

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

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**February 17, 1983**



The February meeting of the Board of Trustees of the University of Illinois was held in the General Lounge, Illini Union, Urbana, Illinois, on Thursday, February 17, 1983, beginning at 1:10 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: Mrs. Galey S. Day, Dr. Edmund R. Donoghue, Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Albert N. Logan, Mr. Dean E. Madden, Mr. Paul Stone. The following members of the board were absent: Mrs. Nina T. Shepherd, Governor James R. Thompson. The following nonvoting student trustees were present: Mr. Leonard C. Bandala, Health Sciences Center; Miss S. Kelly Forsyth, Urbana-Champaign campus. Mr. Herbert Cobb, University Center was absent.

Also present were President Stanley O. Ikenberry; Dr. Morton W. Weir, vice president for academic affairs; Dr. Donald N. Langenberg, chancellor, University of Illinois at Chicago; Dr. John E. Cribbet, chancellor, University of Illinois at Urbana-Champaign; and the officers of the board, Dr. Craig S. Bazzani, comptroller (and acting vice president for business and finance of the University); Mr. James J. Costello, university counsel; and Dr. Earl W. Porter, secretary.

**NOTE:** Earlier in the day, the board meeting as a Committee of the Whole received a comprehensive review of the financial situation at the University Hospital from Chancellor Langenberg, Vice Chancellor Alexander M. Schmidt, and Hospital Director James Malloy. Documents detailing the situation as well as strategic planning for the future were distributed and discussed and copies are filed with the secretary for record. Following this meeting, the trustees toured the Undergraduate Library at the Urbana-Champaign campus.

### EXECUTIVE SESSION

President Forsyth, 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 and to discuss the acquisition of real property."

The motion was made by Mr. Madden and approved unanimously.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 1 through 4 inclusive. The recommendations were individually discussed but acted upon at one time.

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

#### Settlement of Gary Golub Litigation

(1) There is currently pending in the Circuit Court of Cook County (Case No. 82-L-11294) and in the Illinois Court of Claims (Case No. 83-CC-1062) litigation initiated by Gary Golub as special administrator of the estate of Timothy Golub, deceased, seeking damages for alleged malpractice in connection with the death of Timothy Golub, a minor, following an infusion of the drug Arginine at the University of Illinois Hospital. Dr. Edra Weiss, who was on the University's staff at the time of the alleged incident, is the named defendant in the Circuit Court proceeding; and the University is the defendant in the Court of Claims action. The University is supplying Dr. Weiss' defense under our Risk Management Program. The University's umbrella insurance coverage would extend to any judgment or settlement in excess of \$100,000.

The firm of Baker & McKenzie has been engaged as special counsel in both cases and has advised that an adverse verdict is probable and that the settlement value of the case is significantly in excess of \$100,000. The University's umbrella carrier has been advised of the existence of the litigation and strongly urges prompt negotiation of a settlement, if at all possible, in which the carrier will participate.

Special counsel recommends that authority be given to settle the litigation through the payment of \$100,000, which would be supplemented to the extent appropriate by funds from the University's umbrella insurance carrier. The recommendation of special counsel is supported by the university counsel and by the Risk Management Policy and Hospital Professional Liability Committees.

The acting vice president for business and finance recommends that authority be granted to settle this matter and to expend an amount not to exceed \$100,000 in the University's Risk Management accounts for that purpose.

I concur.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

#### Settlement of Sabrina Washington Litigation

(2) There is currently pending in the Circuit Court of Cook County (Case No. 80-L-25239) litigation instituted by Sabrina Washington seeking damages for

alleged malpractice in connection with heart surgery performed at the University of Illinois Hospital. The defendants are Dr. Sidney Levitsky and Dr. John Grow; and the University is supplying their defense under our Risk Management Program. The plaintiff is a twenty-eight year old married woman with two children, has had a mitral valve replacement, the implantation of permanent pacemaker wires, and has a history of recurring infections.

The plaintiff's attorney's original demand was for \$1.5 million. The firm of Baker & McKenzie has been engaged as special counsel and has advised that while the case is defensible, an adverse verdict is probable. The final pretrial conference is set for March 2, 1983, and it is anticipated that the trial will be set shortly thereafter.

Special counsel has recommended that authority be given to settle the litigation for an amount not to exceed \$150,000 and that, if possible, a structured settlement be negotiated. While there is no firm commitment that the plaintiff will accept the settlement as proposed, it is essential that, if approved, the special counsel be advised in advance of the March 2 final pretrial conference. The recommendation of special counsel is supported by the university counsel and by the Risk Management Policy and Hospital Professional Liability Committees.

The acting vice president for business and finance recommends that authority be granted to settle this matter for an amount not to exceed \$150,000. Funds are available in the University's Risk Management accounts.

I concur.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

### **Settlement of Claims with Contractors for Pavilion Construction, Chicago**

(3) On July 29, 1982, the Board of Trustees was informed that certain contractors involved in the construction of the Pavilion at the Chicago campus were asserting claims and threatening litigation against the University for additional costs alleged to have been caused by delays in site availability, by failure to coordinate the work properly, and by changes in and additions to the work. The project is now operational and only a few "punch list" items remain to be completed by one of the contractors. The board authorized the university counsel to employ special counsel to assist in opposing the claims and defending any litigation.

Pora Construction Company claimed in excess of \$600,000; Mississippi Valley Structural Steel Company claimed in excess of \$70,000; Fullerton Plumbing and Heating, Inc., claimed in excess of \$12,000; and Telander Bros. Contractors, Inc., claimed in excess of \$14,000. Further, the construction manager, Pepper Construction Company, claimed in excess of \$170,000 for extra services it alleged were attributable to substantial changes in the scope of the construction work and the resultant increase in the construction budget.

As a result of extensive negotiations involving the contractors, the Office of Capital Programs, the university counsel and the University's special counsel, Rooks, Pitts, Fullagar and Poust, it has been determined that some of the items in question represented appropriate changes in, or additions to, the original scope of the work. Accordingly, change orders will be issued to Fullerton for \$5,702.46 in settlement of its \$12,144.45 claim and to Telander Bros. for \$1,706.49 in settlement of its \$14,001.00 claim. Funds for these change orders are available in the existing Pavilion construction budget, and no further allocation of funds is required.

The construction manager, Pepper Construction Company, has agreed to settle its \$170,418.00 claim through the exchange of mutual releases with the University with regard to any claims asserted by contractors on the project, and through relieving Pepper from any obligation to coordinate or supervise the execution of the few remaining "punch list" items of work which Pora Construction Company has yet to perform. Coordination and supervision of Pora's punch list work will be done by University personnel. The Pepper settlement will not require the allocation of additional funds.

A change order will be issued to Mississippi Valley for \$34,570.80 in settlement of its \$70,735.77 claim. Funds for this change order are not available in the construction budget, and an additional allocation of funds will be required.

Pora Construction Company, the contractor for general work and poured-in-place concrete, has indicated that it will consider settling its \$60,862.20 claim relating to work delays, changes, and additions for the sum of \$197,500. Pora will promptly complete the punch list items, and the University will retain sufficient funds under the existing contract to insure performance of the work. An additional allocation of funds to the Pavilion construction budget will be required to pay the Pora settlement.

If the above settlements are approved, it is recommended that the board authorize the following:

1. An amendment to the November 18, 1982, action of the Buildings and Grounds Committee to permit the retention of \$300,000 in the Series N Construction Fund. (The committee initially approved the assignment of \$2.9 million in Series N balances as follows: project enhancements — \$1.2 million; transfer of \$1.0 million into the R&R Fund to support the structural upgrade of the Stadium; and the transfer of \$700,000 of unassigned balances into the R&R Fund.) The transfer of the \$700,000 to the R&R Fund would be reduced by this action to \$400,000.
2. An increase in the project budget for the Pavilion from \$9.8 million to \$10.1 million to permit the payment of the settlements approved by the board which have arisen from the construction of the Pavilion and associated legal costs (settlement costs and legal fees are estimated to not exceed \$300,000).

The acting vice president for business and finance, the university counsel, and the special counsel have recommended approval of the foregoing settlements on the terms indicated and by the allocation of funds as requested.

I concur.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

#### **Employment of Special Counsel for Drainage District Proceedings**

(4) The Upper Embarras River Basin Drainage District which involves a watershed in southeastern Champaign and southwestern Urbana was reactivated in 1982. The district has planned a project which involves the construction of a number of drainage improvements, including: constructing a storm sewer for the west branch; relocating, deepening, and widening the west branch; and deepening and widening the east branch and the main stem of the river. A substantial portion of the land in the present district is owned by the University; and the district has indicated that it intends to annex additional land, some of which is owned by the University, into the district.

The district has indicated that it plans to file the annexation proceedings, a

construction plan, and an assessment roll in the Circuit Court of Champaign County in March. The district estimates the cost of the project at \$2.1 million and asserts that the University's share will be approximately \$600,000. The benefit to the University and other landowners has not been calculated, and it is not known whether the district will attempt to assess University-owned land or request an agreement with the University for payments to be made in lieu of any assessment. It is likely there will be opposition to the proposed plan by other landowners in the district.

The university counsel requests that he be given authorization to take such steps as are necessary or appropriate, including the employment of special counsel, to protect the interests of the University in connection with the legal aspects of these proceedings.

I concur.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

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

The Board of Trustees' regular meeting reconvened at 2:20 p.m.

### MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of November 18 and December 17, 1982, copies of which had previously been sent to the board.

On motion of Mr. Howard, these minutes were approved.

### STANDING COMMITTEES

President Forsyth presented the standing committee appointments for 1983-84 as follows:

#### *Affirmative Action/Equal Opportunity*

ALBERT N. LOGAN, Chairman  
HERBERT COBB<sup>1</sup>  
RALPH C. HAHN  
NINA T. SHEPHERD  
PAUL STONE

#### *Agriculture*

PAUL STONE, Chairman  
GALEY S. DAY  
NINA T. SHEPHERD

#### *Alumni*

DEAN E. MADDEN, Chairman  
GALEY S. DAY  
S. KELLY FORSYTH<sup>1</sup>  
GEORGE W. HOWARD III  
PAUL STONE

#### *Athletic Activities*

RALPH C. HAHN, Chairman  
EDMUND R. DONOGHUE  
ALBERT N. LOGAN  
DEAN E. MADDEN

#### *Buildings and Grounds*

EDMUND R. DONOGHUE, Chairman  
GALEY S. DAY  
GEORGE W. HOWARD III  
ALBERT N. LOGAN

#### *Finance and Audit*

GEORGE W. HOWARD III, Chairman  
HERBERT COBB<sup>1</sup>  
GALEY S. DAY  
EDMUND R. DONOGHUE  
S. KELLY FORSYTH<sup>1</sup>  
DEAN E. MADDEN  
NINA T. SHEPHERD

<sup>1</sup> Nonvoting student member.

*General Policy*

NINA T. SHEPHERD, Chairwoman  
 LEONARD C. BANDALA<sup>1</sup>  
 EDMUND R. DONOGHUE  
 RALPH C. HAHN  
 GEORGE W. HOWARD III  
 ALBERT N. LOGAN  
 DEAN E. MADDEN

*Nonacademic Personnel*

(Also representatives on the Civil  
 Service Merit Board)  
 EDMUND R. DONOGHUE, Chairman  
 DEAN E. MADDEN  
 PAUL STONE

*Patents*

GEORGE W. HOWARD III, Chairman  
 LEONARD C. BANDALA<sup>1</sup>

RALPH C. HAHN  
 DEAN E. MADDEN  
 PAUL STONE

*Student Welfare and Activities*

GALEY S. DAY, Chairwoman  
 LEONARD C. BANDALA<sup>1</sup>  
 HERBERT COBB<sup>1</sup>  
 S. KELLY FORSYTH<sup>1</sup>  
 RALPH C. HAHN  
 ALBERT N. LOGAN

*Special Committee for the Trustees'  
Distinguished Service Medallion Award*

PAUL STONE, Chairman  
 EDMUND R. DONOGHUE  
 GEORGE W. HOWARD III  
 NINA T. SHEPHERD

The president of the board and the president of the University are members, ex officio, of all committees, the president of the board with vote.

**REPRESENTATIVE, ILLINOIS BOARD OF HIGHER EDUCATION**

President Forsyth announced that he had designated Mrs. Shepherd as the "alternate" to represent the University at meetings of the Illinois Board of Higher Education.

**ELECTION OF CIVIL SERVICE MERIT BOARD REPRESENTATIVES**

On motion of Mr. Hahn, Dr. Donoghue, Mr. Madden, and Mr. Stone were elected to continue to serve on the Civil Service Merit Board (and by custom to constitute the membership of the Nonacademic Personnel Committee of the Board of Trustees).

**STATE UNIVERSITIES RETIREMENT SYSTEM REPRESENTATIVES**

On motion of Mrs. Day, the incumbent University representatives on the State Universities Retirement System Board, Mr. Forsyth and Mr. Howard, were reelected.

**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>2</sup>

**President's Report**

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

<sup>1</sup> Nonvoting student member.

<sup>2</sup> University Senates Conference: Martha O. Friedman, associate professor of library administration and history and philosophy librarian, Urbana-Champaign; Chicago Campus Senates: Richard L. Carlin, professor of chemistry, and Dale Eisenmann, professor and head of Department of Histology; Urbana-Champaign Senate Council: Robert J. Mosborg, professor of civil engineering.

### President's Report on Other Matters

Following are excerpts from an extended report presented by the president.

I begin my monthly report to this board and to the University community by welcoming Chancellor Langenberg who assumed his official duties on February 1, and I express my personal pleasure at the occasion of his arrival. He assumes the chancellorship at a difficult time, and yet at a time at which most observers believe that our Chicago programs are moving toward a new era.

We now have our first look at the Federal budget recommendations for the coming year. In the area of student aid, the president's proposed budget would continue need-based student aid funding at the Fiscal Year 1983 level, but it also recommends a major restructuring of student aid programs. The Pell Grants program, the basic foundation of the entire system, would be changed in what is described as a "major philosophical shift." Students would be required to provide a minimum of 40 percent (or \$800 — whichever is higher) of their educational costs through work or loans before the grant would be awarded. This "self-help" is in addition to what the family would be expected to contribute. In turn, the maximum grant would be boosted to \$3,000. Overall funding for the grant program would increase from \$2.4 to \$2.7 billion.

Three lesser programs would be eliminated: Supplemental Grants; the National Direct Student Loans; and State Student Incentive Grants. The College Work-Study program would be increased by nearly 60 percent, to \$850 million, to help provide student work opportunities under the self-help proposal.

The Guaranteed Student Loan program would require a financial-needs test from all student applicants and double the origination fee for graduate students, from 5 to 10 percent.

On top of all this is a proposed Education Savings Account that would permit a family to invest up to \$1,000 a year with earned interest and dividends free for those with annual incomes below \$40,000 to \$60,000. The cost in lost federal revenue is estimated at \$100 million in FY 1985 and \$200 million in FY 1986. It would differ from the IRA in that the principal would not be exempt from tax.

The implications of these several changes are not well understood by the higher education community. Funding for the Pell Grant and Work Study programs would be increased and lowest-income students would receive larger Pell Grants. On the other hand, three programs would be eliminated; and moderate-income families (between \$12,000 and \$25,000 in annual income) would be required to contribute more to their child's education.

Perhaps the most negative aspect of the proposal is that it continues the uncertainty over Federal student aid programs. Congressman Paul Simon has reacted by suggesting that we need stability, given the high level of uncertainty during the last two or three years. I suspect this view will be shared by others.

In other areas of special interest to the University of Illinois, the president's budget proposes to boost total research and development funding by 17 percent, including an increase of 10 percent for basic research. More emphasis would be placed on research in the physical sciences and engineering (up 15 percent) and somewhat less on the life sciences (up 3 percent). Funding for the National Science Foundation would go up by 18 percent.

The budget also includes proposals to address the shortage of college faculty members in science, improve the qualifications of science and math teachers in secondary schools, and reward outstanding high school science teachers and their programs. Recently I testified before Congressman Simon's House Subcommittee on Elementary, Secondary, and Vocational Education and Postsecondary Education about legislation which incorporates several of these same concepts.

As to the health of the State of Illinois, there have been significant developments during recent days and weeks of fundamental importance to the people of Illinois and to this University. Foremost among these are that we now see more

clearly the dimensions of the State's severe fiscal crisis. Also, the governor has placed before the General Assembly his recommendations to deal with the crisis.

As to the magnitude of the problem, there is general agreement that actual revenue collections will fall below projections and approved spending levels for the current fiscal year, FY 1983, by at least \$500 million. The governor called in December for midyear budget cuts to reduce spending by some \$164 million — some \$21 million of that amount falling on higher education. Some \$300 to 350 million of the shortfall remains to be dealt with yet this year. Governor Thompson has indicated his intent to resort to short-term borrowing, reduced year-end cash balances, and further cuts in order to deal with the immediate FY 1983 problem.

The real impact of the fiscal crisis, however, is not focused on the current fiscal year, as difficult as it has been, but on FY 1984 and the years that follow. In the absence of a tax increase, the shortfall of \$500 million in the State's General Revenue Fund will continue in future years.

On top of this, there is the accumulation of some \$650 million in additional obligations that must be dealt with. These would include, for example, obligations to repay this year's short-term borrowing of some \$200 to 300 million; repayment of last year's final school-aid payment of \$118 million; medicaid obligations of some \$150 million; interest to the Federal government on unemployment insurance debt of some \$50 million; \$40 million to move State police salaries from the Road Funds to General Funds; annualization of the one-time speedup in utility tax payments of \$63 million; interfund borrowing; and many other commitments. Not mentioned in that listing are the problems of each of the State's pension funds and the significant underfunding in virtually every department and program of the State of Illinois, not the least of which is a severely underfunded system of higher education.

Failure to deal promptly and forthrightly with these problems will result in continuing fiscal instability in Illinois State Government for the foreseeable future. It would cause substantial — in certain cases irreparable — harm to certain programs, such as those in the academic sector, fundamental to the well-being of our people and indispensable to the future of our State.

The governor's program to deal with the fiscal crisis has four essential components:

1. An increase of 1.5 percent in the individual income tax.
2. An increase of 1.6 percent in the corporate income tax.
3. A substantial increase in the liquor tax, to bring it in line with other states.
4. An increase of 3.5 cents per gallon in the gas tax, plus increases in certain license fees, to rebuild and strengthen the road and mass-transit systems.

In addition to these, the governor indicated that his package also would raise the personal exemption on the State income tax to \$1,200 by 1985 and increase the "circuit-breaker" property tax relief program for the disabled and senior citizens.

In short, the governor and the leaders of the General Assembly now appear to be taking action to address the State's fiscal crisis. The stakes are high and much uncertainty remains. Failure to endorse a meaningful program of revenue increases equal to the dimensions of the State's fiscal crisis would not only make it impossible to address the accumulated unmet needs of the University of Illinois and those in many other areas of essential State programs and services, it would require massive reductions in State support.

Illinois higher education, which has the lowest rate of increased support during the last decade of any state in America, would be cut by an additional \$100 million. Given the underfunding of earlier years, such cuts would forever change the character and course of higher education in Illinois.

Which brings me to the third development of some significance, in my judgment. I sense a new recognition and regard for the role that the University of Illinois and the rest of higher education must play in the future intellectual, economic, and cultural vitality of this State.

I listened, along with others in Illinois, to the governor's assessment:



As we, like other states, find it necessary, indeed even imperative, to expand and diversify our economic base, we look to higher education — our universities and community colleges — to do even more to advance our opportunities in computer sciences, the development of new hardware and software, information systems, microelectronics, and biotechnology. And we expect our community colleges to take the lead in offering retraining to people who have permanently lost their jobs — as traditional industries, like steel, and heavy machinery have changed and lessened their reliance upon man's labor.

I also have gained hope and greater confidence that this same conviction — a belief in the fundamental importance of this and other universities to the future of this State, is gaining strength in Illinois.

We are in the eye of the storm, but I see more reason for confidence and hope than at any period in the last eighteen months. Much remains to be done. We deal with unprecedented uncertainty, and we are part of the greatest challenge to confront the public conscience in the recent history of this State.

I have confidence that the people of Illinois as represented by their leaders have the courage to act responsibly.

It is toward these ends that our principal attention and energies will continue to be directed.

Mr. Hahn moved that the secretary and the president be asked to prepare a resolution from the Board of Trustees to the members of the General Assembly, asking for favorable consideration of the governor's proposals, or similar proposals, for tax increases to permit the restoration of full support for higher education in Illinois. The motion was approved.

### **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. 5 through 11 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**

(5) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded to 1,081 candidates who passed the standard written examination given in November 1982 in Illinois and who have fulfilled all other legal requirements under Sections 1, 2, and 3 of the Illinois Accountancy Act of 1943, as amended. The names of the candidates are filed with the secretary.

The Committee on Accountancy recommends that the certificate of certified public accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to eleven candidates who have presented evidence that they are holders of valid and unrevoked certified public accountant certificates obtained by passing a standard written examination in another state or territory of the United States and who qualify in all other respects under this provision of the law. The names of the candidates are filed with the secretary.

The Committee on Accountancy, pursuant to Rule 16(d) of the Regulations, also recommends that the certificate of certified public accountant be awarded to twenty-three 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 Anthropology, Urbana**

(6) The chancellor at Urbana-Champaign, after consultation with the dean of the College of Liberal Arts and Sciences, has recommended the appointment of Dr. Norman E. Whitten, Jr., presently professor of anthropology, as head of the Department of Anthropology beginning August 21, 1983, on an academic year service basis. His salary for 1983-84 will include an administrative increment of \$2,000.

Dr. Whitten will continue to hold the rank of professor on indefinite tenure. He will succeed Professor Clark E. Cunningham who asked to be relieved of this administrative assignment. Dr. Eugene Giles has been acting head since August 21, 1982.

The nomination is made with the advice of a search committee<sup>1</sup> and after consultation with faculty members of the department. The director and Executive Committee of the School of Social 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**

(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. PETER J. FELSBERG, associate professor of veterinary pathobiology, on 60 percent time, and veterinary clinical medicine, on 40 percent time for the period February 1, 1983-August 20, 1986 (QY), at an annual salary of \$47,000.
2. MARY A. KEITH, assistant professor of foods and nutrition, beginning December 8, 1982 (NY), at an annual salary of \$25,000.

<sup>1</sup> Harvey M. Choldin, professor of sociology, *chairperson*; Charles J. Bareis, associate professor of anthropology; Edward M. Bruner, professor of anthropology; Joseph B. Casagrande, professor of anthropology, director of Research Services Office, director of Center for International Comparative Studies, and associate director of Office of International Programs and Studies (until June 28, 1982); Janet Dixon Keller, associate professor of anthropology.

3. JOSEPH L. MONTGOMERY, assistant professor of animal science, beginning January 3, 1983 (NY), at an annual salary of \$27,000.
4. JAN E. NOVAKOWSKI, assistant professor of animal science, beginning January 3, 1983 (1Y), at an annual salary of \$28,000.
5. ROBERT G. OUSTERHOUT, assistant professor of architecture, beginning January 6, 1983 (1), at an annual salary of \$20,300.
6. MARTIN B. STEFFENSON, agriculture librarian and assistant professor of library administration, beginning January 21, 1983 (NY), at an annual salary of \$27,000.

#### Chicago

7. WILLIAM H. ALBERS, associate professor, Department of Pediatrics, on 75 percent time, and acting chairperson, Department of Pediatrics, College of Medicine at Peoria, beginning January 1, 1983 (WY75;N), at an annual salary of \$66,000.
8. DALE BUCHBINDER, assistant professor of surgery, on 20 percent time, and physician surgeon, on 4 percent time, College of Medicine at Chicago, beginning February 1, 1983 (NY24), at an annual salary of \$16,200.
9. MIMIS COHEN, assistant professor of surgery, on 95 percent time, and physician surgeon, on 5 percent time, College of Medicine at Chicago, beginning January 17, 1983 (1Y95;NY5), at an annual salary of \$52,500.
10. RICHARD L. GRANT, associate professor of clinical psychiatry, on 60 percent time, and physician surgeon, on 40 percent time, College of Medicine at Peoria, beginning January 15, 1983 (AY60;NY40), at an annual salary of \$74,000.
11. JAFAR J. JAFAR, assistant professor of neurosurgery, on 77 percent time, and physician surgeon, on 23 percent time, College of Medicine at Chicago, beginning January 1, 1983 (1Y77;NY23), at an annual salary of \$70,000.
12. RICHARD W. MYERS, assistant professor of biochemistry, Department of Basic Sciences, College of Medicine at Peoria, on 25 percent time, beginning January 1, 1983 (NY25), at an annual salary of \$4,461.

#### Administrative Staff

13. STEPHEN L. BELLIN, director of Financial Affairs in the Office of Financial Aid, Chicago, beginning January 1, 1983 (NY), at an annual salary of \$45,000.
14. SCOTT R. MEYER, assistant dean of Administration, School of Public Health, beginning January 1, 1983 (NY), at an annual salary of \$31,500.

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

#### Revision of Leave of Absence and Appointment as Chancellor Emeritus, Joseph S. Begando

(8) At its meeting on January 20, 1983, the Board of Trustees approved a leave of absence and appointment as chancellor emeritus for Dr. Joseph S. Begando. Following further discussion with Dr. Begando and in consideration of the needs of the University, the following revision of the board's earlier action is proposed:

1. The appointment of Dr. Begando as chancellor emeritus effective February 1, 1983.
2. The continuation of his appointment as professor of health resources management in the School of Public Health, University of Illinois at Chicago, through August 31, 1983.
3. The approval of a study leave of absence at full pay for the period September 1, 1983, through August 31, 1984.

Dr. Begando has indicated that he will be available during the leave period for

consultation and special service as may be desired by the University, including service to the School of Public Health as a faculty member.

I recommend approval.

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

### **Terms of Employment on Research Projects Conducted in Cooperation with State Surveys (Urbana)**

(9) In 1917, the Civil Administrative Code of Illinois was amended to make the State Natural History Survey, the State Geological Survey, and the State Water Survey units in the State Department of Registration and Education. The functions and duties of the surveys were to "continue to be exercised at the University of Illinois in buildings and places provided by the trustees thereof."

Responsibility for the survey functions subsequently was transferred to the Illinois Department of Energy and Natural Resources. The legislation effecting this transfer continued the role of the Board of Natural Resources and Conservation (originally established in 1917) as the governing body for the surveys and further provided that all previously existing relationships between the surveys and the University of Illinois would be maintained.

For many years, the University and the surveys have cooperated in the performance of sponsored research and research-related adjunct activities in which both are interested — with the University contracting, under an agreement between the Board of Natural Resources and Conservation and the University, with the sponsor. The University retains administrative and financial control and supervision of the research grants and contracts, with the surveys providing technical administration and scientific supervision for the work. From the indirect costs and overhead payments received by the University on a project, a portion is held by the University in a separate fund for the relevant survey to support further research. The relationship has been of considerable mutual benefit to the parties and has not presented significant administrative difficulties.

As the recipient of the research funds, the University, with the approval of the survey chief, issues its standard employment contract to those individuals hired to pursue such research. These University employees work closely with survey employees who, as State employees, have different employment conditions and benefits, such as vacation and other leaves, holidays, and notices of nonreappointment.

When the University changed its terminal notice policy in 1980 to provide from 2 months to 12 months notice of nonreappointment to its academic professional employees (depending upon the length of service), the Board of Natural Resources and Conservation expressed concern, on the grounds that the surveys could not fund such an extended notice period. The board further indicated its desire that survey employees and those hired by the University to work on sponsored research have the same employment conditions and benefits.

Therefore, it is now proposed that, to the extent the employment conditions and benefits of the academic professional employees appointed by the University to work on research grants and contracts cooperatively performed by the University and the surveys differ from the conditions and benefits applicable to regular survey employees of comparable status, the conditions and benefits of the survey employees will apply to such University employees, subject to any existing contractual rights of the University employees. (University nonacademic employees would not be affected by the action.)

The vice president for academic affairs and the acting vice president for business and finance have recommended approval of the proposal and, subsequent to such approval, amendment of the existing agreement with the Board of Natural Resources and Conservation to reflect the change described.

I concur.

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

### **Assessment for Commencement Activities**

(10) In June 1982, the chancellor at Urbana-Champaign appointed a task force to develop plans for changes in campus commencement activities. Among the recommendations of the task force was a proposal that a fee be charged to all graduates to pay for an expanded and redesigned campus-level spring commencement ceremony, the publication of a commencement booklet listing the names of graduates, and the encouragement and support of recognition ceremonies held by colleges, schools, or constituent units thereof.

To provide for the implementation of this recommendation for the May 1983 commencement at the Urbana-Champaign campus, the chancellor at Urbana-Champaign recommends that each student participating in those exercises be required to pay a \$15 commencement activity charge.

With the concurrence of the vice president for academic affairs and the acting vice president for business and finance, I recommend approval.

I further recommend that effective with Fiscal Year 1984, the chancellor at each campus be authorized to develop procedures to assess each person completing degree requirements at that campus a fee of no more than \$15, the proceeds from which when recovered through the appropriation process would be similarly used for expenses related to commencement and other events designed to recognize student achievement.

On motion of Dr. Donoghue, this recommendation was approved. (Mr. Howard asked to be recorded as voting "no" on this recommendation.)

### **Application for Federal Assistance for 1983 Airport Improvement Program, Willard Airport**

(11) The Illinois Department of Transportation, Division of Aeronautics, and the Federal Aviation Administration have reported that the following projects at Willard Airport are being considered for funding in the Federal Fiscal Year 1983:<sup>1</sup>

1. Correct existing storm drainage problems — \$220,000.
2. Pavement overlay of T-hangar area, access road to the T-hangar area, and access road to Hangar No. 2 — \$90,000.
3. Install airport perimeter fencing in north, west, and south airport quadrants — \$112,000.

The intent of the projects is to bring existing facilities within Federal Aviation Administration standards. The total costs are estimated to be \$422,000.

The Division of Aeronautics has asked the University to apply for federal assistance of \$379,800, which is 90 percent of the eligible costs of the program. The balance (10 percent), which includes the University and State shares, will be borne by the Division of Aeronautics.

The preparation of the application will require the assistance of an engineering consultant. The division has asked that the University identify a firm acceptable to it in order that the firm may be employed by the Division of Aeronautics with funds appropriated by FY 1983. The University is currently following the procedures set forth in the Illinois Department of Transportation manual, "Consultant Engineer Selection Procedures."

The chancellor at Urbana-Champaign, with the concurrence of the acting vice president for business and finance, has recommended that the University submit an application for a Federal grant as requested for the projects described above.

I concur.

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

<sup>1</sup> Board of Trustee actions on July 29 and September 16, 1982, authorized the application for funds, the execution of a grant agreement, the resolution to accept the grant offer, the agency and participation agreement, and the construction contract for items 1 and 2. FY 1982 funds were not available for those items which have now been made a part of the FY 1983 request.

### **Report of Finance and Audit Committee on Treasurer's Bond**

(12) The Finance and Audit Committee reports that the University has obtained a treasurer's bond in the amount of \$6,000,000 with the Kemper Insurance Companies as surety and Bernard T. Wall as principal.

The Finance and Audit Committee has accepted the bond and reports its receipt for record.

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. 13 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.)

### **Award of Contracts for Renewals and Modifications to the Hood and Ventilation Systems, College of Pharmacy, Chicago**

(13) On October 15, 1981, the Board of Trustees approved acceptance of a federal grant of \$1,456,933 under the Institutional Buildings Grants program established by Congress under the National Energy Conservation Policy Act of 1978. Bids have now been received for the construction of one of the conservation projects authorized under the third cycle of that program.

Accordingly, the president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for renewals and modifications to the existing fume hood air handling and ventilation systems for two teaching laboratories on the south side of the fourth and fifth floors and four chemical storage rooms in the College of Pharmacy Building, the award in each case to the low bidder on its base bid:

|   |                  |
|---|------------------|
| <i>Division III — Mechanical</i>                    | <i>Base Bid</i>  |
| Pullman Construction Industries, Inc., Chicago..... | \$ 58 000        |
| <i>Division IV — Ventilation</i>                    |                  |
| Pullman Construction Industries, Inc., Chicago..... | 149 200          |
| <i>Division V — Electrical</i>                      |                  |
| Berwyn Electric Co., Chicago.....                   | 14 920           |
| <i>Total</i> .....                                  | <u>\$222 120</u> |

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

Funds are available from the Federal Energy Conservation Grant.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

### **Award of Contract for Restoration and Modifications of Air Supply System in Eye and Ear Infirmary, Chicago**

(14) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract in the amount of \$30,995 to Stratton Mechanical Industries, Inc., Addison, the low bidder on the base bid,

for restoration of and modifications to the air-supply system serving the six operating rooms on the second floor of the Eye and Ear Infirmary at the Chicago campus.

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

Funds for the project are available in the Hospital Income fund.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

### **Contract for Phase I Window Replacement, Gregory Drive Residence Halls, Urbana**

(15) The president of the University, with the concurrence of the appropriate administrative officers, recommends award of a contract to Creative Window Designs, Oak Lawn, in the amount of \$199,690, for removal of the existing windows and the installation of approximately 250 double-glazed anodized aluminum window units in Garner Hall in the Gregory Drive Residence Halls complex at the Urbana-Champaign campus.

Funds are available in the Auxiliary Facilities System Repair and Replacement Reserve Account.

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

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

### **Contracts for Fire Service Institute Projects for FY 1983, Urbana**

(16) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following construction contracts for capital improvements in FY 1983 for the Fire Service Institute at the Urbana-Champaign campus. The work includes the construction of two "burn areas," a volatile and flammable materials storage area and distribution system, extension of the water mains and crushed stone roads to serve these facilities, and a crushed stone apron extension near the Fire Tower. The award in each case is to the lowest bidder on the total of its base bid and all of the alternates, as follows:

| <i>General</i>                                | <i>Base Bid</i> | <i>Additive<br/>Alternates</i> | <i>Total</i> |
|---|-----------------|--------------------------------|--------------|
| Caturfield Builders, Inc., Decatur.....       | \$ 70 000       | \$26 162                       | \$ 96 162    |
| Alt. G-1       \$                             | 1 000           |                                |              |
| Alt. G-2                                      | 4 950           |                                |              |
| Alt. G-3                                      | 12 542          |                                |              |
| Alt. G-5                                      | 7 670           |                                |              |
| <i>Plumbing</i>                               |                 |                                |              |
| Paul H. McWilliams & Sons, Inc., Champaign... | 56 723          | 33 048                         | 89 771       |
| Alt. P-2       \$                             | 19 081          |                                |              |
| Alt. P-4                                      | 9 597           |                                |              |
| Alt. P-5                                      | 4 370           |                                |              |

| <i>Electrical</i>                                | <i>Base Bid</i>  | <i>Additive Alternates</i> | <i>Total</i>     |
|--|------------------|----------------------------|------------------|
| Coleman Electrical Service, Inc., Mansfield..... | \$ 13 600        | \$ 4 158                   | \$ 17 758        |
| Alt. E-2       \$       212                      |                  |                            |                  |
| Alt. E-4       3 946                             |                  |                            |                  |
| <i>Totals .....</i>                              | <i>\$140 323</i> | <i>\$63 368</i>            | <i>\$203 691</i> |

It is further recommended that: (1) the contracts for plumbing and electrical work be assigned to the contractor for general work, making the total of its contract \$203,691; and (2) an agreement be entered into with Caturfield Builders, Inc. for the assignment of the other contracts.

Funds are available in the FY 1983 appropriated funds budget of the Fire Service Institute.

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

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

#### **Employment of Engineer for Structural Design Upgrade and Rehabilitation Work for Memorial Stadium, Urbana**

(17) The president of the University, with the concurrence of the appropriate administrative officers, recommends the employment of Hanson Engineers, Inc., Springfield, for the professional services required for a structural design upgrade and rehabilitation work for Memorial Stadium. The fee is for services through the receipt of bids based on 5.5 percent of the construction cost (estimated to be \$1,017,000) plus reimbursables authorized by the University, the latter estimated to be \$2,500.

Funds are available in the Auxiliary Facilities System Repair and Replacement Reserve Account.

On motion of Miss Forsyth, this recommendation was approved by the following vote: Aye, Mrs. Day, Dr. Donoghue, Mr. Forsyth, Mr. Howard, Mr. Logan, Mr. Madden, Mr. Stone; no, none; absent, Mrs. Shepherd, Governor Thompson. (Mr. Hahn asked to be recorded as not voting.)

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

#### **Acquisition of Mt. Morris, Belvidere and Rockton Community Health Centers, College of Medicine**

(18) The three Community Health Centers of the College of Medicine at Rockford are ambulatory-care facilities which serve a major teaching role for the college. The facilities also meet significant health care needs for the communities in which they are located. The centers are owned by the University of Illinois Foundation and leased by the University from the foundation. The centers are located at Mt. Morris, Belvidere, and Rockton, Illinois.

The chancellor at the Chicago campus and the acting vice president for



business and finance have recommended that the University terminate the leases and acquire the properties from the foundation at the following unamortized costs of the foundation as of March 1, 1983,<sup>1</sup> adjusted for any amounts paid or due as of March 1, 1983:

|                    |                     |
|--------------------|---------------------|
| Belvidere .....    | \$235 814 66        |
| Mt. Morris .....   | 239 801 56          |
| Rockton .....      | 388 098 30          |
| <i>Total</i> ..... | <u>\$863 714 52</u> |

Medical Service Plan (MSP) funds are available in the operating budget of the College of Medicine. The use of MSP funds for this purpose has been approved by the participants in the plan.

I concur in this recommendation.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

### Purchases

(19) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the acting vice president for business and finance.

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 ..... \$ 99 113 00

#### *From Institutional Funds*

Recommended ..... \$4 533 521 98

*Grand Total* ..... \$4 632 634 98

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. A copy is being filed with the secretary of the board for record.

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

(The student advisory vote was: Aye, Mr. Bandala, Miss Forsyth; no, none; absent, Mr. Cobb.)

<sup>1</sup> The board approved the acquisition of these centers in November 1979. Acquisition was deferred at that time at the request of the College of Medicine pending stabilization of the MSP cash flow.

### Report of Purchases Approved by the Acting Vice President for Business and Finance

(20) The acting vice president for business and finance also submitted a report of purchases approved by him on recommendation of the directors of purchases in amounts of \$20,000 to \$25,000. A copy of this report is filed with the secretary.

This report was received for record.

### Comptroller's Monthly Report of Contracts Executed

(21) The comptroller submitted the February 1983 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 January 31, 1983

(22) The comptroller presented the investment report as of January 31, 1983.

#### Transactions under Finance Committee Guidelines

| Date             | Number     | Description                          | Cost/Yield | Amount        |
|------------------|------------|--------------------------------------|------------|---------------|
| <b>Purchase:</b> |            |                                      |            |               |
| 1/10             | \$ 210 000 | Caterpillar Tractor demand notes.... | 8.66%      | \$ 210 000 00 |

#### Transactions under Comptroller's Authority

##### Sales:

|      |             |  |                |                |
|------|-------------|--|----------------|----------------|
| 1/3  | \$1 360 000 | U.S. Treasury bills due 6/16/83 .....            | \$1 294 120 07 | \$1 310 435 55 |
| 1/5  | 2 600 000   | U.S. Treasury bills due 8/11/83 .....            | 2 452 100 11   | 2 474 359 32   |
| 1/11 | 1 000       | General Motors Acceptance demand notes .....     | 1 000 00       | 1 000 00       |
| 1/17 | 2 000 000   | U.S. Treasury bills due 6/23/83 .....            | 1 930 430 00   | 1 933 100 56   |
| 1/21 | 41 shares   | American Electric Power common stock .....       | 732 13         | 784 10         |
| 1/21 | 20 shares   | Atlantic Gas and Light common stock .....        | 305 00         | 322 50         |
| 1/21 | 13 shares   | Bowline common stock.....                        | 60 13          | 46 80          |
| 1/21 | 20 shares   | Middle South Utilities common stock .....        | 288 75         | 307 48         |
| 1/21 | 20 shares   | South Carolina Electric & Gas common stock ..... | 337 50         | 367 48         |
| 1/21 | 80 shares   | Southern Company common stock .....              | 1 165 00       | 1 273 56       |
| 1/21 | 40 shares   | Virginia Electric & Power common stock .....     | 550 00         | 591 78         |
| 1/21 | 20 shares   | White Consolidated Industries common stock ..... | 525 00         | 738 37         |
| 1/21 | 20 shares   | Wisconsin Power and Light common stock .....     | 498 75         | 519 98         |

##### Repurchase Agreements:

|     |             |  |       |                |
|-----|-------------|--|-------|----------------|
| 1/7 | \$2 510 000 | U.S. Treasury 14% percent notes due 4/15/89 with A. G. Becker & Co. for three days ..... | 8.25% | \$3 000 000 00 |
|-----|-------------|--|-------|----------------|

| <i>Date</i>       | <i>Number</i> | <i>Description</i>   | <i>Cost/Yield</i> | <i>Amount</i>  |
|-------------------|---------------|--|-------------------|----------------|
| 1/10              | \$1 945 000   | U.S. Treasury 14 percent bonds due 11/15/11 with A. G. Becker & Co. for one day..... | 8.13%             | \$2 500 000 00 |
| 1/11              | 2 600 000     | U.S. Treasury bills due 7/7/83 with A. G. Becker & Co. for one day.....              | 8.25              | 2 500 000 00   |
| <b>Purchases:</b> |               |  |                   |                |
| 1/6               | \$ 13 000     | Caterpillar Tractor demand notes...  | 8.06%             | \$ 13 000 00   |
| 1/6               | 100 000       | Continental Illinois National Bank 8½ percent time deposit due 3/16/85....           | 8.50              | 100 000 00     |
| 1/12              | 2 000 000     | Fidelity Bank of Oklahoma discount certificate of deposit due 6/21/83....            | 8.40              | 1 928 020 44   |
| 1/12              | 2 000 000     | U.S. Treasury bills due 6/23/83....  | 8.00              | 1 930 430 00   |
| 1/13              | 1 000 000     | U.S. Treasury bills due 6/23/83....  | 7.93              | 956 742 78     |
| 1/20              | 140 000       | U.S. Treasury bills due 6/16/83....  | 8.06              | 135 541 00     |
| 1/20              | 105 000       | U.S. Treasury bills due 7/14/83....  | 8.14              | 101 003 44     |
| 1/21              | 3 200 000     | Bankers Trust 8½ percent notes due 1/24/83 .....                                     | 8.13              | 3 200 000 00   |
| 1/21              | 100 000       | Continental Illinois National Bank 8½ percent time deposit due 6/8/83....            | 8.25              | 100 000 00     |
| 1/21              | 600 000       | U.S. Treasury bills due 7/7/83....   | 8.23              | 577 928 17     |
| 1/24              | 800 000       | Bankers Trust 8½ percent notes due 1/25/83 .....                                     | 8.25              | 800 000 00     |
| 1/24              | 627 000       | Boeing demand notes.....   | 8.11              | 627 000 00     |
| 1/24              | 775 000       | Caterpillar Tractor demand notes...  | 8.35              | 775 000 00     |
| 1/24              | 642 000       | Household Finance demand notes...  | 8.33              | 642 000 00     |
| 1/24              | 582 000       | Household Merchandising demand notes .....   | 8.33              | 582 000 00     |
| 1/24              | 574 000       | Merrill Lynch demand notes.....  | 8.35              | 574 000 00     |
| 1/25              | 400 000       | Bankers Trust 8½ percent notes due 1/26/83 .....                                     | 8.25              | 400 000 00     |
| 1/25              | 875 000       | Household Finance demand notes...  | 8.33              | 875 000 00     |
| 1/26              | 400 000       | Household Finance demand notes...  | 8.33              | 400 000 00     |
| 1/27              | 300 000       | Continental Illinois National Bank 8½ percent time deposit due 6/30/83               | 8.75              | 300 000 00     |
| 1/27              | 1 000 000     | First National Bank of Chicago 8½ percent certificate of deposit due 6/21/83 .....   | 8.65              | 1 000 000 00   |
| 1/27              | 2 085 000     | Gulf & Western Industries notes due 7/21/83 .....                                    | 8.76              | 1 999 862 50   |
| 1/27              | 1 600 000     | U.S. Treasury bills due 4/21/83....  | 8.13              | 1 570 208 00   |
| 1/27              | 450 000       | U.S. Treasury bills due 6/23/83....  | 8.25              | 435 336 75     |
| 1/28              | 2 000 000     | Continental Illinois National Bank 8½ percent time deposit due 6/30/83               | 8.75              | 2 000 000 00   |
| 1/28              | 500 000       | Mid City National Bank 8½ percent certificate of deposit due 4/28/83....             | 8.25              | 500 000 00     |
| 1/28              | 100 000       | South Shore National Bank 8½ percent certificate of deposit due 2/28/83              | 8.13              | 100 000 00     |
| 1/28              | 1 000 000     | U.S. Treasury bills due 7/7/83....   | 8.38              | 964 088 89     |

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

#### Quarterly Report of the Comptroller

(23) The comptroller presented his quarterly report as of December 31, 1982. A copy has been filed with the secretary of the board.

This report was received for record.

**Annual Report of the Treasurer**

(24) In accordance with the Bylaws of the Board of Trustees, the treasurer of the University has submitted a report of receipts and disbursements of University funds in his custody for the period January 1, 1982, to December 31, 1982, certified by the comptroller. A copy of this report was sent to each member of the Board of Trustees prior to the meeting, and a copy is filed with the secretary of the board.

This report was received for record.

**SECRETARY'S REPORT**

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations and terminations, 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 schedule of regular meetings for the next three months: March 17, Chicago (Health Sciences Center); April 21, Urbana-Champaign; May 19, Chicago (University Center).

There being no further business, the board adjourned.

EARL W. PORTER  
*Secretary*

WILLIAM D. FORSYTH, JR.  
*President*