriculum to photography/film/video design. The merger of video design into the present curriculum is intended to enhance the educational objectives of the separate disciplines and to provide a greater exploration of the natural affinities, interrelationships, and unique creative possibilities among these three media. The merger will enhance the interdisciplinary activity within the program and will enable the school to use its available faculty and resources more effectively.

¹ The general student charge connected with the program also has been increased by \$335. The total program cost, should the tuition increase be approved, will become \$6,100.

The revision does not change the total number of hours or the distribution of the required courses of the curriculum.

Revision of the Major in the History of Architecture and Art, Chicago Circle

The Chicago Circle Senate has approved the addition of a new area of concentration to the major in the history of architecture and art for the Bachelor of Arts in History of Architecture and Art. Several other minor revisions were also made in the major.

The new area of concentration, which is added to the seven existing areas of concentration, is photography/film/video. There is great interest in all of the light-generated media in the visual arts, with the School of Art and Design having a particularly strong program in that area. Consequently, there is a desire on the part of the School of Art and Design and Department of History of Architecture and Art to present a program of study, rather than an assortment of courses, in the history of those media. The History of Architecture and Art Department has recently hired new faculty and added new courses to meet the demand in the area. The new area of concentration would give slightly more structure to the existing courses and offerings in the light-generated media which the department now offers.

The new area of concentration would require a student to take 16 quarter hours in photography, film, and video courses, 4 of which must be at the 300 level and 4 of which must be in twentieth-century art. Essentially, the new area formalizes existing offerings. The number of hours required in the architectural history requirement has been reduced from 8 to 4 quarter hours.

Revision of the Minor in Native American Studies, Chicago Circle

The Chicago Circle Senate has approved the reduction in the number of required hours from 32 to 24 for students minoring in Native American studies. Students minoring in this program are limited in the number of course offerings which they may choose each quarter primarily because the courses in the program are either controlled by other departments or taught by visiting lecturers.

The student minoring in Native American studies will be required to take one course in each of the following areas: Native American history, philosophy and religion, and literature. Courses in contemporary issues and more standard offerings will serve as electives.

This change will bring the program's minor more in line with the minors of other departments and programs in the College of Liberal Arts and Sciences, more than half of which require 19 to 24 quarter hours of credit for their minors.

This report was received for record.

Allocation of Receipts of Harry H. Ferguson Trust

(6) Harry H. Ferguson¹ died in 1943, leaving a will that created a trust to provide income distributions to his wife and daughter during their respective lifetimes and the payment of certain annuities. At the death of the survivor of the income beneficiaries, the trust was to terminate, \$30,000 was to be distributed to designated institutions, and the University was to receive "the entire balance or remainder of the corpus of said Trust Estate, including any accumulated income thereon."

The will expresses no restrictions concerning the uses to which the bequest may be put. In April of this year, the survivor of the income beneficiaries died, and approximately \$2,325,000 has been distributed to the University; it is currently being held as a quasi-endowment fund.

As a part of the Campaign for Illinois, the University of Illinois Foundation has received a \$5,000,000 challenge grant from Arnold O. Beckman and Mabel M. Beckman through the establishment of the Arnold O. Beckman Research Fund.

¹ Mr. Ferguson was active in organizing and operating the Illinois Terminal Railroad and was a cattle breeder near Grafton, Illinois. He was not an alumnus of the University.

Under the terms of the agreement, the foundation undertakes to allocate to the fund gifts, pledges, living trust remainders, and expected bequests totaling \$5,000,000. The agreement provides that the foundation's matching obligation will be credited to the extent that the University establishes an identical fund. Any funds allocated to the match by the foundation, and any identical fund created in the University, may be subsequently reduced or withdrawn from time to time in the amounts and to the extent that other endowment or quasi-endowment funds are received by the foundation, or the University, from sources other than the Beckmans and are allocated permanently to the fund.

The Beckmans have advanced approximately \$2,288,000 to the foundation for the fund and will transfer additional cash and real property to bring the total to \$5,000,000 when the \$5,000,000 matching allocation by the foundation or the University occurs. Presently, the foundation has received gifts and pledges, or otherwise has the capability to allocate \$3,000,000 to the matching requirement of the fund. In order to complete the formation of the \$10,000,000 endowment and fulfill the terms of the agreement, an additional \$2,000,000 is needed.

Under the terms of the Arnold O. Beckman Fund in the foundation, the income is used to provide two basic types of awards to enlarge and enhance the research activities of faculty members of the Urbana-Champaign campus: (1) faculty fellowships (with recipients to be designated as "Arnold O. Beckman Fellows") to provide release time from normal teaching duties to allow young faculty members to pursue research on a full-time basis; and (2) awards for research support to secure research assistantships and special research materials, supplies, equipment, and services, not usually available in departmental laboratories, storerooms, and libraries, for use in individual or group projects of faculty members or senior research staff. The determination of candidates to receive support from the fund is to be made by the Research Board of the Graduate College at the Urbana-Champaign campus in a manner determined and approved by the University. Any net income not expended in any year may, in the discretion of the Research Board, either be added to the principal or segregated and used to fund awards in subsequent years. If the Research Board determines that it is no longer practical for the fund to be used as originally specified, the net income may be devoted to improving the quality of research at the Urbana-Champaign campus in a manner agreed upon by the foundation and the University.

The President of the University now recommends that \$2,000,000 of the distributions received from the Harry H. Ferguson Trust be designated as a quasi-endowment and the net income therefrom be allocated and used by the University in the same manner as provided for the Arnold O. Beckman Research Fund in the University of Illinois Foundation, as evidenced by an agreement dated February 10, 1979; as amended on November 23, 1981, between Mr. and Mrs. Beckman and the foundation; and as outlined above. The University fund will be known as the Harry H. Ferguson Research Fund and is to be considered a part of the matching requirements of the Arnold O. Beckman Challenge Grant.

At the time, and to the extent that other endowment or quasi-endowment funds are hereafter received by the University or by the foundation (from sources other than Mr. or Mrs. Beckman) and are allocated permanently to the Arnold O. Beckman Board Fund in the foundation or to an identical fund in the University, the allocation of the Harry H. Ferguson Fund made by this action may be reduced or withdrawn in like amount from the conditions expressed herein and reallocated in accordance with established University procedures.

On motion of Dr. Donoghue, this recommendation was approved.

Agreement with Evanston Hospital, Medical Center

(7) The chancellor at the Medical Center has recommended an affiliation agreement with the Evanston Hospital Corporation, Evanston, Illinois. According to

the terms of the agreement, Evanston Hospital will close its presently existing School of Nursing. Beginning in September 1982, the University of Illinois College of Nursing will assign baccalaureate degree nursing students to Evanston Hospital for their clinical training. The advantages of this affiliation include the development and testing of an "open curriculum" model, whereby students may complete their baccalaureate studies at a self-determined pace. The University will also acquire for its use the Learning Resource Center at Evanston Hospital, a nationally known innovative learning center.

The agreement contemplates an annual supplement that will specify the amount the University will reimburse the hospital for use of the Learning Resource Center. The amount will be determined with reference to a fraction of the salary of the technical personnel working at the center. This is currently estimated to be \$120,000 (one-third of the costs in the first year, two-thirds of the costs in the second year, and the full cost in the third year and thereafter). Evanston Hospital will pay a portion of the operation and maintenance costs of the Learning Resource Center. The supplemental agreement(s) will be presented to the board for approval.

The vice president for academic affairs and the executive vice president concur in the recommendation.

I recommend approval.

On motion of Dr. Donoghue, this recommendation was approved.

License Agreement for Use of PLATO Lessonware (Exception to the General Rules)

(8) Global Information Systems Technology, Inc. (GIST), of Champaign, Illinois, has requested a license to use selections from a set of PLATO lessonware produced in the Computer-based Education Research Laboratory (CERL) with National Science Foundation (NSF) support. These lessons are the subject of a 1977 agreement between NSF and the University under which the University agreed to license the lessons to any qualified applicant to assure maximum public accessibility of publicly-funded work.

Three individuals having ownership interests and/or principal officer status in GIST (Daniel K. Bloomfield, dean of the School of Basic Medical Sciences and School of Clinical Medicine at Urbana-Champaign, has a 12 percent equity interest and is president of GIST; Thomas Chen, assistant professor in the schools, has a 30 percent equity interest and is vice president of GIST; and Lawrence Sherman, senior research programmer in the Police Training Institute, has a 12 percent equity interest in GIST) are employees of the University.

Therefore, it is requested that the GIST licensing request be approved as an exception to a conflict of interest provision in the present *General Rules Concerning University Organization and Procedure* (Article II, Section 4(1)) that stipulates that the University may not contract with a company whose principal officers are staff members of the University.¹

If granted a license, GIST intends to adapt the subject lessonware for use on a minicomputer using the SIMPLER system, another University development (similar to PLATO) which GIST has acquired by a license from University Patents, Inc. CERL supports the GIST request as a means of making University-developed lessonware available for wider public use.

Under the terms of the agreement, GIST will be granted a nonexclusive license to use selected units of lessonware for a period of five years, subject to extension

¹ "No purchase or contract will be awarded to a University officer or employee or the spouse thereof; or to a firm, partnership, association or corporation the owner or principal owners or major officers or primary employees of which are officers or employees of the University or are the spouses of officers or employees of the University, unless such purchase or contract is deemed essential to University operations and is approved by the president of the University, and such approval is filed with the purchase order or contract."

by mutual agreement. The University will receive a royalty payment of \$20 per unit of lessonware and 10 percent of all gross sales by GIST related to each unit of lessonware sold.

The chancellor at the Urbana-Champaign campus recommends the agreement as described above be approved as an exception to the *General Rules*. The executive vice president recommends approval.

I concur.

On motion of Dr. Donoghue, this recommendation was approved.

Agreement with Zimmer USA¹ (Exception to the General Rules)

(9) Zimmer USA of Warsaw, Indiana, has proposed to support research in the Department of Oral Surgery, College of Dentistry, Medical Center campus, in the amount of \$42,633. The research involves the use of metallic endosseous implants as a tooth substitute.

The proposed agreement would grant an exclusive license on patentable discoveries arising from the scope of the investigation, with a royalty rate to be negotiated — not to exceed 6 percent of net sales — and with the license to be limited in time and to be extended only if the licensee is diligently pursuing commercial development and marketing of products based on the licensed patent.

The University Patent Committee has reviewed the proposed exception to the patent provisions of *The General Rules Concerning University Organization and Procedure* and recommends approval.

I concur.

On motion of Dr. Donoghue, this recommendation was approved.

Agreement with General Aviation, Willard Airport, Urbana

(10) Negotiations have been completed with General Aviation, Inc., of Greenville, Tennessee, for the use of the University of Illinois—Willard Airport facilities for operation of a ground handling service for air freight to and from Champaign, Illinois. The agreement provides that, effective January 15, 1982, for an initial term of one year, General Aviation will have exclusive use of 720 square feet in Building No. 664 (the "Navy Building") for office and storage space. General Aviation is to pay the University \$2,232 annually for rent and building operation and maintenance services. General Aviation will also provide janitorial and solid waste removal services, and pay the costs for other services which may be required at the rates charged other tenants of the airport.

The agreement provides General Aviation with an option to renew the agreement for two additional one-year periods, subject to the same terms and conditions except that the annual rental for the additional periods will be \$2,455 and \$2,700 respectively.

The chancellor at the Urbana-Champaign campus and the executive vice president have recommended approval of the agreement as described.

I concur.

On motion of Dr. Donoghue, this recommendation was approved.

Amendment of Lease, Mass Transit District Bus Shelters, Urbana

(11) On November 15, 1979, the Board of Trustees approved a lease with the Champaign-Urbana Mass Transit District providing for the construction of bus passenger shelters on University property. The terms of the lease include an annual payment to the University of \$100 for each shelter site, an amount estimated to

¹ Zimmer USA, an affiliate of Bristol Myers of Delaware, manufactures medical devices in the health care field, specializing in orthopedic equipment.

offset the cost to the University of electrical services for lighting and minimal heating. Two shelters were constructed in 1980 and the district has plans to construct additional shelters on University property as funds become available. The sites for additional shelters were approved by the Buildings and Grounds Committee on June 18, 1981.

The district now has requested reconsideration of the flat sum annual payment since some of the shelters are located adjacent to an existing light source, making it unnecessary to install lights in them. Electricity for heating will not be provided. The district has indicated that the shelters are used chiefly by University staff and students. The campus administration concurs in this assessment of the situation.

Accordingly, the chancellor at the Urbana-Champaign campus and the executive vice president have recommended that the previous authorization of the board and the present lease agreement with the district be amended to provide for an annual rental payment of one dollar for each bus passenger shelter.

I concur.

On motion of Dr. Donoghue, this recommendation was approved.

Sale of Property Acquired by Will of David Avery Hills

(12) The gift of a house at 817 Morningside Drive, Atlanta, Georgia, and certain securities was made to the University by the will of the late David Avery Hills. Title to the property was received by the University in December 1981.

David Avery Hills was born October 14, 1889, in Chicago. He was a member of the class of 1917 and received a bachelor's degree in electrical engineering. Mr. Hills died on June 15, 1981, at the age of 91, leaving the bulk of his estate to the University.

The president of the University, with the concurrence of the appropriate administrative officers, recommends that the Board of Trustees authorize the sale of the residence for a sum not less than the amount of the low appraisal after deducting a customary real estate commission and other closing costs. It is further recommended that the comptroller and the secretary of the board be authorized to execute the necessary documents to complete the sale if an acceptable offer is received which meets or exceeds such amount and to negotiate the terms of the sale, including a sale by contract for deed if appropriate, to consummate the transaction.

A schedule of the appraisals received has been filed with the secretary for record.

On motion of Dr. Donoghue, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 13 through 18 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Contract for Carpet Replacement and Repair, Library of the Health Sciences, Medical Center

(13) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$28,550 to C. E. Korsgard Co., Wood Dale, the low base bidder, for the repair and replacement of carpeting in the Library of the Health Sciences at the Medical Center campus. The work consists of removing 75 percent of the existing carpeting in the basement level and replacing it with new carpeting, and the repair of 1,200 square yards of existing carpeting on the first, second, and third floors.

Funds are available from the FY 1982 institutional funds budget of the Library of the Health Sciences.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mr. Howard, this contract was awarded by the following vote: Aye, Mrs. Day, Dr. Donoghue, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Madden, Mr. Neal, Mr. Stone; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Contract for Repair of Chillers, Medical Center

(14) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$118,880 to Carrier Machinery & Systems Division, a division of Carrier Corporation, Westmont, Illinois, the low base bidder, for the repair of three chillers which serve the Biologic Resources Laboratory, the Hospital Addition, the Neuropsychiatric Institute, and the College of Pharmacy buildings at the Medical Center campus. The work will consist of the cleaning and repair or replacement of all working parts as needed, and the replacement of the tube bundles in each chiller.

Funds are available from the FY 1982 institutional funds budget of the Physical Plant Department, Chicago.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mr. Howard, this contract was awarded by the following vote: Aye, Mrs. Day, Dr. Donoghue, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Madden, Mr. Neal, Mr. Stone; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Contracts for Remodeling, Eye and Ear Infirmary, Medical Center

(15) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for the remodeling of 3,200 square feet in the Eye and Ear Infirmary at the Medical Center campus to provide additional office space and wet labs for the Ophthalmology Department. The award in each case is to the low bidder on its base bid.

	<i>Base Bid</i>
<i>Division I — General</i>	
Tal Rauhoff, Inc., Chicago.....	\$ 36 700
<i>Division II — Plumbing and Process Piping</i>	
Midwest Plumbing Industries, Inc., Orland Park.....	14 900
<i>Division IV — Ventilation</i>	
P. E. Environmental Systems, Inc., Lamont.....	25 387
<i>Division V — Electrical</i>	
Mid-America Electric Co., Inc., Palatine.....	24 579
<i>Division VI — Laboratory Furniture</i>	
Kewaunee Scientific Equipment Corporation,	
Statesville, North Carolina.....	13 337
<i>Total</i>	\$114 903

A schedule of the bids received has been filed with the secretary of the board for record.

Funds are available from the operating budget of the Abraham Lincoln School of Medicine for FY 1982.

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

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Amendment of Contract with Capital Development Board for Repair of Peoria School of Medicine Roof Surface, Medical Center

(16) On May 21, 1981, the Board of Trustees approved a recommendation to contract with the Capital Development Board for the removal and replacement of the roof of the laboratory portion of the Peoria School of Medicine and for the investigation of the condition of the other roof areas at a cost not to exceed \$66,000.

The Capital Development Board has completed the removal and replacement of the laboratory roof and the investigation of the other roof areas, and reports that the major roof area over the library, classrooms, and offices, although experiencing some leaks, has not failed; it recommends that some repair work be undertaken at this time to prevent further deterioration. The cost of the work is estimated to be \$15,000. There is an unencumbered balance in the original contract of \$3,850 which would require the University to provide an additional sum of approximately \$11,150 to finance the repairs recommended.

Accordingly, the president of the University, with the concurrence of the appropriate administrative officers, recommends that the contract with the Capital Development Board be amended to include the above repair work and to increase the amount of the contract by approximately \$11,150. The Capital Development Board will continue to pursue its contractual rights under the original contract for the Peoria School of Medicine and will reimburse the University from any proceeds which may result from those efforts.

Funds are available in the FY 1982 institutional fund budget of the Medical Center campus.

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

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Recision of Authorization to Lease Easter Seal Building, Chicago

(17) On November 19, 1981, the Board of Trustees authorized the lease, with option to purchase, of the National Easter Seal Building at 2023 West Ogden, Chicago, from the Easter Seal Society for use by the combined Chicago campuses' personnel services office.

The Board of Directors of the Easter Seal Society considered the proposed lease at its meeting in November. That board decided to retain the building for use as the offices for the society and to reject the proposed lease to the University.

The executive vice president has recommended recision of the November 19 authorization.

I concur.

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

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Purchases

(18) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the executive vice president; also purchases authorized by the 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	\$	25 821 00
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From Institutional Funds

Authorized	\$	34 800 00
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Recommended		<u>1 418 588 02</u>
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		1 453 388 02
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<i>Grand Total</i>		<u>\$1 479 209 02</u>
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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. Howard, the purchases authorized by the president were confirmed, and the purchases recommended were authorized by the following vote: Aye, Mrs. Day, Dr. Donoghue, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Madden, Mr. Neal, Mr. Stone; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bandala, Mr. Bettenhausen, Mr. Persons; no, none.)

Report of Purchases Approved by the Executive Vice President

(19) The executive vice president also submitted a report of purchases approved by him on recommendation of the directors of purchases in amounts of \$20,000 to \$25,000, 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.

Comptroller's Monthly Report of Contracts Executed

(20) The comptroller submitted the January 1982 report of contracts. The report included contractual agreements for payments to the University and contracts in amounts up to \$25,000 to be paid by the University. A copy of this report is filed with the secretary.

This report was received for record.

Report of Investment Transactions through December 31, 1981

(21) The comptroller presented the investment report as of December 31, 1981.

Transactions under Finance Committee Guidelines

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Purchases:				
11/12 \$	96 000	Ford Motor Credit "B" demand notes	14.60%	\$ 96 000 00
11/17	679 000	Ford Motor Credit "A" demand notes	12.20	679 000 00
11/18	648 000	General Motors Acceptance demand notes	11.81	648 000 00
11/30	213 000	General Motors Acceptance 10½ percent note due 12/1/81.....	10.50	213 000 00
12/1	213 000	General Motors Acceptance demand notes	11.48	213 000 00
12/23	4 000	Abbott Laboratories demand notes..	11.92	4 000 00

Transactions under Comptroller's Authority

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Sales:				
10/30 \$	1 000	Associates demand notes....	\$ 1 000 00	\$ 1 000 00
11/3	225 000	U.S. Treasury bills due 11/19/81	216 011 25	223 790 00
11/4	1 400 000	U.S. Treasury bills due 12/3/81	1 380 862 78	1 386 241 11
11/4	700 000	U.S. Treasury bills due 12/17/81	686 851 27	689 799 45
11/5	2 200 000	U.S. Treasury bills due 12/17/81	2 158 675 40	2 169 200 00
11/10	1 000 000	U.S. Treasury bills due 1/7/82	974 819 45	982 116 67
11/12	500 000	U.S. Treasury bills due 1/21/82	484 810 00	489 950 00
11/17	60 000	Jackson County, Missouri, 5.80 percent road and highway bonds due 5/1/86.....	47 147 40	51 402 60
11/17	50 000	Elizabethtown, Kentucky, 5.60 percent industrial building revenue bonds due 12/1/86..	28 000 00	36 055 00
11/17	60 000	Bradley County, Tennessee, 5% percent industrial development revenue bonds due 7/1/87	38 400 00	38 880 00
11/17	100 000	Warren County, Tennessee, 5½ percent industrial building revenue bonds due 9/1/87	54 000 00	79 300 00
11/17	25 000	Chesterfield County, South Carolina, 6% percent industrial revenue bonds due 3/1/88	16 250 00	22 765 00
11/17	50 000	Pennsylvania 6.70 percent general obligation highway bonds due 12/1/88.....	37 432 00	38 534 00

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
11/17 \$	35 000	Winnebago County, Illinois, School District 205, 4.90 percent building bonds due 12/1/88	\$ 22 713 60 \$	22 672 30
11/17	50 000	California 4.55 percent school building aid bonds due 11/1/89	30 744 00	31 490 00
11/17	50 000	Florida 6% percent road bonds due 12/1/90	35 420 00	36 360 50
11/17	50 000	San Francisco, California, 4.40 percent general obligation rapid transit bonds due 6/15/91	27 961 50	27 161 00
11/17	50 000	Maryland 6 percent state and local facilities bonds due 7/1/91	33 445 50	35 381 00
11/17	50 000	Florida 6% percent road bonds due 12/1/91	34 557 50	35 308 50
11/17	50 000	Louisiana 6.60 percent general obligation bonds due 2/1/92	34 879 50	36 342 00
11/17	50 000	Hazelwood, Missouri, School District 6.10 percent school bonds due 3/1/93.....	31 192 50	32 316 00
11/18	20 000	Iberville Parish, Louisiana, 5.60 percent industrial revenue bonds due 7/1/88.....	13 200 00	13 878 00
11/18	50 000	California 6% percent veterans bonds due 8/1/91.....	35 110 00	36 120 50
11/18	60 000	St. Louis, Missouri, 7.70 percent general obligation bonds due 2/1/92	46 129 20	49 509 00
11/18	361 shares	Cooper Industries \$2.90 cm. cv. preferred stock.....	17 057 25	18 742 49
11/18 1	200 shares	Halliburton common stock..	67 275 00	68 001 73
11/18	600 shares	Ingersoll Rand common stock	35 625 00	33 250 89
11/19 \$	50 000	Clinton, Iowa, 5% percent industrial development revenue bonds due 12/1/97.....	24 000 00	26 400 00
11/19	320 shares	Coca-Cola common stock...	10 080 00	11 334 02
11/19 1	610 shares	Continental Illinois common stock	57 256 00	60 244 18
11/19	700 shares	Tenneco common stock.....	24 981 25	22 049 26
11/20 \$	50 000	Los Angeles, California, 6.20 percent electric plant revenue bonds due 4/15/90.....	35 506 00	36 461 50
11/20	125 000	Courtland, Alabama, Industrial Development Board 5% percent industrial development revenue bonds due 11/1/97 (Series 1967)	70 000 00	71 487 50
11/20	30 000	Courtland, Alabama, Industrial Development Board 5% percent industrial development revenue bonds due 11/1/97 (Series 1968)	16 800 00	17 157 00

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
11/24	\$ 25 000	Boone County, Missouri, 5½ percent nursing home expansion bonds due 5/1/91.....	\$ 11 500 00	\$ 14 156 00
11/25	1 000 000	U.S. Treasury bills due 1/14/82	967 423 33	985 833 33
11/30	480 shares	Cooper Industries common stock	22 230 00	24 200 79
12/1	830 shares	First Bancshares of Illinois common stock	9 130 00	9 130 00
12/2	\$ 15 000	Abbott Laboratories demand notes	15 000 00	15 000 00
12/3	50 000	Lees Summit, Missouri, 7.10 percent waterworks and sewage system revenue bonds due 12/1/92	35 631 50	48 000 00
12/4	1 000 000	U.S. Treasury bills due 1/28/82	962 125 00	984 722 22
12/4	1 000 000	U.S. Treasury bills due 2/4/82	959 500 00	982 777 78
12/4	1 200 shares	Eaton common stock.....	35 625 00	36 352 78
12/4	1 200 shares	May Department Stores common stock	31 350 00	25 403 15
12/4	800 shares	McDonnell Douglas common stock	22 400 00	25 535 14
12/4	2 400 shares	Ralston Purina common stock	28 050 00	27 707 07
12/4	400 shares	Smithkline common stock...	26 575 00	28 467 05
12/4	2 400 shares	Union Pacific common stock	119 250 00	130 903 63
12/4	1 000 shares	Warner Communications common stock	41 562 50	54 418 18
12/11	\$1 000 000	U.S. Treasury bills due 2/18/82	959 057 78	979 395 83
12/11	400 000	U.S. Treasury bills due 4/22/82	371 633 33	383 324 00
12/16	100 shares	Square D common stock....	2 706 25	2 779 40
12/17	\$1 100 000	U.S. Treasury bills due 4/22/82	1 021 991 66	1 056 533 50
12/28	1 920 shares	Continental common stock..	45 480 00	51 924 67
Purchases:				
10/16	\$ 35 000	U.S. Treasury bills due 11/19/81...	10.82%	\$ 34 646 08
11/3	13 000	Abbott Laboratories demand notes..	13.90	13 000 00
11/5	600 000	Continental Bank 14 percent time deposit due 8/2/82	14.00	600 000 00
11/9	1 000 000	First National Bank of Chicago 12.80 percent certificate of deposit due 3/25/82	12.80	1 000 000 00
11/16	195 000	U.S. Treasury bills due 3/25/82...	11.18	187 488 44
11/18	32 000	American Express Credit 11 percent note due 11/19/81.....	11.00	32 000 00
11/19	32 000	Ford Motor Credit "A" demand notes	12.20	32 000 00
11/20	1 000 000	First National Bank of Chicago 11.60 percent certificate of deposit due 12/30/81	11.60	1 000 000 00

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
11/20	\$1 800 000	First National Bank of Chicago 11.65 percent certificate of deposit due 2/22/82	11.65%	\$1 800 000 00
12/1	625 000	Continental Bank 11½ percent time deposit due 3/2/82.....	11.50	625 000 00
12/1	65 000	U.S. Treasury bills due 3/25/82....	10.65	62 879 04
12/1	70 000	U.S. Treasury 14% percent bonds due 8/15/91	13.56	75 493 75
12/3	30 000	U.S. Treasury bills due 11/4/82....	12.20	26 934 00
12/4	275 000	U.S. Treasury bills due 11/4/82....	12.40	246 543 61
12/4	20 000	U.S. Treasury 9¼ percent notes due 3/31/83	11.67	19 333 75
12/7	40 000	U.S. Treasury bills due 7/15/82....	11.09	37 460 56
12/7	40 000	U.S. Treasury bills due 8/12/82....	11.20	37 135 44
12/7	45 000	U.S. Treasury bills due 9/9/82.....	11.31	41 409 75
12/8	15 000	Associates demand notes.....	11.36	15 000 00
12/10	144 000	General Electric Credit 11¼ percent notes due 12/11/81.....	11.75	144 000 00
12/10	500 000	Continental Bank 12 percent time deposit due 9/7/82.....	12.00	500 000 00
12/11	160 000	Abbott Laboratories demand notes..	11.92	160 000 00
12/16	1 200 000	First National Bank of Chicago 13 percent certificate of deposit due 8/2/82	13.00	1 200 000 00
12/17	1 000 000	First National Bank of Chicago 13 percent certificate of deposit due 6/28/82	13.00	1 000 000 00
12/18	155 000	U.S. Treasury bills due 11/4/82....	12.94	138 967 83
12/30	20 000	Seaway National Bank 12.70 percent certificate of deposit due 6/30/84....	12.70	20 000 00
12/30	200 000	U.S. Treasury bills due 12/2/82....	13.77	177 158 88
12/30	250 000	U.S. Treasury 7% percent notes due 5/15/86	13.41	202 187 50

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

SECRETARY'S REPORT

The secretary presented for the 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 Stone called attention to the schedule of regular meetings for the next three months: February 18, Urbana-Champaign; March 18, Chicago Circle; April 15, Medical Center.

There being no further business, the board adjourned.

EARL W. PORTER
Secretary

PAUL STONE
President

LUNCHEON GUESTS

Guests of the board at the luncheon included the deans of the colleges at the Medical Center and heads of departments and other administrative units at the University Hospital.