

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

November 17, 1983



The November meeting of the Board of Trustees of the University of Illinois was held in the General Lounge, Illini Union, Urbana, Illinois, on Thursday, November 17, 1983, beginning at 10:00 a.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. George W. Howard III, Mr. Albert N. Logan, Mr. Dean E. Madden, Mr. Paul Stone. The following members of the board were absent: Mr. Ralph C. Hahn, Mrs. Nina T. Shepherd, Governor James R. Thompson. The following nonvoting student trustees were present: Mr. James B. Bolen, Jr., Chicago campus; Mr. Craig Milkint, Urbana-Champaign campus.

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 vice president for business and finance of the University); Mr. James J. Costello, university counsel; and Dr. Earl W. Porter, secretary.

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. Stone and approved unanimously.

Employment of Counsel to Defend Threatened Litigation

(1) The University has been advised that the National Collegiate Athletic Association (NCAA) is about to conclude a preliminary inquiry into the University's athletic policies and practices. The stated purpose of the preliminary inquiry is to investigate allegations of the "violation of NCAA requirements on the part of the University and its representatives" and "to determine whether an official inquiry is warranted." It is likely that the NCAA will issue an "official inquiry" to the University prior to the next scheduled meeting of the Board of Trustees.

The NCAA regulations contemplate that a separate investigation of the allegations of an official inquiry will be conducted by the University, after which the University will be entitled to a hearing before the NCAA Committee on Infractions. The hearing may or may not result in penalties being imposed upon the University.

The university counsel and the chancellor at the Urbana-Champaign campus have recommended the employment of the Chicago firm of Jenner & Block to represent the University as special counsel in connection with the investigation and response to any official inquiry which may be received from the NCAA. Mr. Philip M. Tone, a former U.S. District Court Judge and, more recently, a judge of the U.S. Court of Appeals for the Seventh Circuit, will be the partner in the firm with responsibility for representing the University's interests.

I concur.

On motion of Mr. Howard, 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, Mr. Hahn, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Settlement of James Duke Workers' Compensation Claim

(2) On May 4, 1979, James Duke, who was employed by the University as a roofer at the Urbana-Champaign campus, fell from a roof upon which he was working. As a result of the fall, Mr. Duke suffered multiple fractures in both legs, injured his diaphragm, and fractured a vertebrae in his lumbar spine, for which he has filed a claim under the Illinois Workers' Compensation Act.

The extent of the University's liability to Mr. Duke depends upon which of two provisions of the Illinois Workers' Compensation Act will be applied by the Industrial Commission if the case goes to hearing. Under one provision, Mr. Duke would be entitled essentially to 66⅔ percent of the future wages which he has lost as a result of his injury, paid over the remainder of his lifetime in weekly increments up to certain maximum weekly amounts set forth in the Workers' Compensation Act. In addition, he would be entitled to payments of his future medical expenses. Mr. Duke is presently 42 years old. His treating doctors are agreed that he will never be able to resume the occupation of roofer.

After his accident, Mr. Duke was reemployed by the University as an engineering technician. Sixty-six and two-thirds percent of the difference between what Mr. Duke is presently earning and what he would be able to earn as a roofer is \$282.25 per week. Extended over the period of Mr. Duke's anticipated lifetime and discounted at 12 percent, the present value of an annuity of \$282.25 per week is in excess of \$118,000.

Alternately, the Industrial Commission could award Mr. Duke a definite amount of compensation for certain injuries which are described as "scheduled" in the Act and which are each allocated a certain number of weeks of compensation. If this provision were to be applied by the Industrial Commission, it is estimated that Mr. Duke would be awarded from \$50,000 to \$75,000, and he would continue to be eligible for future medical expense reimbursement.

Mr. Duke has offered to settle his claim against the University for a lump-sum payment of \$60,000, or for an annuity purchased by the University for a \$60,000 single premium. The terms of the settlement contract will allocate this payment between 100 percent loss of use of Mr. Duke's left leg and his future medical expenses.

Thus far, in excess of \$79,800 has been paid by the University because of Mr. Duke's injury. Settlement on the terms described above will close out all of Mr. Duke's rights against the University arising from this injury, including the right to have his future medical expenses for this injury paid by the University.

The University Subcommittee on Workers' Compensation has recommended that the case be settled for an amount not to exceed \$60,000. The university counsel and the vice president for business and finance concur. Funds are available in the FY 1984 appropriated funds budget of the Risk Management Workers' Compensation Program.

I recommend approval.

On motion of Mr. Logan, 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, Mr. Hahn, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Settlement of Gutierrez Litigation

(3) Currently pending in the Circuit Court of Cook County (Case #82 L 10862) is litigation initiated by the mother of Katie Gutierrez against Dr. Michael Schafer; Dr. Donald W. Day, director of the University's Center for Craniofacial Anomalies; and Children's Memorial Hospital, Chicago. The action seeks damages for alleged malpractice in the treatment of the child's birth defects. Those defects include a forehead which protrudes extensively, concavities beneath the orbits of the eye, a generalized deformity of the skull, respiratory problems, and the potential for eye injury due to the lack of bony protection around the eyes.

After the patient was seen for diagnostic evaluation at the University's Center for Craniofacial Anomalies for approximately one year, it was concluded that a "mono-block" surgical procedure was in order. This is a radical surgical procedure which is the subject of some disagreement within the medical profession as to whether the risks involved are justified by the potential aesthetic and physical improvements. The diagnosis and planning for the surgery took place at the University of Illinois Hospital, but the surgery took place in Children's Memorial Hospital and lasted for approximately 14 consecutive hours. Following surgery, the child developed a severe postoperative infection. Subsequently, the child's parents consulted other physicians who have performed additional surgical procedures.

The case is complicated by the fact that Dr. Michael Schafer threatens to sue both the Children's Memorial Hospital and the University of Illinois since both

institutions have refused to extend insurance coverage to him. (Dr. Schafer had been appointed as a nonsalaried lecturer in surgery at the University but was not a member of the University of Illinois Hospital and clinic medical staff.) He and Dr. Day participated in the presurgery evaluations and the planning of the surgery which occurred at the University of Illinois, but Dr. Schafer alone performed the surgery at the Children's Memorial Hospital where he was a staff member.

Dr. Schafer has stated his intention to file a declaratory judgment action against the University, seeking a court determination that he is entitled to the protections of the University's Self-Insurance Plan in this matter. If he is successful, the University will have a substantial financial exposure, since it will not be possible to separate any jury award between his diagnostic activities at the University and his surgical activities at Children's Memorial Hospital. In addition, the University may be responsible for the payment of attorneys' fees for the defense of the declaratory judgment action, as well as the fees of counsel engaged by Dr. Schafer to institute the same. It is anticipated that discovery proceedings and the engagement of experts will be expensive and protracted. The photographs of the child before and after the surgery are strong vehicles for the elicitation of extreme sympathy from a jury.

The firm of Baker & McKenzie has been engaged as special counsel in the case and has strongly recommended that authority be given to settle this litigation through the payment of up to \$75,000. Children's Memorial Hospital would be requested to contribute a like amount. Apart from the question of potential liability, it is likely that if the litigation proceeds to conclusion, the attorney's fees, discovery expenses, and other costs of defense of the various issues will exceed that amount. The recommendation of special counsel is supported by the University counsel, by the Chicago campus administration, and by the Risk Management Policy Committee.

The vice president for business and finance has recommended that authority be granted to settle this matter for an amount not to exceed \$75,000. Funds are available in the University's Risk Management Account.

I concur.

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Acquisition of Property at 2020 West Ogden, Chicago

President Ikenberry reported that the governor continued to support and encourage the acquisition of this property if possible. Accordingly, he stated he would withdraw an agenda item (concerning the lease of off-campus space in Chicago) based on the expectation that the property at 2020 West Ogden might become available.

EXECUTIVE SESSION ADJOURNED FOR COMMITTEE MEETINGS

Mr. Forsyth announced that the executive session would adjourn for meetings of the Finance and Audit Committee and the Buildings and Grounds Committee.

The Board of Trustees reconvened in regular session at 2 p.m.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of July 21, 1983, copies of which had previously been sent to the board.

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

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 He also introduced Dr. George Kottemann, chairman of the board, University of Illinois Alumni Association.

President's Reports

The president reported on a variety of matters: recent actions of the General Assembly to provide matching funds for engineering equipment; and to provide matching funds for energy conservation grants. He also announced that Vice President Weir was establishing a University-wide task force to review the role of the University in improving the quality of elementary and secondary education.

PRESIDENT'S ELECTION TO NASULGC POSITION

Mr. Forsyth, who had recently attended a joint meeting of the Association of Governing Boards and the National Association of State Universities and Land-Grant Colleges, reported that President Ikenberry had been elected chairman of the Council of Presidents of the NASULGC. He expressed the trustees' pride and satisfaction in this honor to the president of the University.

OLD AND NEW BUSINESS

Mr. Madden, in the absence of Mr. Hahn, chairman of the Athletic Committee, reported that he and Mr. Hahn wished to present a resolution with regard to the selection of the football team to appear in the Rose Bowl in January 1984. He offered the following resolution and moved its adoption. The resolution was approved unanimously.

Resolution

The Committee on Athletic Activities recommends that the board express to Coach Mike White and his team and to Athletic Director Neale Stoner, its congratulations and appreciation for their outstanding football season. Their hard work, dedication, and persistence in the face of many difficulties have been in the highest tradition of the Fighting Illini and will stand them in good stead in their well-deserved participation in the Rose Bowl game.

¹ University Senates Conference: Gerald D. Brighton, professor of accountancy, Urbana-Champaign campus; Chicago campus Senates: D. Jean Wood, professor and head of the Department of Psychiatric Nursing, Health Sciences Center; Urbana-Champaign Senate Council: Kenneth E. Andersen, associate dean of the College of Liberal Arts and Sciences and professor of speech communication.

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. 4 through 21 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

(4) 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 twelve 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.

I concur in this recommendation.

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

Adoption of Rules under the Illinois Public Accounting Act

(5) Under the Illinois Public Accounting Act, the University has the responsibility for determining the qualifications of recipients of certificates as certified public accountants. The University is required to screen applicants for admittance to the CPA examination, to conduct and score the examination, and to issue certificates to successful candidates. In addition, the University acts on applications for Illinois certification of CPA's and candidates from other jurisdictions.

The Committee on Accountancy, appointed by the president of the University, administers the act and a Board of Examiners, appointed by the Board of Trustees, administers the examinations.

Public Act 83-291, approved by the governor on September 14, 1983, amended the Illinois Public Accounting Act in a number of ways: the citizenship requirements for applicants were altered, the terms of the Board of Examiners were limited, the University was directed to adopt and prescribe rules and regulations for the method of determining the qualifications of the applicants, the educational requirements of applicants were changed, and certain provisions for automatic revocation of certificates were eliminated. Other changes were made in the portion of the Act administered by the Department of Registration and Education.

The University's Committee on Accountancy has recommended amendments to the University's existing rules and regulations in order to conform these rules and regulations with the requirements of PA 83-291.

I concur in this recommendation and request adoption of the rules. (A copy of the rules is filed with the secretary of the board for record.)

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

Director, College of Medicine at Rockford

(6) The chancellor at Chicago has recommended the appointment of Bernard P. Salafsky, presently acting director of the College of Medicine at Rockford, as senior associate dean of the College of Medicine and director of the College of Medicine at Rockford, effective November 18, 1983, on a twelve-month service basis at an annual salary of \$80,000. He will continue to hold the rank of professor of pharmacology in the College of Medicine at Rockford and at Chicago.

On February 18, 1982, the Board of Trustees approved a reorganization of the

College of Medicine which simplified the administrative structure and retitled the position of chief executive officer of the regional sites from dean to director.

Dr. Salafsky will replace Dr. Clifford G. Grulee who retired August 31, 1982.

The nomination is made with the advice of a search committee¹ and after consultation with the Executive Committee of the College of Medicine at Rockford. The vice president for academic affairs concurs.

I recommend approval.

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

Head, Department of Pediatrics, College of Medicine at Chicago

(7) The chancellor at Chicago has recommended the appointment of George R. Honig, presently professor of pediatrics at Northwestern University School of Medicine, as professor of pediatrics on indefinite tenure and head of the department, College of Medicine at Chicago, effective January 1, 1984, on a twelve-month service basis at an annual salary of \$115,000.

Dr. Honig will replace Dr. Ira M. Rosenthal who resigned from the headship on June 30, 1982. Dr. Dharmapuri Vidyasagar has been serving as acting head.

The nomination is made with the advice of a search committee² and after consultation with members of the department. The vice president for academic affairs concurs.

I recommend approval.

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

Head, Department of Pharmaceutics, College of Pharmacy, Chicago

(8) The chancellor at Chicago has recommended the appointment of Michael J. Groves, presently senior research scientist at G. D. Searle & Company, Skokie, Illinois, as professor of pharmaceutics on indefinite tenure and head of the department, effective December 1, 1983, on a twelve-month service basis at an annual salary of \$60,000.

On May 20, 1983, the Board of Trustees approved a reorganization of the College of Pharmacy which created the Department of Pharmaceutics. Dr. Groves will be the first head of that department; Dr. Frederick P. Siegel has served as acting head.

The nomination is made with the advice of a search committee³ and after con-

¹ John E. Koepsell, professor of medicine, COM-Rockford, *chair*; Charles H. Bazuin, associate professor of family medicine; director, Community Health Centers; head, Department of Community Medicine, COM-Rockford; James Bremseth, Rockford Medical Education Foundation; Alan Conrad, resident; Danny L. Copeland, clinical assistant professor of family medicine, COM-Rockford; Henry Jeffay, professor of biological chemistry, COM-Chicago; Lynn Lindaman, student; Donald MacLean, associate professor of psychiatry and acting head of the department, COM-Rockford; Alfonse T. Masi, professor and head, Department of Medicine, COM-Peoria, and professor of epidemiology, School of Public Health; Richard F. Novak, professor of pathology and chairperson of department, COM-Rockford; Edward H. Sharp, clinical professor of surgery and chairperson of department, COM-Rockford (resigned March 1983); Richard S. Webb, Jr., clinical professor of surgery and acting chairperson of department, COM-Rockford; Gordon Wesner, Rockford Medical Education Foundation; Paul K-Y Wong, associate professor of microbiology, COM-Urbana-Champaign, and associate professor of microbiology, Urbana-Champaign; Fu-Li Yu, associate professor of biochemistry, COM-Rockford.

² John S. Garvin, professor and head, Department of Neurology, *chair*; Richard L. Davidson, Benjamin J. Goldberg Professor of Genetics and director, Center for Research and Education in Genetics; Olga M. Jonasson, professor of surgery; Shirley B. Lansky, professor of psychiatry; Robert A. Miller, professor of pediatrics (resigned 1982); Claire Neeley, resident in pediatrics (resigned June 1983); Robert L. Perlman, professor and head, Department of Physiology and Biophysics; Stanley G. Schade, professor of medicine; Victoria Schauf, professor of pediatrics; George F. Smith, professor of pediatrics; Leighton B. Smith, associate professor and head, Department of Family Practice; Lawrence M. Solomon, professor and head, Department of Dermatology; Bruce A. Work, professor of clinical obstetrics and gynecology; Sharon Yockey, student (resigned June 1983).

³ Frederick P. Siegel, professor of pharmaceutics and acting head of the department, *chair*; Angel S. Arambulo, professor of pharmaceutics; Martin I. Blake, professor of pharmaceutics; Geoffrey A. Cordell, professor of pharmacognosy and associate dean for research and graduate education, College of Pharmacy; Bernard Ecanow, professor of pharmaceutics; and Joseph P. Slonek, adjunct assistant professor of pharmaceutics.

sultation with members of the department. The vice president for academic affairs concurs.

I recommend approval.

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

Appointments to the Faculty

(9) 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. MARILYN-LU JACOBSEN, assistant professor of nursing, beginning October 5, 1983 (1Y), at an annual salary of \$32,000.
2. ELIZABETH H. JEFFERY, assistant professor in the Institute for Environmental Studies, on 77 percent time, and of veterinary biosciences, on 23 percent time, beginning October 1, 1983 (N), at an annual salary of \$25,750.
3. PATRICIA A. MOORE, assistant special collection librarian and assistant professor of library administration, beginning September 21, 1983 (1Y), at an annual salary of \$16,000.
4. BETH S. WOODARD, reference librarian and assistant professor of library administration, beginning September 21, 1983 (1Y), at an annual salary of \$16,000.
5. JOSEPH L. WYSOCKI, assistant professor of housing extension in family and consumer economics, beginning October 21, 1983 (NY), at an annual salary of \$31,000.

Chicago

6. JOSEPH J. COTTRELL, assistant professor in the Department of Medicine, on 91 percent time, and physician surgeon, on 9 percent time, College of Medicine at Chicago, beginning November 1, 1983 (2Y91;NY09), at an annual salary of \$52,000.
7. WOJCIECH KOZACZYNSKI, assistant professor of quantitative methods, beginning September 1, 1983 (1), at an annual salary of \$27,000.
8. REN-CHYUAN LUO, assistant professor of electrical engineering and computer science, beginning October 15, 1983 (1), at an annual salary of \$34,000.
9. ILEEN B. MALITZ, assistant professor of finance, beginning September 1, 1983 (W), at an annual salary of \$32,000.
10. ROSS A. SIMKOVER, clinical assistant professor of pharmacy practice, College of Pharmacy, beginning October 17, 1983 (NY), at an annual salary of \$28,200.

11. **MARTIN A. WEILER**, assistant professor of psychiatry, on 92 percent time, and physician surgeon, on 8 percent time, College of Medicine at Chicago, beginning October 1, 1983 (WY92;NY8), at an annual salary of \$60,000.

Administrative Staff

12. **THOM PORTER BROWN**, acting associate vice president, University-wide Administrative Information Systems and Services, beginning December 1, 1983 (NY), at an annual salary of \$52,000.
13. **LORNA D. CHRONIS**, director of Patient Services/H.M.O. Administrator, University of Illinois Hospital, Chicago, beginning September 12, 1983 (NY), at an annual salary of \$45,000.
14. **JUDITH A. COOKSEY**, acting assistant chief of staff, University of Illinois Hospital, on 75 percent time, and clinical assistant professor of medicine, College of Medicine at Chicago, beginning October 1, 1983 (NY75;N), at an annual salary of \$48,000.
15. **SUSAN T. GONZO**, assistant to the president, beginning December 1, 1983 (NY), at an annual salary of \$34,800.
16. **SUSAN V. LOURENCO**, associate vice chancellor for academic affairs, and associate professor of health professions education, College of Associated Health Professions, Chicago, beginning October 15, 1983 (NY), at an annual salary of \$57,500.

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

Sabbatical Leaves of Absence, 1983-84, Chicago

(10) On motion of Dr. Donoghue, three sabbatical leaves of absence recommended by the chancellor at Chicago were granted. These leaves will be included in an annual compilation of 1983-84 sabbatical leaves of absence to be made a part of the board *Proceedings*.

Acceptance of Transfer Credit for Purposes of Undergraduate Admission

(11) The present policy on acceptance of transfer credit was adopted by the Board of Trustees in 1977. The 1977 statement consolidated 18 years of additions and revisions and reflected changes which had occurred at the national level in the organization of accrediting agencies.

Since 1977 there have been further changes in accrediting practices. Regional accrediting associations such as the North Central Association of Colleges and Secondary Schools now include as members some institutions with degree programs that are not considered comparable to degrees offered by the University of Illinois. Other institutional accrediting agencies currently excluded (e.g., the Association of Independent Colleges and Schools which includes principally proprietary business schools) now include some institutions with degree programs that may be comparable.

The proposed change makes more explicit what is expected before the University of Illinois will accept transfer work at full value for admission purposes and eliminates the blanket exclusion of schools which are accredited only by a particular group of accrediting agencies (those listed in footnote 1 of the current version).

The principal specific changes are:

First Section: A substitution is made to provide a clearer statement of the criteria by which transfer coursework will be evaluated.

Second Section: The determination of colleges and universities from which such transfer credit will be accepted at full value is no longer solely in terms of the accrediting agency. Instead, the institution must "offer degree programs that are

comparable to programs offered by the University of Illinois" *and* be accredited by the associations or agencies noted.

The following amendments are recommended by the University Committee on Admissions to the policy adopted by the Board of Trustees on April 20, 1977. Additions are in italics, deletions are enclosed in brackets.

1. Admission of transfer students to the University of Illinois is based only on the transfer course work which is [of such a nature as to prepare students to continue on to baccalaureate degree programs (or equivalent programs)] *similar in nature, content, and level to that offered by the University of Illinois*. Such courses are normally referred to as transfer or college parallel work. Other course work completed, such as technical courses similar in content and level to courses taught at the University, will be used in evaluation for admission, only upon the request of the Dean of the College to which the student seeks admission.
2. Transfer credit, as defined above, will be accepted at full value for admission purposes on transfer to the University of Illinois if earned in:
 - a. colleges and universities which *offer degree programs that are comparable to programs offered by the University of Illinois and* (i) are members of, or hold Candidate for Accreditation status from, the North Central Association of Colleges and Schools or other regional accrediting association[.], *or* (ii)
 - [b. colleges and universities which are neither members of, nor holders of Candidate for Accreditation status from, the North Central Association of Colleges and Schools or other regional accrediting associations, but which have been granted accreditation by a specialized or programmatic] *that are accredited by another accrediting agency which is a member of the Council on Postsecondary Accreditation (COPA).*[¹]
 - [c.]b. Illinois public community colleges which are neither members of, nor holders of Candidate for Accreditation status from, the North Central Association of Colleges and Schools, but which are approved and recognized by the Illinois Community College Board (ICCB), for a period of time not to exceed five years from the date on which the college registers its first class after achieving ICCB recognition.
3. Certain [Illinois] colleges and universities do not meet the specifications in 2 above, but have been assigned a status by the University Committee on Admissions which permits credit to be accepted on a provisional basis for admissions purposes on transfer to the University of Illinois. Transfer credit, as defined in 1 above, from such colleges and universities is accepted on a deferred basis to be validated by satisfactory completion of additional work in residence. Validation through satisfactory work in residence may be accomplished by earning in the University of Illinois, or other fully accredited² college or university, at least a 3.0 (A = 5.0) grade-point average (higher if prescribed by the curriculum the student wishes to enter) in the first 12 to 30 semester (18 to 45 quarter) hours completed following transfer.
4. Credit, as specified in 1 above, transferred from an approved² community or junior college is limited only by the provision that the student must earn at least sixty semester or ninety quarter hours required for the degree at the University or at any other approved² four-year college or university after attaining junior standing, except that the student must meet the residence requirements that apply to all students for a degree from the University. When a school or college within the University requires three years of preprofessional college credit for admission, at least the last thirty semester or forty-five quarter hours must be taken in an approved² four-year collegiate institution.

¹ This excludes the following institutional accrediting agencies: Association of Independent Colleges and Schools (AICS) (proprietary business schools), National Association of Trade and Technical Schools (NATTS), National Home Study Council (NHSC), and American Association of Bible Colleges (AABC).]

² Colleges and universities which meet one or more of the specifications listed in 2, above.

5. In all cases, the precise amount of transfer credit which is applicable toward a particular degree will be determined by the University college and department concerned.

The vice president for academic affairs concurs in these recommendations.
I recommend approval.

On motion of Dr. Donoghue, these recommendations were approved.

Waiver of Out-of-State Tuition for Needy Medical Students

(12) For a number of years, the University has sought to increase the number of students from under-represented groups in health education programs, particularly the M.D. program. In order to strengthen the effort, the College of Medicine has recommended waiving part or all of the nonresident portion of tuition for a limited number of medical students who are from out of state and who have been judged to be financially needy by the Office of Financial Aid Service at the Health Sciences Center, Chicago. These waivers would apply only to the nonresident tuition supplement, and the maximum number of such tuition waivers in effect at any time would not exceed 20. Students who receive such waivers will be assessed at a minimum tuition at the in-state rate for medical students. Any out-of-state student may be eligible and may apply for such a waiver on the basis of need.

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

I recommend approval.

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

Establishment of General Scholarship Fund, Urbana

(13) The chancellor at the Urbana-Champaign campus has recommended the establishment of a General Scholarship fund available for scholarship awards to students. The fund will be established from gifts for scholarships not otherwise restricted or designated and will be administered by the Office of Financial Aid in accordance with the University's regular procedures. The fund will be designated as a quasi-endowment, with income from the fund used for scholarship awards. A central, general scholarship account will simplify administration and provide for a uniform repository for all but the largest of private gifts.

The fund will be initiated with the proceeds of the estate of Evelyn L. Trennt.¹ In accord with her will, approximately \$100,000 will be placed in this General Scholarship Fund.

The vice president for business and finance concurs in the recommendation.

I recommend approval.

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

Establishment of B.S. in Media Studies, New Undergraduate Curriculum in the College of Communications, Urbana

(14) The Urbana-Champaign Senate has recommended the establishment of a Bachelor of Science in Media Studies, College of Communications, to be effective Fall Semester 1984.

The proposed degree program provides for the systematic study, analysis, and critique of the modern communications media. Graduation requirements for the program total 124 hours. Of those, 30 to 36 hours will be in the College of Communications and include 21 hours of required courses in media studies.

This proposal arises out of College of Communications planning for the remnants of the old Department of Radio and Television, a portion of which was

¹ Evelyn Trennt of Godfrey in Madison County died in August 1982. Her will gave 30 percent interest each in part of her estate to Lewis and Clark Community College, the University of Nebraska, and the University of Illinois; and 10 percent interest to Isaac and Lucille Gilkison.

transferred to the Department of Journalism in 1978 to initiate a new curriculum in broadcast journalism. The B.S. in Media Studies is designed to give more concentrated formal academic attention to the major changes associated with on-going developments in all the modern media of communication and their underlying technologies.

There are no staff or budgetary implications associated with this new undergraduate curriculum. The media studies program is a cooperative venture of all existing college departments and the dean's office.

I recommend approval, subject to further action by the Illinois Board of Higher Education.

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

President's Report on Actions of the Senates

Establishment of an International Minor in the College of Engineering, Urbana

(15) The Urbana-Champaign Senate has approved the establishment of an International Minor within the College of Engineering.

This structured program of study leads to an International Minor at graduation for students pursuing a bachelor's degree in an engineering discipline who are interested in developing a background for future international involvement. The International Minor recognizes students who have achieved proficiency in a foreign language, and have completed a series of culturally oriented studies and a period of schooling or work in residence at a foreign location.

The proposal would not require additional cost for development of any new courses but rather, would result in a modest redistribution of students in existing courses. It is estimated that no more than one to two percent of all engineering students would select the International Minor.

Establishment of a Teaching Requirement for Doctoral Degree Candidates in Microbiology, College of Liberal Arts and Sciences, Urbana

The Urbana-Champaign Senate has approved the establishment of a teaching requirement for doctoral degree candidates in the Department of Microbiology, College of Liberal Arts and Sciences.

Teaching experience is an integral and essential component of the education and training of a doctoral level microbiologist. The teaching requirement proposed involves two semesters of teaching experience at 50 percent time or the equivalent (e.g., five semesters at 20 percent time).

There are no budgetary or staff implications as a result of this change.

This report was received for record.

Approval of Constitution, Senate of the University of Illinois at Chicago

(16) When the University of Illinois at Chicago became a single campus on September 1, 1982, the Board of Trustees authorized the two existing senates in Chicago to retain and execute their respective jurisdictions, responsibilities, and functions temporarily (until September 1983) during the time required to formulate a constitution for a single senate, obtain campus and board approval for such a senate, and accomplish the election and installation of the members of that senate. In July, this authority was extended through September 1984.

The senates at the Health Sciences Center and the University Center now have approved a constitution for the consolidated campus.

In accord with Article II, Section (1)(a) of the University of Illinois *Statutes*, the constitution of a senate shall take effect upon approval of the Board of Trustees.

On the recommendation of the chancellor at the Chicago campus and the vice president for academic affairs, I recommend approval of the proposed constitution as presented below.

On motion of Dr. Donoghue, the constitution was approved as presented.

ARTICLE I. NAME OF ORGANIZATION.

This body shall be known as the Senate of the University of Illinois at Chicago, hereinafter referred to as the Senate.

ARTICLE II. PURPOSE.

Section 1. The Senate shall discharge the functions mandated by the *Statutes* of the University of Illinois and shall undertake such additional legislative and advisory functions concerning educational policy and other governance matters as are not inconsistent with the *Statutes*.

Section 2. The Senate shall seek to represent the academic concerns of faculty and student members of the Campus.

ARTICLE III. MEMBERSHIP.

Section 1. *Composition.* The Senate membership shall consist of faculty members and students elected as specified elsewhere in this *Constitution* and in the Senate *Bylaws*.

Section 2. Faculty Membership.

- a. For purposes of this *Constitution*, faculty members are defined as academic staff members on A, 1-7, N, Q, W, or T contracts with rank of instructor, assistant professor, associate professor, or professor, including clinical, research, or adjunct titles. Not included are lecturers, teaching and research associates, teaching and research assistants, and visiting and emeritus faculty members.
- b. Faculty representation shall consist of 200 Senators elected by secret ballot by and from among the faculties of the separate voting units.
- c. A voting unit is a college, an independently organized school, the library, or any other equivalent independent unit as defined in the University *Statutes* and authorized by the Board of Trustees, and specified in the Senate *Bylaws*, Article I, Section 1.
- d. The number of faculty Senators to be elected by each voting unit at each election shall be proportional to the total number of full-time equivalent faculty members funded in that unit by the University, except that no voting unit may have more than thirty-five percent of the faculty Senatorial seats at any time.

Units which are not entitled to at least one (1.0) Senator must combine with other unit(s) to form a voting unit entitled to at least one Senator. Such combinations shall be determined by mutual agreement among the faculty electorates of the units involved. If no agreement is reached, the Senate acting on the recommendations of its Executive Committee shall determine such combinations.

- e. Those faculty members who hold appointments funded at least fifty percent time by the University shall be members of the faculty electorate. In addition, faculty members of the electorate within a voting unit may, by majority vote by secret ballot within that unit, add other faculty members, regardless of salary source or percent time, to the faculty electorate of that unit. (This does *not* alter the apportionment specified above.)

An administrator who holds faculty rank as defined above shall be a member of the faculty electorate in the voting unit in which he/she holds faculty rank.

Each member of the faculty electorate shall be qualified to vote for faculty Senators and to serve as Senator.

- f. Faculty Senators shall be elected for three-year terms with approximately one-third elected each year. A Senator who has served two consecutive three-year terms shall be ineligible to serve for a period of one year.
- g. All vice chancellors and deans who hold faculty appointments as described elsewhere in this Article shall serve as ex officio members of the Senate, without vote. If an ex officio member is elected to the Senate, his/her ex officio seat shall remain vacant during his/her elected term.

Section 3. Student Membership.

- a. Student representation shall consist of 50 Senators elected by secret ballot by and from among the student bodies of the several voting units. For purposes of this *Constitution*, faculty members who are enrolled in courses or in specified programs shall not be considered as students.
- b. A voting unit is a college or independently organized school enrolling students in degree programs. The voting units shall be specified in the Senate *Bylaws*.
- c. The number of student Senators to be elected by each voting unit shall be established in proportion to the number of full-time equivalent students registered in each voting unit. For purposes of this Section, University Hospital residents and interns who do not hold faculty appointments are considered full-time equivalent students in the College of Medicine. There shall be no fewer than one Senator representing a voting unit and no fewer than ten representing the voting units comprising either the Health Sciences Center or the University Center.
- d. Student Senators shall be elected for one-year terms. A Senator who has served three consecutive terms shall be ineligible to serve for a period of one year.
- e. The student electorate shall consist of all persons who are candidates for a degree at the University of Illinois at Chicago and are registered in a course or courses for credit at the University during the quarter in which the election is held, or are on the approved off-quarter vacation roster of the term in which the election is conducted, or are on an approved leave of absence for the term in which the election is conducted. Students on approved leave must have been registered at the University in the term preceding the commencement of the leave and must be scheduled to return to the University in the appropriate succeeding term. Additionally, the student electorate shall consist of all persons enrolled as postgraduate, professional, nondegree students. Such students may be enrolled either in courses and/or in specified clinical or other professional programs.
- f. To be elected to the Senate, students must be qualified electors. They must be in good academic standing as defined by the department and college in which they are enrolled. They may not be on disciplinary probation. Additionally they must be enrolled, at the time of election, for at least eight (8) hours of credit, or be in a full postgraduate, professional, nondegree program as described in paragraph e. of this section. This requirement shall not be construed so as to disqualify graduate teaching assistants or others whose University requirements mandate fewer than the normal number of hours for a full load.

- g. A student Senator shall forfeit his/her Senatorial seat whenever he/she:
- (1) fails to maintain the minimum course load required for election; or
 - (2) is placed on academic probation; or (3) is placed on disciplinary probation; or (4) fails to enroll except when on approved leave or off-quarter vacation.

ARTICLE IV. OFFICERS.

Section 1. *Presiding Officer.* The Chancellor of the University of Illinois at Chicago shall serve as Presiding Officer of the Senate.

- a. The Presiding Officer shall chair all Senate meetings.
- b. The Presiding Officer shall provide for the regular transmittal of Senate actions to appropriate offices and agencies within the University of Illinois and, where appropriate, to external agencies.
- c. To enable the Senate to conduct its affairs, the Presiding Officer shall cause support services to be provided, including the dissemination of materials and the provision of adequate resources for Senate use, by an Office of the Senate. This Office shall be managed by a Clerk of the Senate who shall be designated by the Presiding Officer.
- d. The Presiding Officer shall also secure the services of a Parliamentarian.

Section 2. *Deputy Presiding Officer.* Whenever the Chancellor is unable to act as Presiding Officer and whenever the Chancellor wishes to participate in floor debate, the Chancellor shall designate an alternate to discharge on an interim basis the functions of Presiding Officer. In the event that the Chancellor has been unable to designate such an alternate, the Secretary of the Senate shall assume the function of Presiding Officer.

Section 3. *Secretary of the Senate.* The Secretary of the Senate, whose election is prescribed by the *Bylaws*, shall facilitate and oversee the work of the entire Senate and be a member and chairperson of the Executive Committee. Under the provisions of Section 2 of this Article, the Secretary may act as Presiding Officer. The Secretary shall oversee the Office of the Senate and shall advise the Chancellor in discharging the Chancellor's responsibilities for personnel in the Office of the Senate.

ARTICLE V. GENERAL PROVISIONS.

Section 1. For the purpose of implementing the provisions of this *Constitution* and to provide for the internal organization of the Senate, the Senate shall enact such bylaws as it deems necessary and proper, provided that they are not inconsistent with this *Constitution* or with the University *Statutes*. Bylaws of the Senate shall be amended only upon a two-thirds vote, provided due notice of such proposed action has been given. Unless otherwise provided therein, bylaws or amendments thereto shall be effective immediately upon adoption.

Section 2. A Senator must be present at a Senate meeting to vote. No Senator may vote by proxy or absentee ballot, except that the *Bylaws* may authorize a mail ballot to elect the Secretary of the Senate and may authorize electronic participation from distant sites.

ARTICLE VI. AMENDMENTS.

Section 1. This *Constitution* may be amended. A proposed amendment (hereinafter referred to as a proposal) shall be reported to the Senate when initiated by a Senate committee or by a group of at least twenty Senators. A proposal initiated by fewer than twenty Senators must obtain the support of a Senate committee before being reported to the Senate.

Section 2. A proposal shall be considered in three steps.

- a. Step 1. First, the proposal shall be introduced to the Senate, after due notice has been given, for initial discussion and Senate referral to the Senate Committee charged with Constitutional matters. The Committee shall review the proposal and shall prepare the form of the proposal together with its recommendation for presentation to the Senate at a subsequent meeting for Step 2.
- b. Step 2. The Committee shall present its version of the proposal and shall invite discussion and perfection by amendment(s). This meeting and any subsequent meeting(s) at which amendments to the proposal are accepted by the Senate shall constitute Step 2.
- c. Step 3. At a meeting no earlier than fourteen calendar days following a Step 2 meeting, the Senate may vote to adopt the proposal. If at this meeting any amendment to the proposal is accepted by the Senate, the meeting must be considered as part of Step 2, and Step 3 must proceed as described above. Adoption of the proposal shall require a two-thirds majority. In accordance with the University *Statutes*, the amendment must be approved by the Board of Trustees of the University before it takes effect.

Section 3. The Senate may provide for a comprehensive review of its size, organization, structure and operation by a commission composed of members of the faculty and student electorates and administrative officials. The commission shall report its findings and make appropriate recommendations. The report of the commission shall be made public and distributed as are all other reports of the Senate. The first report shall be submitted not later than three years after the first election held under this *Constitution*.

ARTICLE VII. ENACTMENT.

The provisions of this *Constitution* shall become effective when adopted by a two-thirds vote at a joint meeting of the Senates of the Health Sciences Center and the University Center of the University of Illinois at Chicago and approved by the Board of Trustees of the University of Illinois.

Agreement with Mississippi Valley Airlines, Inc.

(17) Negotiations have been completed for the use of University of Illinois-Willard Airport facilities by Mississippi Valley Airlines, Inc., of Moline, Illinois, for the operation of scheduled air service from December 15, 1983, through June 30, 1984.

The agreement grants Mississippi Valley landing privileges and the use of aircraft parking aprons for loading and discharging passengers, in exchange for a fee equivalent to that charged for all scheduled passenger service landings at Willard Airport.

Mississippi Valley plans to provide three or four flights daily to St. Louis with an intermediate stop at Springfield. Additional flights to Chicago may be provided at a later time. All ground services for the airline, ticket sales, baggage handling, and aircraft handling will be provided by Ozark Airlines under a separate contract.

The chancellor at the Urbana-Champaign campus and the vice president for business and finance have recommended: (1) that an agreement as described be executed; and (2) that future renewals of the agreement be subject to such adjustments in rates as may be approved by the president and comptroller.

I concur.

On motion of Dr. Donoghue, these recommendations were approved.

SOHIO "Center of Excellence Award" (Exceptions to the General Rules)

(18) In early 1983, the Standard Oil Company of Ohio announced a national competition to encourage innovative university-based research in partnership with industry. From among 1,000 research proposals submitted, the proposal "Center of Excellence in Crop Molecular Genetics and Genetic Engineering," prepared by the agronomy department of the College of Agriculture at Urbana-Champaign, was one of five selected by SOHIO to receive an award. Under a five-year program, SOHIO will provide up to \$2 million for direct support of research in the Department of Agronomy and other cooperating campus units.

The agronomy proposal differs from the usual pattern of industrial sponsorship in that it provides for the broad enhancement of existing research programs within the department and in other campus units. Specific arrangements are also provided to encourage cooperative exchanges between University of Illinois and SOHIO scientists.

Confirmation of the award is contingent upon the successful negotiation of a sponsored research agreement. The principal issue of negotiation concerns SOHIO's entitlements to resulting intellectual property rights.

The agreement provides that the University has the first option to file for legal protection of resulting inventions or may file at SOHIO's request and expense. Title to inventions by University research staff and any resultant patents or plant variety certificates vests with the University. SOHIO and its affiliates receive an irrevocable, nonexclusive, royalty-free license to practice under any patent, plant variety certificate, or computer programs covered by copyright. The granting of such a royalty-free license and the absence of provisions to recapture licensed rights by the University are exceptions to *The General Rules Concerning University Organization and Procedure*.

SOHIO is also granted an option to an exclusive, royalty-bearing license on resulting licensable subject matter exercisable within three years following the date of filing of the patent application. If elected, SOHIO's exclusive license will have a minimum term of ten years from the date of issue of the patent, but subject to due diligence in commercial development after five years. SOHIO agrees to pay the University a reasonable royalty to be negotiated at the time such exclusive license is elected, but at half the normal royalty rate for the first five years after commercial startup. SOHIO also receives the right to terminate its exclusive license on sixty days notice and retain the nonexclusive license granted in the agreement.

SOHIO may sublicense third parties, but will share resulting royalty income with the University on a negotiated percentage based on the respective contributions of the University and SOHIO to the licensed technology. If the parties fail to agree, an equitable royalty sharing ratio will be determined by arbitration within specified ranges.

The University Patent Committee has reviewed the proposed agreements and has recommended that they be approved. The vice president for academic affairs concurs.

I recommend approval.

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

Recommendations of the University Patent Committee

(19) The University Patent Committee has recommended the following actions concerning inventions made at the University of Illinois. (Background information has been sent to the Committee on Patents of the Board of Trustees.)

1. *Generalized Talley Ones Counter and Precharge Circuitry* — Robert K. Montoye, formerly research assistant in computer science, Urbana-Champaign, inventor; developed under the sponsorship of the National Science Foundation.

University Patents, Inc., has reported that it does not elect to subject this disclosure to the terms of the services agreement because of a lack of novelty to support patenting and licensing efforts. Subsequent evaluations by University administrators support this finding. The University Patent Committee recommends that the University elect not to retain title to this invention and release its rights to the sponsor, the National Science Foundation.

2. *Flourescin Mono-P-Guanidinobenzoate Hydrochloride and Flourescin DI-p-Guanidinobenzoate Dihydrochloride* — Walter F. Mangel, visiting assistant professor of biochemistry, L. Lee Melhado, research associate in chemistry, and Steven P. Leytus, formerly research assistant in biochemistry, Urbana-Champaign, inventors; developed under the sponsorship of the National Institutes of Health.

University Patents, Inc., has reported that it does not elect to subject this disclosure to the terms of the servicing agreement. UPI is of the opinion that this invention would support limited patent claims; however, it does not believe that the potential applications are commercially feasible to support the costs of a patenting and licensing effort. The University Patent Committee has recommended that the University elect not to retain title to this invention and release its rights to the sponsor, the National Institutes of Health.

3. *Tinea Versicolor Phizz Lotion* — Lawrence M. Solomon, professor of dermatology, College of Medicine at Chicago, Gwen Daniels, pharmacy technician, Hospital Pharmacy, Lisa A. Robinson, pharmacist practitioner, Hospital Pharmacy, Frederick P. Siegel, professor of pharmaceuticals, College of Pharmacy, and Dennis P. West, clinical assistant professor of dermatology, College of Medicine at Chicago, and associate professor of pharmacy practice, College of Pharmacy, Chicago, inventors.

University Patents, Inc., has reported that it does not elect to subject this disclosure to the terms of the servicing agreement. UPI has expressed the opinion that patent protection sufficiently broad to sustain a successful licensing program for the product may not be obtainable. There is the probability as well that expenses incurred in obtaining U.S. Food and Drug Administration approval for the project would be prohibitive. The University Patent Committee has recommended that the University release its rights to the inventors.

4. *Greaseless Hair Grooming Aid* — Lawrence M. Solomon, professor of dermatology, College of Medicine at Chicago, Gwen Daniels, pharmacy technician, Hospital Pharmacy, Lisa A. Robinson, pharmacist practitioner, Hospital Pharmacy, Frederick P. Siegel, professor of pharmaceuticals, College of Pharmacy, and Dennis P. West, clinical assistant professor of dermatology, College of Medicine at Chicago, and associate professor of pharmacy practice, College of Pharmacy, Chicago, inventors.

University Patents, Inc., has reported that it does not elect to subject this disclosure to the terms of the servicing agreement. Upon evaluation of the technology, UPI concluded that this invention would not sustain a successful licensing program and, hence, patent protection is not appropriate. The University Patent Committee has recommended that the University release its rights to the inventors.

5. *Non-Acneogenic Facial Moisturizer* — Lawrence M. Solomon, professor of dermatology, College of Medicine at Chicago, Gwen Daniels, pharmacy technician, Hospital Pharmacy, Lisa A. Robinson, pharmacist practitioner, Hospital Pharmacy, Frederick P. Siegel, professor of pharmaceuticals, College of Pharmacy, and Dennis P. West, clinical assistant professor of dermatology, College of Medicine at Chicago, and associate professor of pharmacy practice, College of Pharmacy, Chicago, inventors.

University Patents, Inc., has reported that it does not elect to subject this disclosure to the terms of the servicing agreement. Upon evaluation of the tech-

nology, UPI concluded that this invention would not sustain a successful licensing program and, hence, patent protection is not appropriate. The University Patent Committee has recommended that the University release its rights to the inventors.

I concur.

On motion of Dr. Donoghue, these recommendations were approved.

Assignment of Certain Federally Supported Loans

(20) Under Federal regulations, defaulted notes in the National Defense and Direct Student Loan Programs, Health Professions Loan Programs, and Nurses Training Act Loan Programs may be assigned to the Federal government for collections after the institution has followed certain prescribed due-diligence collection procedures. The Board of Trustees has approved the assignment of defaulted notes in recent years. An institution can better its default ratio and enhance its eligibility for additional Federal capital contributions for 1984-85 through the assignment process.

The loan funds in question are held in trust by the University and loaned to its students according to criteria established by the Federal government. The funds consist of Federal capital contributions, plus institutional capital contributions equal to one-ninth of Federal contributions. Collections and earnings are added to the loan funds, and expenses of the program are credited. Under the law, the loan and interest are cancelled in case of death or permanent and total disability.

To assist institutions in reducing their current default rates which, in turn, will increase their eligibility for future funding, the Federal government has agreed to accept the assignment of notes which have been in default for two or more years if the due-diligence collection efforts have taken place. Loans assigned to the Federal government will not be counted in determining the University's default rate; but the government will retain any funds it may recover on the assigned loans, including any portion thereof furnished by the University. The value (in terms of increased eligibility for Federal student loan support) derived from the assignment is greater than the net recovery anticipated from the University's continued efforts at collection. The net assets of the loan fund will remain in excess of the University contribution to the fund.

The vice president for business and finance has proposed that the Board of Trustees approve the assignment to the U.S. Government of defaulted loans on which reasonable collection efforts have been made by the University in the following maximum amounts:

National Direct Student Loans	
Health Sciences Center	\$ 71 802 (32 loans)
University Center	\$177 295 (124 loans)
Health Professions Loans	
Health Sciences Center	
Dentistry	\$148 572 (55 loans)
Medicine	\$232 568 (86 loans)
Pharmacy	\$129 653 (65 loans)
Nurses Training Act Loans	
Health Sciences Center	\$ 92 534 (57 loans)

I recommend approval.

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

Revision of Investment Policy, Endowment Funds

(21) On January 20, 1983, the board adopted certain changes in investment policies relating to current and endowment funds. In an effort to increase the investment return of the University's endowment portfolio, the Finance and Audit

Committee and the comptroller, after consultation with university counsel and the investment managers of the First National Bank of Chicago, are recommending additional changes to the policies consistent with present and anticipated financial requirements, expected total return, price-level trends, and general economic conditions. These changes will alter certain restrictions currently placed on the investment managers; however, specific objectives and criteria have been developed to measure performance.

The changes recommended for endowment funds are as follows:

1. Eliminate the ranking on stocks authorized for investment.
2. Eliminate the buy and sell limits for stocks.

No changes are recommended to the policies related to current funds.

In addition, the investment objectives of the various funds to establish appropriate performance-measurement criteria are reaffirmed.

Attachment I summarizes present and proposed investment restrictions. Attachment II reflects investment objectives by fund and recommended performance measurement criteria. (Copies of the attachments are filed with the secretary of the board for record.)

The Finance and Audit Committee and the comptroller recommend adoption of the revised policy as stated.

I concur.

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. 22 through 32 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Subcontracts, Prevention of Child Abuse, College of Medicine at Peoria

(22) The Ounce of Prevention, Incorporated, of Chicago has awarded a contract for \$82,440 for the College of Medicine at Peoria for the period October 26, 1983 through June 30, 1984. Its purpose is to prevent child abuse and neglect by teenage parents through a program of reducing parents' stress and isolation, teaching parents skills, and promoting realistic expectations among teenage parents. (This contract will allow the University to expand similar services it is already performing under a separate contract with the Ounce of Prevention, Inc.)¹

Included in the new agreement are allocations for two subcontracts: \$15,606 with Lutheran Social Services of Illinois; and \$34,594 with the Women's Christian Home Mission. These organizations will provide instruction to new parents, and casework, counseling, and other social services.

The chancellor at Chicago has recommended the approval of these two subcontracts, subject to the receipt of funds from the Ounce of Prevention, Inc. The vice president for business and finance concurs.

I recommend approval.

On motion of Dr. Donoghue, 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, Mr. Hahn, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

¹ The other contract was approved by the Board of Trustees on July 21, 1983.

Contracts for Remodeling, College of Pharmacy, Chicago

(23) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for remodeling in the College of Pharmacy Building at the Chicago campus. The work will provide offices, a conference room, and a space for a new spectrometer and computer terminals for the Department of Medicinal Chemistry and Pharmacognosy, the award in each case being to the low bidder on its base bid.

	<i>Base Bid</i>
<i>Division I — General</i>	
L. J. Graf Construction Co., Chicago.....	\$24 631
<i>Division IV — Ventilation</i>	
P. E. Environmental Systems, Inc., Lemont.....	25 989
<i>Division V — Electrical</i>	
Shaw Electric Co., Chicago.....	23 762
<i>Total</i>	<u>\$74 382</u>

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

Funds are available in the FY 1984 Institutional Funds budget of the College of Pharmacy.

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contracts, Relocation of Blood Donor Facility, Hospital Addition, Chicago

(24) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for a project to relocate the blood donor facility in the Hospital Addition at the Chicago campus, the award in each case being to the low bidder on its base bid.

	<i>Base Bid</i>
<i>Division I — General</i>	
J. A. Boulton & Co., Chicago.....	\$ 49 890
<i>Division II — Plumbing</i>	
A & H Plumbing and Heating Co., Chicago.....	9 780
<i>Division IV — Ventilation</i>	
Commercial Engineering Corporation, Chicago	52 800
<i>Division V — Electrical</i>	
Shaw Electric Co., Chicago.....	27 418
<i>Total</i>	<u>\$139 888</u>

This project will create a new facility adjacent to the main entrance of the Hospital Addition and will double the existing space in a more accessible and visible location. It is anticipated that the new facility will encourage more donations to reduce the need to purchase blood for use by the University's Hospital and clinics.

A schedule of the bids received October 21, 1983, has been filed with the secretary of the board for record.

Funds are available from the Hospital Income Fund.

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contract for Repair of Fume Hoods, College of Medicine, Chicago

(25) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$95,287 to Commercial Engineering Corporation, Chicago, the low base bidder, for a project to repair fume hoods in the College of Medicine-West Tower and the Medical Sciences Addition at the Chicago campus.

Funds are available in the Fiscal Year 1984 Restricted Funds Operating budget of the College of Medicine.

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

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contract to Repair Hot Water Generator, Utilities Building, Chicago

(26) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$33,410 to Independent Mechanical Industries, Inc., Chicago, the low base bidder, for a project to repair hot water generator No. 1 in the Utilities Building at the Chicago campus.

Funds are available in the Fiscal Year 1984 Restricted Funds Operating budget of the Physical Plant at the Chicago campus.

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

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contracts for Remodeling, Chicago Circle Center Bookstore, Chicago

(27) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for a project to convert space in the Chicago Circle Center for the sale of general interest books, the award in each case being to the low bidder on its base bid.

<i>Division I — General</i>	<i>Base Bid</i>
DeLuxe Cement Construction Company, Chicago.....	\$44 485
<i>Division IV — Ventilation</i>	
P. E. Environmental Systems, Inc., Lemont.....	3 400

Division V — Electrical

Shaw Electric Co., Chicago.....	12 406
<i>Total</i>	\$60 291

This project involves relocating the general interest book area from the Chicago Circle Center Bookstore's lower level to the area previously occupied by the servery for the Pier Room cafeteria. Remodeling will begin in December and be completed in February 1984.

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

Funds are available in the Fiscal Year 1984 Restricted Funds Operating budget of the Chicago Circle Center.

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contracts for Remodeling, Electrical Engineering Building, Urbana

(28) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for construction of a compound semiconductor research facility in the basement of the Electrical Engineering Building (room 50-M), Urbana-Champaign campus, the award in each case being to the low base bidder.

<i>Division I — General</i>	<i>Base Bid</i>
Lyman-Wikoff, Inc., Champaign.....	\$ 34 835
<i>Division II — Ventilating</i>	
Hart & Schroeder Mechanical Contractors, Inc., Champaign.....	63 600
<i>Division III — Plumbing</i>	
A & R Mechanical Contractors, Inc., Urbana.....	76 470
<i>Division IV — Electrical</i>	
Modern Electric Company of Illinois, Champaign.....	31 800
<i>Division V — Heating and Temperature Control</i>	
A & R Mechanical Contractors, Inc., Urbana.....	29 200
<i>Total</i>	\$235 905

Funds for this project for the Urbana-Champaign campus are available and included in the Fiscal Year 1984 State appropriated budget of the Operation and Maintenance Division and of the College of Engineering.

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

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Construction Contracts (and Budget Revision), Auditorium Addition, Urbana

(29) The president of the University, with the concurrence of the appropriate administrative officers, recommends, subject to the transfer of funds from the University of Illinois Foundation to the University, the award of the following contracts for the renovation of and addition to the Auditorium at the Urbana-Champaign campus; the award in each case being to the low bidder on its base bid plus acceptance of the indicated alternate bids.¹

Division I — General

Bids

Ellington Miller Edmonds, Inc., Danville . . .	Base Bid . . .	\$2 214 000	
	Alternate 1 . .	35 700	
	Alternate 16 .	188 700	
			\$2 438 400

Division II — Plumbing

G. A. Rich & Sons, Inc., Deer Creek	Base Bid	120 573	
	Alternate 16 .	3 200	
			123 773

Division III — Fire Protection

Safeguard Fire Protection, Division of Harshman Plumbing, Heating, and Electrical Company, Sullivan	Base Bid	42 338	
	Alternate 10 .	1 878	
			44 216

Division IV — Heating, Ventilation, and Air Conditioning

R. H. Bishop Company, Champaign	Base Bid	479 800	
	Alternate 9 . .	(5 322)	
			474 478

Division V — Electrical

Potter Electric Service, Inc., Urbana	Base Bid	478 000	
	Alternate 1 . .	2 426	
	Alternate 9 . .	(2 000)	
	Alternate 13 .	47 650	
	Alternate 14 .	10 342	
	Alternate 15 .	11 000	
	Alternate 16 .	4 900	
			552 318

Division VI — Seating

The Larson Company, Chicago	Base Bid	\$ 144 985	
			144 985
Total			\$3 778 170

It is further recommended that: (1) all contracts, other than the contract for general work, be assigned to the contractor for general work; and (2) an agreement

¹ Explanation of alternate bids:

Alternate 1 — provide a stage platform lift, 8 by 10 feet.

Alternate 9 — delete secondary chilled water pumps for conditioned air.

Alternate 10 — provide new sprinkler heads to replace existing heads in the ceiling plenum under the balcony and in the basement for safety purposes.

Alternate 13 — provide a new lighting chandelier in the main auditorium in lieu of relamping the existing chandelier.

Alternate 14 — provide decorative lights below the balcony rail.

Alternate 15 — provide exterior decorative lighting on every third rib of the roof dome.

Alternate 16 — provide a new forecourt, including grading, new concrete walks, steps and pavement, limestone balustrades, drainage work, and wiring for exterior electrical power and light.

be entered into with Ellington Miller Edmonds, Inc., for the assignment of the other prime contracts.

It is also recommended that Holabird & Root, Chicago, be employed to provide the professional services required for the contract administration and periodic site observation during the construction phase of this project at a lump-sum fee of \$80,250.

The project budget, based on the award of these contracts (including alternates), for the construction and architectural services is \$4,285,520. Funds of \$4.06 million are being provided from gifts to the University of Illinois Foundation, from Helene R. Foellinger, and the balance required from the institutional funds budget of the Urbana-Champaign campus.

It is contemplated that the project budget will be \$4.45 million as a result of change orders and additional services which may be required of the architect/engineer. Additional funds to finance the budget increase will be provided by interest earnings from the gift funds, estimated to be at least \$160,000. Accordingly, it is further recommended that the project be approved at this level.

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

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Contracts, Remodeling in Nuclear Physics Laboratory, Urbana

(30) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following construction contracts for the conversion of space within the Nuclear Physics Laboratory at the second-floor level from an earth radiation shield to offices and laboratories; the award for each division of work being to the low base bidder.

Division I — General

Ellington Miller Edmonds, Inc., Danville..... \$59 900

Division II — Heating, Ventilation and Air Conditioning

R. H. Bishop Company, Champaign..... 21 827

Division III — Electrical

Downtown Electric, Urbana..... 6 537

Total \$88 264

It is further recommended that: (1) all contracts, other than the contract for general work, be assigned to the contractor for general work; and (2) an agreement be entered into with Ellington Miller Edmonds, Inc., for the assignment of the other prime contracts.

When the addition to the Nuclear Physics Laboratory was constructed to house a 300 MeV Betatron, it contained an earth wall within the building's enclosure to shield the occupants from the radiation produced by the accelerator. When the Betatron was removed and the present Microtron accelerator was installed, a movable type of shielding was provided directly around the accelerator, eliminating the necessity for the earth wall. This project will convert approximately 1,280 square feet of this shielded area to offices, electronics laboratory, and space

for the accelerator's control center. The project is scheduled to start in December 1983 and to be completed in March 1984.

Funds for this Remodeling for Academic Excellence project for the Urbana-Champaign campus are available and included in the Fiscal Year 1984 State appropriated budget of the Operation and Maintenance Division.

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

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Purchases

(31) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the 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	\$ 175 669 30
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From Institutional Funds

Authorized	\$ 331 392 05
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Recommended	5 957 569 03
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	6 288 961 08
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<i>Grand Total</i>	\$6 464 630 38
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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. A copy is being filed with the secretary of the board for record.

On motion of Mr. Stone, 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. Howard, Mr. Logan, Mr. Madden, Mr. Stone; no, none; absent, Mr. Hahn, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

Federal Energy Conservation Grants, Chicago and Urbana

(32) An Institutional Buildings Grants Program was established by Congress under the National Energy Conservation Policy Act of 1978. The University has received funds under the program since 1980.

The University again applied for funds under Cycle V of the program and has received a grant award of \$2,514,531 in Fiscal Year 1984 for the projects listed in the following table.

The nonfederal share of the project costs for FY 1984 will be financed as follows: General Revenue Funds appropriated to the Capital Development Board; University of Illinois Auxiliary Facilities System Repair and Replacement reserves; and "in-kind" engineering services credits for work completed by the University. The matching funds for Auxiliary Facilities System projects are currently available in the system repair and rehabilitation reserve. The General Revenue matching funds for projects in academic facilities are included in House Bill 2319 which was approved in the Fall Session of the 83rd General Assembly and sent to the Governor for final approval. The bill appropriates \$2,187,068 from the General Revenue Fund to the Capital Development Board for energy conservation projects of the University of Illinois. The appropriations contained in HB 2319 are subject to release by the governor.

I recommend that the comptroller be authorized to submit requests for release to the Capital Development Board and the governor for the projects approved by the governor.

Further, on recommendation of the appropriate administrative officers, I recommend that the Board of Trustees accept the Federal grant, contingent upon the approval and release of State matching funds.

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

(The student advisory vote was: Aye, Mr. Bolen, Mr. Milkint; no, none.)

<i>Chicago</i>	<i>Total Cost</i>	<i>Federal Share</i>	<i>Non-Federal Share¹</i>
Academic Facilities			
Education & Communications Bldg. —			
Ventilation Reduction	\$ 262 480		
Physical Education Bldg. — Ventilation			
Reduction & Automatic Light Dim-			
ming System	250 980		
Utilities Bldg. — Pipe Installation & Heat			
Recovery	73 934		
College of Pharmacy Bldg. — Supple-			
mental Cooling System	75 500		
College of Nursing — Fan Reduction ...	235 320		
Drug & Horticultural Experiment Station			
— Window Insulation	32 136		
College of Dentistry Bldg. — Automatic			
Light Dimming System	179 577		
Steam Plant — Boiler Blowdown Heat			
Recovery	75 645		
College of Medicine West Tower — Night			
Setback Controls	149 458		
Admin. Ofc. Bldg. — Fan Reduction &			
Automatic Light Dimmers	272 030		
Admin. Services Bldg. — Night Setback			
Controls	37 104		
Subtotal	\$1 644 164	\$ 822 082	\$ 822 082

¹ Includes State appropriations and credits for "in-kind" engineering services performed by University staff while developing the energy-conservation grant applications.

<i>Chicago</i>	<i>Total Cost</i>	<i>Federal Share</i>	<i>Non-Federal Share¹</i>
Auxiliary Facilities			
Circle Center — Kitchen Refrigerated Heat Recovery, Dock Strip Wall & Heater Control, and Automatic Light Dimming System	\$ 115 395		
Illini Union — Programmable Start/Stop & Supply Air Temp. Reset	103 908		
<i>Subtotal</i>	\$ 219 303	\$ 109 651	\$ 109 652
<i>Chicago Total</i>	\$1 863 467	\$ 931 733	\$ 931 734
<i>Urbana-Champaign</i>			
Academic Facilities			
Abbott Power Plant — Resource Recovery Plant	\$1 908 150		
Physical Plant Services Bldg. — Central Supervisory Control	540 000		
Morrill Hall — Ventilation Turndown...	410 080		
Vet. Med. Annex — Temperature Control & Domestic Hot Water	97 648		
Smith Hall — Temperature Control	88 588		
Chemistry Annex — Temperature Control	35 680		
<i>Subtotal</i>	\$3 080 146	\$1 540 073	\$1 540 073
Auxiliary Facilities			
Florida Ave. Residence Halls — Steam Absorption Control	\$ 85 450		
<i>Subtotal</i>	\$ 85 450	\$ 42 725	\$ 42 725
<i>Urbana-Champaign Total</i>	\$3 165 596	\$1 582 798	\$1 582 798
<i>Grand Total</i>	\$5 029 063	\$2 514 531	\$2 514 532

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

(33) The 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, and a report of bids taken by the Illinois Educational Consortium for generic commodities. A copy of this report is filed with the secretary.

This report was received for record.

Comptroller's Monthly Report of Contracts Executed

(34) The comptroller submitted the November 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.

Quarterly Report of the Comptroller

(35) The comptroller presented his quarterly report as of September 30, 1983. A copy has been filed with the secretary of the board.

This report was received for record.

¹Includes State appropriations and credits for "in-kind" engineering services performed by University staff while developing the energy-conservation grant applications.

Report of Investment Transactions through October 31, 1983

(36) The comptroller presented the investment report as of October 31, 1983.

Transactions under Finance and Audit Committee Guidelines

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Sales:				
10/3	\$ 361 000	Caterpillar Tractor demand notes	\$ 361 000 00	\$ 361 000 00
10/7	39 000	Boeing demand notes	39 000 00	39 000 00
10/13	361 000	Boeing demand notes	361 000 00	361 000 00
10/25	30 000	General Motors Acceptance demand notes	30 000 00	30 000 00
Purchases:				
10/3	\$ 361 000	Boeing demand notes	9.42%	\$ 361 000 00
10/6	156 000	General Motors Acceptance demand notes	9.42	156 000 00
10/7	39 000	General Motors Acceptance demand notes	9.15	39 000 00
10/13	361 000	Associates demand notes	9.28	361 000 00

Transactions under Comptroller's Authority

Sales:				
9/28	\$ 2 000	Associates demand notes....	\$ 2 000 00	\$ 2 000 00
10/3	949 000	Caterpillar Tractor demand notes	949 000 00	949 000 00
10/4	1 800 000	U.S. Treasury bills due 11/3/83	1 768 696 61	1 787 040 00
10/4	2 000 000	U.S. Treasury bills due 11/17/83	1 931 555 56	1 978 880 00
10/6	227 000	Boeing demand notes	227 000 00	227 000 00
10/7	735 000	Boeing demand notes	735 000 00	735 000 00
10/12	75 000	U.S. Treasury bills due 10/27/83	73 055 12	74 716 67
10/13	1 000 000	U.S. Treasury bills due 11/3/83	982 171 11	995 012 50
10/13	1 800 000	U.S. Treasury bills due 12/1/83	1 769 881 50	1 779 003 50
10/13	1 000 000	U.S. Treasury bills due 12/15/83	978 250 00	984 950 00
10/14	1 000 000	General Motors Acceptance demand notes	1 000 000 00	1 000 000 00
10/14	1 000 000	Household Finance demand notes	1 000 000 00	1 000 000 00
10/17	1 000 shares	Quotron common stock....	19 062 50	19 756 00
10/17	800 shares	Warner Comm. common stock	18 700 00	18 180 18
10/19	40 000	General Motors Acceptance demand notes	40 000 00	40 000 00
10/21	3 500 000	U.S. Treasury bills due 12/5/83	3 385 055 00	3 454 655 55
10/24	211 000	Boeing demand notes	211 000 00	211 000 00
10/25	500 000	U.S. Treasury bills due 12/15/83	479 420 00	493 936 67
10/25	2 000 000	U.S. Treasury bills due 12/22/83	1 955 800 00	1 972 321 11

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
10/26	\$1 000 000	U.S. Treasury bills due 12/22/83	\$ 980 103 06	\$ 986 335 83
10/28	30 000	U.S. Treasury bills due 12/22/83	29 403 09	29 604 46
Purchases:				
10/3	\$ 340 000	First National Bank of Chicago 9.05 percent certificate of deposit due 12/28/83	9.05%	\$ 340 000 00
10/3	1 000	Boeing demand notes	9.42	1 000 00
10/3	948 000	Merrill Lynch demand notes	9.59	948 000 00
10/6	2 000 000	U.S. Treasury bills due 12/29/83...	8.72	1 960 100 00
10/6	2 000 000	U.S. Treasury bills due 1/12/84....	8.70	1 953 722 22
10/7	735 000	General Motors Acceptance demand notes	9.15	735 000 00
10/12	400 000	U.S. Treasury bills due 12/29/83...	8.84	392 477 33
10/12	3 000 000	U.S. Treasury bills due 1/19/84....	8.96	2 927 812 50
10/12	3 500 000	U.S. Treasury bills due 1/26/84....	8.97	3 409 929 45
10/12	2 000 000	Continental Bank 9.50 percent time deposit due 2/1/84.....	9.50	2 000 000 00
10/17	1 500 000	U.S. Treasury bills due 1/12/84....	8.84	1 468 607 50
10/20	195 000	U.S. Treasury bills due 4/19/84....	9.10	186 423 25
10/24	211 000	Household Finance demand notes...	9.15	211 000 00
10/27	100 000	U.S. Treasury bills due 12/22/83...	8.52	98 693 33
10/27	125 000	U.S. Treasury bills due 1/19/84....	8.72	122 506 25
10/28	3 200 000	Continental Bank 9.40 percent time deposit due 1/23/84	9.40	3 200 000 00
10/28	1 400 000	U.S. Treasury bills due 12/22/83...	8.56	1 381 926 39

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

SECRETARY'S REPORT

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

ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Forsyth called attention to the schedule of meetings for the next two months: January 19, 1984 (Annual Meeting), Chicago campus (Health Sciences Center); and February 16, Urbana-Champaign campus. There is no meeting scheduled for December 1983.

There being no further business, the board adjourned.

EARL W. PORTER
Secretary

WILLIAM D. FORSYTH, JR.
President