

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

April 10, 1986



The April meeting of the Board of Trustees of the University of Illinois was held in the General Lounge, Illini Union, Urbana, Illinois, on Thursday, April 10, 1986, beginning at 8:00 a.m.

Mr. William D. Forsyth, Jr.,¹ 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, Mr. William D. Forsyth, Jr., Mrs. Susan L. Gravenhorst, Mr. Ralph C. Hahn, Mr. Albert N. Logan, Mr. Dean E. Madden, Miss Ann E. Smith. The following members of the board were absent: Mr. George W. Howard III, Mrs. Nina T. Shepherd, Governor James R. Thompson. The following nonvoting student trustees were present: Mr. Scott L. Becker, Urbana-Champaign campus; Mr. Kevin K. Lamm, Chicago 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. Thomas E. Everhart, 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. Byron H. Higgins, university counsel; and Dr. Earl W. Porter, secretary.

¹ In the absence of President Nina T. Shepherd and at Mrs. Shepherd's request, Mr. Forsyth presided and served as president *pro tem* for this meeting of the Board of Trustees.

EXECUTIVE SESSION

Mr. 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, to discuss pending, probable, or imminent litigation, the acquisition of real property, and to discuss campus security."

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

Anthony Wade vs. Lynn, et al.

The university counsel reported the completion of the settlement in the above case, in an amount of \$4.5 million. (See minutes of the March 13, 1986, Board of Trustees' meeting.)

Acquisition of Land, Urbana (Relocation Assistance)

(1) Two owner-occupied residences are within the authorized north campus land acquisition project, properties at 1303 West Clark Street and 402 North Romine Street, Urbana. The owners have lived in these houses for a number of years and have stated that they do not wish to sell them. They have stated as well that acquisition of their property will result in a financial hardship in relocation costs.

The Board of Trustees has authorized the acquisition of these properties at a price within appraisals received by the University or at the amount determined in condemnation proceedings. It is acknowledged that the owner/residents will experience additional costs in relocation and that the availability of relocation assistance will enable them to complete the move with less financial burden.

Accordingly, the president of the University, with the concurrence of the appropriate administrative officers, recommends that up to \$10,000 be made available to each property owner to cover reasonable relocation assistance costs in the event that a settlement for the acquisition of each property can be reached within the appraised fair market value, and consistent with applicable laws.

Funds for this purpose are available from private gifts through the University of Illinois Foundation and funds appropriated by the State of Illinois.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

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

MEETING, COMMITTEE ON ACADEMIC AFFAIRS

Following the executive session, and with all trustees present as previously indicated, the Committee on Academic Affairs was convened at 9:15 a.m. to receive information from academic officers at each campus concerning "quality control" in faculty promotion and tenure and as applied to student affairs.

During the first presentation, the meeting was repeatedly disrupted by

students in the audience, presumably members of the Divest Now Coalition. Trustee Forsyth (presiding in the absence of the chairman, Mr. Howard), requested order and issued the conventional warnings. When these were ignored, he directed the room be cleared and security officers took further action as necessary.

The committee reconvened and received a request from three students (Joseph Moag, Sterling Sullivan, and Sia Lindstrom) of the Divest Now Coalition, for permission to speak. With the understanding there would be no further disruption, the request was granted and the students presented the following statement.

Whereas, Reverend Sullivan has called for institutions to divest from corporations in South Africa by May of 1987 if apartheid is not dismantled, Then, be it resolved that the Board of Trustees of the University of Illinois agree to begin the divestiture of their investments by May 1987, and to complete this action within two years if the following conditions have not been met in South Africa:

- (1) the abolition of all pass laws,
- (2) an end to the segregated living areas known as Bantustans,
- (3) one person, one vote representation in the government.

The students took seats and soon after disrupted the meeting. Security officers removed them from the room, and the committee adjourned to be rescheduled at a later date.

The Board of Trustees reconvened in regular session at 10:20 a.m.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

President's Report

The president spoke briefly on the current state of budget review in Springfield; the new financial obligation to provide funds for coverage, under Medicare, to new employees, now a Federal requirement; and he reviewed the joint efforts of the Colleges of Engineering at Chicago and Urbana in fund-raising and other activities.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of January 16, 1986, copies of which had previously been sent to the board.

On motion of Mrs. Day, these minutes were approved.

REGULAR AGENDA

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

¹ University Senates Conference: Bruce L. Larson, professor of biological chemistry, Department of Animal Sciences, Urbana-Champaign campus; Urbana-Champaign Senate Council: R. Linn Belford, professor of chemistry; Chicago campus Senate: Stanley K. Shapiro, professor and head of the Department of Biological Sciences, University Center.

University of Illinois Auxiliary Facilities Revenue Refunding and Improvement Bonds, Series 1986

(2) In September 1984, the board authorized the issuance of \$55.3 million of revenue bonds (University of Illinois Auxiliary Facilities System Revenue Bonds, Series 1984), the proceeds of which provided for the advance refunding of all then existing debt of the system (Series M and N). Other resources of the system provided for the prepayment of Series A-L Bonds held by the Department of Education. The payments to Series 1984 bondholders were scheduled to begin in Fiscal Year 1991 and continue through Fiscal Year 2009.

In June 1985, the board authorized another major issue of revenue bonds, \$56.8 million, called University of Illinois Auxiliary Facilities System Revenue Bonds, Series 1985. The proceeds of these bonds are being used to fund a number of projects both for new facilities (*e.g.*, the Chicago Residence Hall and Commons Facility) and major repair and remodeling (*e.g.*, the Busey-Evans Residence Halls). The large majority of the payments on the Series 1985 Bonds will be made in Fiscal Years 1986-1990.

Interest rates on tax-exempt municipal bonds have dropped substantially, three to four percent depending upon maturity, since the Series 1984 Bonds were issued. The Series 1984 Bonds maturing on or after October 1, 1995, may be redeemed on or after October 1, 1994, at the *option* of the board. The substantial high-to-low change in interest rates makes it financially attractive to place funds in an escrow account now in an amount that will be sufficient, with interest earnings in the interim, to call a large portion or all of the legally callable bonds in 1994. In addition, it may be desirable to call certain of the bonds in the Series 1985 issue.

The amount of the present-value savings, which can be converted into funds available to the University for additional projects as part of a new bond sale, is highly sensitive to interest rates at the date of sale; however, it is estimated to be several millions of dollars at current rates. In order for the University to obtain funds to deposit in the escrow account it will be necessary to issue another series of Auxiliary Facilities System Revenue Bonds — Series 1986. Payments on these bonds would be timed to replace those that they advance refund. Thus, the transaction would not place any additional burden of annual debt payments on the system.

Because of pending changes in Federal tax laws, it is very likely that the opportunity for the University to capture the benefits made possible by this advance refunding will expire in the near future, possibly September 1, 1986. Uncertainties in the municipal bond market make it desirable to proceed towards a sale with all deliberate dispatch.

The president, with the concurrence of the appropriate administrative officers, recommends the following:

1. Approval of the employment of the law firm of Chapman and Cutler to act as bond counsel in connection with the University of Illinois Auxiliary Facilities System Revenue Refunding and Improvement Bonds, Series 1986 (the "Bonds"). Funds will be available for this service from the bond proceeds;
2. Approval of the employment of the firms of John Nuveen & Co. Incorporated and Stifel, Nicolaus & Company Incorporated to act as representatives of the underwriters of the bonds;
3. Authorization for the comptroller, with the assistance of bond counsel and the representatives of the underwriters, to prepare and distribute a Preliminary Official Statement with respect to the bonds, and to secure bond ratings in connection with such bonds;
4. Authorize such sale to occur on or after May 8, 1986, the date on which the board shall consider a bond resolution to authorize the issuance of such bonds;

5. That the comptroller and other authorized officers of this board be and they are hereby authorized and empowered to do and perform such other acts and things and to make, execute, and deliver all such other instruments and documents on behalf of this board as may be by them deemed necessary or appropriate to comply with, or to evidence compliance with, the terms, conditions, or provisions of these resolutions and all acts and things whether heretofore or hereafter done or performed by and of the officers of this board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby, in all respects, ratified, confirmed, and approved.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 3 through 10 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

(3) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded under Section 5 of the Illinois Public Accounting Act of 1983 to eight candidates who have presented evidence that they are holders of valid and unrevoked certified public accountant certificates obtained by passing the uniform 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 are filed with the secretary.

I concur in this recommendation.

On motion of Mrs. Gravenhorst, these certificates were awarded.

Appointments to the Faculty

(4) 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

JOUNGHYOUN K. LEE, assistant engineering librarian and assistant professor of library administration, beginning February 21, 1986 (NY), at an annual salary of \$20,000.

JOHN G. WILLIAMS, associate professor of nuclear engineering, on 60 percent time, and director of Nuclear Reactor Laboratory, on 40 percent time, May 21-August 20, 1986 (N), \$11,444, and beginning August 21, 1986 (A;N), at an annual salary of \$51,500.

Chicago

BARNETT ROSENBLUM, assistant professor of pediatrics, College of Medicine at Chicago, beginning March 1, 1986 (1Y), at an annual salary of \$37,500.

FULTON WONG, research associate professor of ophthalmology, on 80 percent time, and associate professor of anatomy, on 20 percent time, College of Medicine at Chicago, for three years beginning April 1, 1986 (QY), at an annual salary of \$63,000.

Administrative Staff

S. EUGENE BARTON, associate vice chancellor for student affairs, Urbana, beginning April 1, 1986 (NY), at an annual salary of \$68,000.

CAROLE G. COHEN, associate chancellor for development, Chicago, and campus development officer, University Office for Development, beginning March 10, 1986 (NY), at an annual salary of \$65,000.

JOSEPH J. CUDZILO, director, Medical Service Plan, Chicago, beginning March 17, 1986 (NY), at an annual salary of \$60,000.

GORDON A. PARI, assistant director of business affairs, College of Medicine at Peoria, beginning March 15, 1986 (NY), at an annual salary of \$42,500.

DONOVAN W. RILEY, associate vice chancellor for health affairs and coordinator for health affairs, Office of Planning and Resources Management, Chicago, beginning March 1, 1986 (NY), at an annual salary of \$70,000.

On motion of Mrs. Gravenhorst, these appointments were confirmed.

Administrative Leaves, 1986-1987

(5) In accord with the plan for administrative leaves approved by the Board of Trustees on June 20, 1973,¹ the president of the University and the chancellors at Chicago and Urbana-Champaign have recommended as appropriate such leaves for those listed below.

The proposals have been reviewed by the members of the committee on administrative leaves which recommends approval.

Urbana-Champaign

MILDRED W. BARKSDALE, assistant dean of the College of Liberal Arts and Sciences since August 21, 1973, has requested leave for the period September 1-December 31, 1986. She will develop a network of faculty members at CIC institutions who would be willing to administer proficiency examinations in foreign languages not taught at the institution where the student seeking the foreign language credit is enrolled.

RICHARD E. DIERKS, dean of the College of Veterinary Medicine since August 1, 1976, has requested leave for the period September 1-December 15, 1986. He will work on the development of a graduate training program in food animal preventive medicine and of specific international programs of interest to the College of Veterinary Medicine.

¹ The plan provides for paid leaves of two to four months for certain administrative officers "to keep abreast of developments in their professions and to find time to design new approaches to their tasks."

LARRY C. JOHNSON, assistant dean of the College of Commerce and Business Administration since August 21, 1979, has requested leave for the period September 1-December 31, 1986. He will study the recent history and current profile of minority undergraduate student enrollment in the College of Commerce and Business Administration and compare the profile with that of peer institutions. Also, he will study programs and services offered to minority students at peer institutions.

STANLEY R. LEVY, vice chancellor for student affairs since March 21, 1979, and for 11 years prior to that associate dean of students, assistant vice chancellor, and associate vice chancellor for campus affairs, has requested leave for the period September 1-December 31, 1987. He will review and study the literature in higher education with particular reference to development, management, and program planning.

Chicago

MELVIN SMITH, director of the Chicago Circle Center since May 1, 1979, and prior to that associate director from September 1, 1977, has requested leave for the period April 11-August 10, 1986. He plans to develop and market the UIC Campus Community Volunteers to community leaders and targeted constituencies in Chicago.

On motion of Mrs. Gravenhorst, these leaves were granted as recommended.

AMOCO Foundation Awards for Undergraduate Instruction, Urbana

(6) As a part of the Urbana-Champaign campus undergraduate instructional awards program, awards to faculty are provided for work on projects designed to improve the quality of undergraduate instruction.¹

Upon the completion of the projects, a campus review committee selects those most deserving of recognition for excellence in teaching in the undergraduate programs. The AMOCO Foundation has again provided funds to reward those who have developed the most deserving 1985 summer projects.

The committee's selections for this year are:

HADI S. ESFAHANI, assistant professor of economics, and

SALIM RASHID, professor of economics — "Application of Computable Equilibrium Models to Policy Problems of Developing Economies"

ROBERT W. HENDERSEN, associate professor of psychology — "Computerizing Introductory Psychology Laboratories"

DAVID N. RUZIC, assistant professor of nuclear engineering — "Computerizing the Radiation Measurement and Instrumentation Laboratory Course"

The chancellor at Urbana-Champaign and the vice president for academic affairs have recommended that awards of \$1,500 be made to each of the faculty members noted above.

I concur.

On motion of Mrs. Gravenhorst, these recommendations were approved.

Appointment of Fellows, Center for Advanced Study, Urbana

(7) On recommendation of the director of the Center for Advanced Study, and with the concurrence of the dean of the Graduate College, the chancellor at Urbana-Champaign has recommended the following appointments of fellows in the Center for Advanced Study for one semester of the academic year 1986-87 and for the program of research or study as indicated in each case.

¹ Generally these amount to full-time salary for two months.

Fellows¹

PATRICIO U. AVILES, assistant professor of mathematics, to work on problems related to differential geometry and partial differential equations.

FRANCIS D. FINCHAM, assistant professor of psychology, to do research on the origins and development of children's reactions to failure experiences, and action research which examines the remediation of maladaptive responses to failure.

JAMES M. LISY, assistant professor of chemistry, to study the vibrational spectroscopy of solvated ions using molecular beam techniques.

ROBERT D. PARKER, assistant professor of English, to complete a book-length manuscript on the poetry of Elizabeth Bishop.

MAHIR SAUL, assistant professor of anthropology, to complete analysis and write-up of material collected in anthropological fieldwork conducted among the Bobo of Burkina Faso in West Africa.

Beckman Fellows

RENEE L. BAILLARGEON, assistant professor of psychology, to work on paradigms that will examine the processes by which infants infer the attributes of the physical world.

PAUL W. BOHN, assistant professor of chemistry, to do research on surface chemistry of modified dielectric materials.

The vice president for academic affairs concurs in this recommendation.

I recommend approval.

On motion of Mrs. Gravenhorst, these appointments were approved.

President's Report on Actions of the Senates

Establishment of Additional Course Rubrics, College of Education, Chicago

(8) The Chicago Senate approved the establishment of four additional course rubrics for 300- and 400-level courses in the College of Education. The four new rubrics are: (1) Curriculum, Instruction, and Evaluation (CIE); (2) Educational Psychology (EPsy); (3) Policy Studies (PS); and (4) Special Education (SpEd).

When the College of Education was established in 1965, it offered only one degree, the Bachelor of Arts in Elementary Education, with all of its courses listed under one rubric, Education (Ed). Since 1965 the college has expanded programmatically and now offers two baccalaureate degrees, a Master of Education degree with seven concentrations, and three Ph.D. degrees. This growth has exhausted all available course numbers under the Education (Ed) rubric. In order to alleviate this problem and to allow the college to develop additional 300- and 400-level courses, the four new rubrics are proposed. These more descriptive rubrics parallel the instructional content areas of the college and will benefit students by providing potential employers and state certifying agencies with a clearer and more informative coursework record.

Revision of the Degree Requirements, Master of Science in Physical Education, Chicago

The Chicago Senate has approved the following revisions to the degree requirements for the Master of Science in Physical Education: (1) No credit is counted toward the degree if a student receives a grade of *D* in any physical

¹ Fellows in the center are nominated by their department heads and selected on the recommendation of an advisory selection committee for one-semester appointments. Fellowships are awarded for independent work in all fields of the social and natural sciences, the humanities, and the creative arts. Those eligible for nomination are untenured, tenure-track faculty members at the Urbana-Champaign campus.

education course. (2) A grade of *A* or *B* is required for any physical education specialization course; the course must be repeated if a student earns a grade of *C* or lower. (3) A student who earns more than two *C*'s in any graduate courses will be dropped from the program.

The Department of Physical Education believes that the proposed changes will strengthen the degree and encourage students to maintain an acceptable level of performance necessary for the successful completion of the program.

Revision of the Core Requirements of the Ph.D. in Public Policy Analysis Program, Chicago

The Chicago Senate has approved a proposal by the Public Policy Analysis Coordinating Committee to revise the core requirements of the Ph.D. in Public Policy Analysis, as follows. The committee proposes to drop the following courses as core requirements: (1) Economics 401, Macroeconomics I; (2) Political Science 402, Data Analysis for Politics and Public Policy; (3) Economics 403, Nonmarket Decision Making; and (4) Political Science 404, Research Design for Public Policy. In their places the committee recommends the following new core courses: (1) Public Policy Analysis/Urban Planning and Policy 407, Advanced Methods of Policy Analysis; (2) Public Policy Analysis/Economics 441, Economics for Public Policy Analysis; (3) Public Policy Analysis/Education 444, Research Design for Policy Analysis; and (4) Public Policy Analysis/Political Science 490, Advanced Public Policy Workshop. Total hours for the core will remain unchanged at six courses, twenty-four hours.

The revision to the core requirements is proposed in order to strengthen the interdisciplinary introduction to policy analysis for doctoral students in the four PPA tracks of economics, education, political science, and urban planning and policy.

Establishment of Undergraduate Food Engineering Specialization, Agricultural Engineering, Urbana

The Urbana-Champaign Senate has approved the establishment of a Food Engineering Specialization in the Department of Agricultural Engineering, in the Colleges of Agriculture and Engineering.

This specialization was developed in cooperation with the Food Science Department. Because a student must take a number of courses in chemistry, biology, and food science, as well as in engineering, the program calls for a total of 132 hours in contrast to 128 for the other agricultural engineering specializations. The food engineering specialization in agricultural engineering is designed to apply engineering principles and techniques to the production, processing, packaging, storing, and distribution of foods. There are no budget or staff implications associated with this new specialization.

Termination of the Minor in Driver Education, Urbana

The Urbana-Champaign Senate has approved the termination of the minor in driver education in the Department of Health and Safety Studies, College of Applied Life Studies.

Declining enrollment in the program, a lack of qualified instructors, and the increasing costs of offering this minor have prompted the action. The minor in driver education was taken by students in teacher education programs which have experienced declines in enrollment during the past several years. Only two courses will be affected by dropping this minor. There are no budgetary or staff implications.

Termination of Undergraduate Teacher Certification Program, School Health Education, Urbana

The Urbana-Champaign Senate has approved the termination of the Teacher Certification Program in School Health Education in the Department of Health and Safety Studies, College of Applied Life Studies.

Enrollments in this teacher certification area have significantly declined during the past five years. In 1979 there were 15 majors in School Health Education. In 1985-1986 there is only one student, graduating in 1986. Thus, the Department of Health and Safety Studies proposes to defer certification in this area to other undergraduate colleges in the State of Illinois. A minor and an M.S. degree will continue to be available in School Health Education. There are no budgetary or staff implications.

Discontinuance of the Curriculum in Human Resources and Family Studies, Urbana

The Urbana-Champaign Senate has approved the discontinuance of the Curriculum in Human Resources and Family Studies within the College of Liberal Arts and Sciences. The parallel curriculum in the College of Agriculture will remain intact.

By mutual agreement the School of Human Resources and Family Studies, the College of Agriculture, and the College of Liberal Arts and Sciences have decided not to continue the College of Liberal Arts and Sciences/Human Resources and Family Studies curriculum. Since the school administratively resides in agriculture, and most of the students are registered in the College of Agriculture/Human Resources and Family Studies curriculum, discontinuing the parallel program in liberal arts and sciences will not affect the opportunities still available to students through the College of Agriculture. There are no budgetary or staff implications.

Name Change, Curriculum in Agricultural Occupations for Secondary Teachers, Urbana

The Urbana-Champaign Senate has approved a name change for the Curriculum in Agricultural Occupations for Secondary Teachers to the Curriculum in Agricultural Education.

Students and staff routinely refer to this existing curriculum as "agricultural education" now, although the availability of an agricultural education curriculum is not readily apparent in any of the literature listing agricultural curricula. Further, other colleges and universities in Illinois and elsewhere which offer agricultural education use this as their official curriculum name. This name change will allow for more visibility of this program which will help attract students interested in agricultural education.

This report was received for record.

Dissolution of the School of Social Sciences, College of Liberal Arts and Sciences, Urbana

(9) The Urbana-Champaign Senate has recommended the dissolution of the School of Social Sciences in the College of Liberal Arts and Sciences, effective immediately.

The School of Social Sciences was established in 1976 as an administrative unit of the College of Liberal Arts and Sciences and consists of the Departments of Anthropology, Geography, Political Science, and Sociology; the Social Science Quantitative Laboratory; as well as the Center for Asian and Pacific Studies and the Center for Latin American and Caribbean Studies. The existence of the school has created an unnecessary barrier between the office of the dean and the constituent units. The coordinating function can be served through continuing

meetings of executive officers in these units, similar to a pattern which existed before the creation of the school.

Because the school is not large, the proposed dissolution will not create the need for new resources or personnel in the college office. Upon dissolution of the School of Social Sciences, resources which become available will be allocated among the units which comprised the former school.

The chancellor, the vice chancellor for academic affairs, the dean of the College of Liberal Arts and Sciences, and the Executive Committee of the School of Social Sciences recommend approval of the dissolution. Consultation required by the University *Statutes* has been carried out. The University Senates Conference has classified the transfer as a matter affecting one campus only.

I recommend approval.

On motion of Mrs. Gravenhorst, this recommendation was approved.

Consolidation, Departments of Industrial and Systems Engineering; and Mechanical Engineering, Chicago

(10) The Chicago Senate has approved a proposal by the College of Engineering to incorporate the Department of Industrial and Systems Engineering into the Department of Mechanical Engineering.

The Department of Industrial and Systems Engineering (the Department of Systems Engineering prior to the recent college reorganization) has experienced difficulty due to the previous nontraditional organization of the college, and the lack of a clear definition of objectives and responsibilities.

The college was reorganized in 1980 with a traditional structure. The Systems Engineering Department was renamed the Department of Industrial and Systems Engineering, which consolidated its curricula into two areas—industrial engineering and engineering management. The department strengthened its undergraduate programs and recruited senior faculty members and a new department head. In 1985, its Ph.D. in Industrial Engineering and Operations Research was approved by the Illinois Board of Higher Education.

Nonetheless, problems have persisted. The diverse backgrounds of the faculty from industrial and systems engineering made it difficult to establish programmatic and research objectives; searches for new faculty and a new department head have been unsuccessful; and student demand for industrial engineering and engineering management has been declining. The job market for graduates in these areas is limited, a situation that is not expected to change significantly.

Therefore, the College of Engineering believes it appropriate now to incorporate the Department of Industrial and Systems Engineering into the Department of Mechanical Engineering to focus limited faculty resources on an area of industrial engineering that will benefit the University, its students, and Illinois. That area is manufacturing engineering, in which both departments have made investments. Studies indicate that manufacturing engineering has broad industrial support and enjoys an expanding national demand in this area. Therefore, the college has recommended consolidation of the two departments to initiate a manufacturing-oriented graduate and research program in industrial engineering.

The chancellor at Chicago and the vice president for academic affairs recommend approval. The University Senates Conference has indicated no further senate jurisdiction is involved.

I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved.

Tuition Increases for Fiscal Year 1987

(11) In March, the Board of Trustees reviewed background information on tuition rates and received preliminary recommendations for Fiscal Year 1987. Undergradu-

ate and graduate tuition and mandatory fee charges at the University now stand at third place among public universities in the Big Ten, although they remain behind the first two institutions by a sizeable amount. Tuition and fee charges for professional schools rank somewhat lower.

The Illinois Board of Higher Education has recommended a tuition increase in the range of 6 percent at all public universities in Illinois. Such an increase has been made a part of the governor's budget for higher education for FY 1987.

For the University of Illinois, in order to achieve the income fund levels recommended by the IBHE, an overall base tuition increase of 6.4 percent is required. This increase should produce the income fund revenue base incorporated into the IBHE and governor's budget recommendations for the University. In order to respond to student concerns regarding differential tuition, it is recommended that the differential for undergraduate students be capped so that the dollar difference between lower and upper division tuition remains at its current level, while also generating the revenue to meet budget requirements. A 7 percent increase for lower division and 5.9 percent for upper division is required to generate the necessary revenue while capping the differential. In certain professional programs, further tuition adjustments beyond 6.4 percent are recommended to support academic program advancements not contained in the governor's budget.

As summarized in the accompanying table, I recommend that the Board of Trustees establish tuition levels for FY 1987 as follows:

1. An overall increase of 6.4 percent which is achieved through:
 - a. An undergraduate lower division increase of 7 percent (\$92)
 - b. An undergraduate upper division increase of 5.9 percent (\$92)
 - c. A 6.4 percent base increase for all other student levels.
2. Additional increases beyond 6.4 percent for certain professional schools as follows:
 - a. \$72 for students in Law (total increase, \$220)
 - b. \$100 for students in Veterinary Medicine (total increase, \$306)
 - c. \$130 for students in Medicine (total increase, \$399)

Proposed FY 1987 Tuition Increases¹

	FY 1986 Tuition	IBHE Recommendation ²	Additional	Proposed FY 1987 Tuition	Percent Increase
Undergraduate					
Lower	\$1 314	\$ 92		\$1 406	7.0
Upper	1 560	92		1 652	5.9
Graduate	1 842	118		1 960	6.4
Law	2 302	148	\$ 72	2 522	9.5
Medicine	4 200	269	130	4 599	9.5
Dentistry	2 844	183		3 027	6.4
Veterinary					
Medicine	3 216	206	100	3 522	9.5
Funds Generated ..		\$4.7 million	\$.2 million		

¹ Proportional increases, as appropriate, for part-time students, for nonresident students, and for correspondence and extramural courses to continue policies that now exist.

² Includes the additional 0.4 percent increase necessary to generate revenue required under IBHE recommendations.

Student Trustee Lamm made an extended presentation in opposition to the recommendation. He stated that minority students are most affected by tuition increases and that the level of Federal financial support is decreasing. He questioned the use of the quality ranking by which the University's ranking in the Big Ten in tuition charges is by implication linked

to the quality of undergraduate (as opposed to graduate) education. He questioned the use of the Higher Education Index (a measurement applied by the Board of Higher Education when considering tuition levels) as opposed to the Cost of Living Index — noting that the Cost of Living Index has declined. With regard to tuition increases in the College of Medicine, he indicated there was no evidence of the college standing in third place in the Big Ten but that the college ranked very high nationally in tuition charges.

Finally, he moved that tuition increases, at all levels and in all schools and colleges, be limited to 4 percent overall for the coming fiscal year.

Mr. Lamm referred to and introduced a letter from a student at Chicago, typical of those he has received. The letter is as follows.

Board of Trustees:

I think you should not increase tuition. A tuition increase would place many students under severe economic hardship. If tuition is raised, many students will have to leave school. I understand that you plan to increase tuition in order to expand your program of minority retention. Considering that many minority students are economically disadvantaged, keeping tuition low would be your best program of minority retention.

Sincerely,

/S/ Rochelle Dolgoff

Also presented was a resolution from the Student Government Association at Urbana, as follows:

Whereas, Students at the University of Illinois have borne their share of tuition increases;

Whereas, Undergraduate tuition at the University of Illinois is well above the Illinois Board of Higher Education recommended one-third of the undergraduate cost of instruction;

Whereas, Federal assistance to students actually decreased in the past five years and the proposed Gramm-Rudman-Hollings bill represents cuts at 25-35 percent;

Whereas, The proposed tuition increase outstrips inflation;

Whereas, Minority students will be greatly harmed by the proposed increase;

Whereas, Graduate and professional students do not receive much of the financial assistance offered to undergraduate students;

Therefore, SGA Stands Resolved, That tuition should be discussed at the same time as the University budget so that student input can be considered earlier in the budget process;

That the differential cap can be placed with the full expectation that the policy be studied further for the purpose of decreasing the tuition differential; and

In opposition to the tuition increase at the proposed level, we feel that the levels proposed for graduate and professional students and for undergraduate students are too high.

In response, Vice President Weir emphasized the significance of the action of the Board of Trustees in approving the original request for operating funds for Fiscal Year 1987. That action had followed a long period of budget development and consultation within the University at the departmental, collegiate, and campus levels. Such a continuing

process meant that late adjustments and reductions, while the University appropriation bill was being considered by the Legislature, were exceedingly difficult to make or to implement without similar consultation. Mr. Weir pointed out as well that some 40 percent of the University's request for program funds already had been rejected by the Board of Higher Education and was not included in the governor's budget message.

President Ikenberry, responding to a suggestion from Trustee Gravenhorst that the trustees be given an opportunity to examine the tuition question much earlier in the process, stated that the earliest effective time would be after the Board of Higher Education had made its budget recommendations, usually in January. Such an opportunity will be arranged for next year.

The president also pointed out that the recommendations this year are among the lowest presented to the trustees in the last decade; that the appropriation for scholarship assistance through the Illinois State Scholarship Commission is exceedingly generous in the current year; and that the Federal cuts anticipated should not affect the neediest of students.

Trustee Smith inquired about the availability of information for future discussion, such as the income level of students and their families and the extent to which students drop out of college because of tuition increases. Efforts will be made to provide such data as are available.

The motion as presented by Mr. Lamm was defeated by the following roll call vote: Aye, Mr. Logan; no, Mrs. Day, Mr. Forsyth, Mrs. Gravenhorst, Mr. Hahn, Mr. Madden, Miss Smith; absent, Mr. Howard, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

The trustees then, on motion of Mr. Madden, considered the recommendation as originally presented, and it was approved by the following roll call vote: Aye, Mrs. Day, Mr. Forsyth, Mrs. Gravenhorst, Mr. Hahn, Mr. Madden, Miss Smith; no, none; present, Mr. Logan; absent, Mr. Howard, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Becker, no, Mr. Lamm.)

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 12 through 17 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Special Tuition Increases, Urbana and Chicago

Executive MBA and Policy Economics Programs, Urbana

(12) Two academic programs at the Urbana-Champaign campus are "full cost recovery programs," *i.e.*, all costs are met through a combination of tuition and fee charges to students. These are: the Executive MBA Program and the Program in Policy Economics, both offered in the College of Commerce and Business Administration. Tuition and fee charges in each program are reviewed annually.

For Fiscal Year 1987, the following actions are proposed for the Executive MBA Program:

	<i>FY 1986</i>	<i>Proposed, FY 1987</i>	<i>Increase</i>
Tuition	\$5 900	\$6 100	\$200
Fees	1 400	1 400	0
<i>Total</i>	<u>\$7 300</u>	<u>\$7 500</u>	<u>\$200 (2.7 percent)</u>

As noted, the combined increases total 2.7 percent. Since each Executive MBA class pays the same tuition for each of the two program years, and since there have been tuition increases for each of the last two entering classes, total tuition income will increase for FY 1987 due to annualization of last year's increase. Thus, an increase of \$200 for the next entering class, combined with the added revenue from last year's increase, is sufficient to cover salary increases, cost increases, and program requirements for FY 1987. Recent experience has indicated that fee revenues are adequate to cover full costs of the portions of the program which they support. Thus no fee increase is proposed for FY 1987.

For the Program in Policy Economics,¹ which was begun last year, no changes are recommended for FY 1987 from the tuition and fees currently in place. Those are as follow:

	<i>FY 1986</i>	<i>Proposed, FY 1987</i>	<i>Increase</i>
Tuition	\$ 9 175	\$ 9 175	0
Fees	2 125	2 125	0
<i>Total</i>	<u>\$11 300</u>	<u>\$11 300</u>	<u>0</u>

Initial enrollment projections anticipated a total of 15 students who would complete a 10-unit academic program over the course of two semesters plus a summer session. Actual enrollment reached 29, and included 9 students whose language requirements produced a need for an additional semester of work, thereby requiring greater program support than originally anticipated. The program has now reached a level of stability and does not require some of the initial start-up costs of earlier years. Tuition and fee income at current rates will be adequate to cover all FY 1987 program needs.

The chancellor at the Urbana campus has recommended the tuition and fee charges for FY 1987 noted above.

I concur.

Doctor of Pharmacy Continuation Curriculum, Chicago

The continuation curriculum is designed for pharmacists with a baccalaureate in pharmacy who wish to complete the requirements for the Doctor of Pharmacy (Pharm.D.) degree, now considered the entry-level professional degree. The program will be offered for the first time beginning Summer Quarter 1986 with an entering class of 45 full-time students. Courses are being developed with a self-instructional format to permit in future years part-time attendance for students with regular full-time employment. Required clerkship courses in clinical settings then will be available at sites throughout Illinois.

Since the curriculum provides a special service to graduates of colleges and schools of pharmacy, it is intended that the University receive a larger percentage of the full direct costs of the instruction than is the case for on-campus programs. Therefore, an annual tuition rate of \$3,000 (or \$750 per quarter), effective with the Summer Quarter 1986, is recommended in addition to the usual assessment for other required general fees. At this level, tuition will recover approximately two-thirds of recurring program costs.

¹ An option under the M.S. in Economics, a special program designed for foreign and U.S. administrators.

The chancellor at Chicago has recommended the establishment of the tuition rate indicated for the Doctor of Pharmacy Continuation Curriculum.

I concur.

On motion of Mrs. Gravenhorst, these recommendations were approved.

Changes in the Credit Hour Ranges and Tuition and Fee Schedules, Summer Session, Chicago

(13) The senate of the Chicago campus has proposed, and the chancellor has recommended, that, effective with the 1986 summer session, the Chicago campus change the definition of its current summer session credit hour ranges and tuition rates to correspond to those in effect during the regular academic year, as follows.¹

Current Summer Session Credit Hour Ranges

<i>Full Program</i>	<i>Partial Program</i>		
<i>Range I</i>	<i>Range II</i>	<i>Range III</i>	<i>Range IV</i>
8 quarter hours and above	4 through 7 quarter hours	1 through 3 quarter hours	0 credit only

Proposed Summer Session Credit Hour Ranges

<i>Full Program</i>	<i>Partial Program</i>		
<i>Range I</i>	<i>Range II</i>	<i>Range III</i>	<i>Range IV</i>
12 quarter hours and above	6 through 11 quarter hours	1 through 5 quarter hours	0 credit only

Regular academic year tuition and fee rates, as established by the Board of Trustees, would apply to the summer session.

Current summer tuition charges are 25 percent less than the regular academic year rate, but current summer credit hour ranges are 33 percent less than regular academic year ranges. This causes students to be classified in higher credit hour ranges with fewer hours, but the reduction in tuition does not offset those credit hour shifts. The effect of the discrepancy is that students often pay relatively higher tuition for summer courses than for comparable coursework during the regular academic year.

The proposed change is recommended in order to make the ranges and rates more equitable for students and slightly more beneficial to the campus. The change is also intended to make the summer session more attractive to prospective students.

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

I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved.

Student Fees, Chicago and Urbana (Student Services, Health Services, Health Insurances and General)

(14) The chancellors have recommended increases in student fees which support auxiliary operations and student activities, student health services, and the student health insurance program for Fiscal Year 1987. The increases are required for continuing components (salaries and wages, utilities, general price increases, including food), debt service and repair and replacement programs, and base adjustments and fee equalization at the Chicago campus.

¹ This proposal does not include the Health Sciences Center at Chicago, which operates on a year-round academic calendar of four full-length regular quarters.

Student Service Fee

The student service fee at Urbana-Champaign supports the services and programs of the Assembly Hall, Illini Union, Intramural-Physical Education Building, Student Services Building, Ice Arena, and campus recreation. The recommended increase is required to meet increased operational costs and to meet debt service and repair and replacement requirements for renovation of the Ice Arena and the construction of a new recreation structure.

The service fee for Health Sciences Center students at Chicago supports the operation of the Chicago Illini Union, student programs, student government and campus recreation. The recommended decrease in this fee is the final phase of the plan to equalize fees at the two Chicago locations.

The service fee for University Center students at Chicago supports the operation of the Chicago Circle Center, student programs, student counseling, intramural sports and recreation, and intercollegiate athletics. In addition to operational cost requirements, the recommended increase will provide support for base adjustments, as well as continuing components at the Health Sciences Center.

Health Service Fee

The health service fee at Urbana-Champaign supports the on-campus health service for students at McKinley Hospital and Health Service and the Counseling Center. The increase is required to meet operational costs, and to meet debt service and repair and replacement reserve requirements for extensive renovation of McKinley Hospital and Health Service.

The health service fee at the Health Sciences Center and at the University Center supports the on-campus health services for students, including pharmacy services. The recommended increase is required to meet increased operational costs.

Student Health Insurance Fee

At each campus the student health insurance fee covers the cost of premiums paid to the insurance company and the cost of administering the program.

General Fee (Chicago Campus)

In Fiscal Year 1986, a general fee was established at University Center and at the Health Sciences Center which was to be used on a recurring basis to fund debt service and repair and replacement reserve requirements for the new dormitory and commons area. The increase in this fee represents the second and final increment planned for Fiscal Year 1987.

The accompanying table presents current and proposed fee levels for the programs described above.

The vice president for business and finance concurs in the fee levels proposed. I recommend approval.

Urbana-Champaign

	<i>1985-86</i>	<i>Proposed, 1986-87</i>
Student Service fee	\$138	\$144
Health Service fee	81	89
Health Insurance fee	46	44
	<u>\$265</u>	<u>\$277 (per semester)</u>

Proposed dollar increase: \$12

Proposed percentage increase: 4.5

Chicago

<i>Health Sciences Center</i>	<i>1985-86</i>	<i>Proposed, 1986-87</i>
Student Service fee	\$181	\$155
Health Service fee (includes Pharmacy fee)	16	21
General fee	10	21
Health Insurance fee	45	47
	<u>\$252</u>	<u>\$244</u> (per quarter)

Proposed dollar decrease: \$8

Proposed percentage decrease: 3.2

<i>University Center</i>	<i>1985-86</i>	<i>Proposed, 1986-87</i>
Student Service fee	\$133	\$155
Health Service fee (includes Pharmacy fee)	19	21
General fee	10	21
Health Insurance fee	45	47
	<u>\$207</u>	<u>\$244</u> (per quarter)

Proposed dollar increase: \$37

Proposed percentage increase: 17.9

NOTE: 1. The fee levels displayed above apply to full-time students.

2. The rates shown for health insurance represent the student's portion only.

3. If the University of Illinois Student FMO at Chicago is subsequently approved by the Board of Trustees, the Health Insurance fee at Chicago will remain at \$45 per quarter.

On motion of Mrs. Gravenhorst, these recommendations were approved.

**Rate Changes for University-Operated Housing Facilities,
Chicago and Urbana**

(15) The chancellors have recommended rate changes for University-operated housing for the 1986-87 academic year. The increases are required to meet operational costs (salaries and wages, utilities, general and food price increases, and repair and replacement programs) and to provide for debt service and repair and replacement reserve requirements of the new dormitory and commons area in Chicago.

Chicago				
	<i>1985-86</i>	<i>Proposed, 1986-87</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Residence Halls</i> (academic year)				
Student Residence Hall (room and board)	\$3 312	\$3 552	\$240	7.2
Women's Residence Hall (room and board)	3 438	3 603	165	4.8
<i>Single Student Residence</i> (room only)				
Two-Person apt. (per person) ...	\$3 223	\$3 306	\$ 83	2.6
Three-Person apt. (per person) ..	3 014	3 167	153	5.1
Four-Person apt. (per person) ...	3 058	3 306	248	8.1
Two-Person suite (per person) ..	2 673	2 751	78	2.9
Three-Person suite (per person) ..	2 530	2 751	221	8.7

NOTE: Apartments feature larger spaces than suites and include living rooms (which can convert to bedroom space).

Urbana-Champaign

<i>Undergraduate Housing</i> (room and board, academic year)	1985-86	<i>Proposed,</i> 1986-87	<i>Dollar</i> <i>Increase</i>	<i>Percent</i> <i>Increase</i>
Single	\$3 242	\$3 396	\$154	4.7
Double	2 874	3 010	136	4.7
Triple	2 714	2 842	128	4.75
Quad	2 590	2 712	122	4.7

- NOTE:* 1. Rates in newer halls with air-conditioning will be \$100 more than in halls without it.
 2. Room-only rates will be \$1,600 less than the above rates in 1986-87.
 3. The special assessment for Unit One at Allen Hall will be \$100 higher than the above rates.
 4. The rates quoted do not include the \$16 Residence Hall Association dues.

<i>Graduate Housing</i> (room only, academic year)	1985-86	<i>Proposed,</i> 1986-87	<i>Dollar</i> <i>Increase</i>	<i>Percent</i> <i>Increase</i>
<i>Sherman Hall</i> (air-conditioned)				
Single	\$1 630	\$1 708	\$ 78	4.8
Double	1 556	1 630	74	4.8
<i>Daniels Hall</i>				
Single	\$1 456	\$1 526	\$ 70	4.8
Double	1 300	1 362	62	4.8
Optional Board Contract	1 720	1 800	80	4.7
<i>Goodwin-Green</i> (monthly rates, includes heat)				
Sleeping rooms	\$ 192	\$ 201	\$ 9	4.7
Zero bedroom	227	238	11	4.8
Zero, with dining	234	245	11	4.7
One bedroom	274	287	13	4.7
One bedroom, with dining	282	295	13	4.6
<i>Orchard Downs</i> (monthly rates)				
One bedroom	\$ 232	\$ 243	\$ 11	4.7
Two bedroom	257	269	12	4.7
Two bedroom, unfurnished	202	212	10	5.0

<i>Other Properties</i> (monthly rates)				
Various rates and sizes	\$ 300-526	\$ 315-550	\$ 15-24	5.0

<i>Beckwith Living Center</i> (academic year)				
Single room	\$6 704	\$7 020	\$316	4.7
Efficiency apt. (per person, room only)	2 733	2 862	129	4.7
One-bedroom apt. (per person, room only)	3 146	3 294	148	4.7
Two-bedroom apt. (per person, room only)	3 782	3 960	178	4.7

NOTE: Rates may vary from above due to amount of care needed.

The vice president for business and finance concurs in these recommendations. I recommend approval.

On motion of Mrs. Gravenhorst, these recommendations were approved.

Amendment to Agreement with Midstate Aviation Center, Willard Airport

(16) In June 1979, the Board of Trustees approved an agreement with Midstate Aviation Center, Inc., of Savoy, Illinois, allowing the company to conduct business at Willard Airport as a "fixed base operation." The agreement was amended in 1980, 1982, and 1984, and currently provides for the lease of Hanger #3 and auto parking for an annual rental of \$17,400. In addition, an annual payment of \$12,600 is received for concession rights granted the operator, increasing each year of the agreement by 5 percent, plus an annual payment of .375 percent of gross receipts. The current expiration date is June 30, 1989.

An additional amendment is now proposed to become effective July 1, 1986.¹ It will extend the current agreement for an additional two years, to June 30, 1991, and will provide Midstate Aviation the nonexclusive right to sell aviation fuels to transient general aviation aircraft. The University will continue to provide fuel to commercial air carriers, military aircraft, and University aircraft.

For the additional right, Midstate will pay the University a flowage fee of \$.06 per gallon of aviation fuel delivered to its storage tank, an annual fixed apron-use fee of \$4,100, and 75 percent of ramp-use fees collected by Midstate from aircraft using the transient general aviation ramp. The apron-use fees are guaranteed by Midstate to total at least \$25,200 and collections will be reviewed annually to verify if the combined collection meets the minimum amount. In the event the combined amount of \$25,200 is not reached, Midstate has agreed in the subsequent year to increase the annual fee of \$4,100 by the amount of the deficiency.

The chancellor at Urbana has recommended that the agreement be amended as described.

I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved.

University of Illinois—Willard Airport Master Plan Update

(17) In January 1984, the Board of Trustees approved an application for Federal assistance for the 1984 Airport Improvement Program which included an update of the airport master plan and an environmental impact assessment report. In October 1984, Crawford, Murphy and Tilly, Inc., of Springfield, a consulting engineering firm, was retained to prepare the update and the environmental report.

Following a review of the 1974 master plan, the consultants compiled airport data in a variety of categories, developed twenty-year forecasts of aircraft and passenger activity, assessed existing facilities and airport capacity, and estimated future demand, based, conservatively, upon a growth rate "of enplanements" of 4 percent per year. They then developed a twenty-year plan, staged in five-year increments, to meet existing and future needs.

During the process, the consulting engineers and airport officials have made 34 public presentations of the master plan update. Based on the community response from those presentations, it is apparent that there is strong community support for a new airline passenger terminal complex and for improvements to the airfield.

In addition, a public hearing on the environmental impact assessment report was held on January 30, 1986. The recorded support for the plan at the hearing was 97 for and 1 against.

¹ The amendment is in accord with the revision of the policy statement concerning private operations at the airport, approved by the board on March 13, 1986.

Specifically, for the first five-year period, the consultants have recommended the following three major improvements to meet current needs and those projected through 1995: (1) a new airline passenger terminal complex; (2) a 1,200 feet extension to the southwest end of runway 4-22, lengthening it to 6,500 feet; and (3) a new 3,300 feet general aviation runway parallel to runway 14-32.

In addition, the consultants have recommended the acquisition of 84 acres of land in the southeast quadrant of the airport, the site of the new terminal.

A new airport layout plan, showing all existing facilities and the improvements recommended for the next twenty years, also has been submitted by the consultants.

The chancellor at Urbana-Champaign has recommended acceptance and approval of the master plan update and the airport layout plan.

I concur.

On motion of Mrs. Gravenhorst, 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. 18 through 29 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Willard Airport Improvements, 1986-1987

(18) The Federal Aviation Administration and the Illinois Department of Transportation, Division of Aeronautics, have advised the University of the availability of Federal funds for airport improvement projects totalling \$755,725 for Fiscal Year 1986. It is anticipated that a similar amount will be available in FY 1987. (The amount of funds available for airport improvements is based on the number of passengers enplaned in the preceding calendar year.)

The recently-completed airport master plan update identifies as a first priority the acquisition of 84 acres in the southwest quadrant of the airport and the construction of a new airline passenger terminal complex on that site. The estimated cost of land, construction of a terminal building, aircraft apron, connecting taxiways, parking lots, access road, and utilities is \$14,349,000, based on a Spring 1987 contract award.

The current Airport Improvement Act expires September 30, 1987, and availability of Federal funds is uncertain beyond that time. Consequently, a multi-year project is proposed based upon the following source of financial support: FY 1986 and FY 1987 Federal entitlement funds; a State appropriation provided to the Illinois Department of Transportation to match the Federal entitlement funds; funds available to the Illinois Division of Aeronautics for matching funds for Airport Improvement Program projects; substantial Federal discretionary funds; a revenue bond issue to provide a part of the local share; and funding to the University of Illinois to provide the remainder of the local share.

The chancellor at the Urbana-Champaign campus has recommended that the University enter into an Initial Agency and Participation Agreement and submit an application for a Federal grant for the projects described above, with the following distribution of costs:

<i>Project</i>	<i>Federal</i>	<i>Dollars in Thousands</i>		<i>Total</i>
		<i>Illinois Division of Aeronautics</i>	<i>University of Illinois</i>	
1. Terminal Building ¹	\$1 000	\$3 459 ¹	\$4 174	\$ 8 633
2. Land acquisition	231	26 ²		257
3. Apron and connecting taxiways	3 733	416 ³		4 149
4. Access road	270	30 ³		300
5. Parking lots			1 010	1 010
<i>Total</i>	<u>\$5 234</u>	<u>\$3 931</u>	<u>\$5 184⁴</u>	<u>\$14 349</u>
Entitlement Funds	\$1 600			
Discretionary Funds	\$3 634			

¹ Federal participation in the Terminal Building is limited by:

- (a) Maximum contribution of 60 percent of entitlement funds;
- (b) Maximum of 50 percent of the cost of public-use, nonrevenue-producing areas;
- (c) No discretionary funds permitted.

² State appropriation requested by the Illinois Department of Transportation.

³ Includes State and local share; the Division of Aeronautics providing local share.

⁴ Includes \$1. OM revenue bonds funded by airport income.

I concur.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Amendment of Contract with Telecommunications International, Inc.

(19) On January 19, 1984, the Board of Trustees approved the employment of Telecommunications International, Inc., of Englewood, Colorado, to provide telecommunication consulting services in connection with the Urbana-Champaign campus project to provide the campus with a data/voice communication system in the most economical way.

In its proposal, Telecommunications International suggested a five-phased approach, and the board authorized the first two phases as follows: Phase I, covering analysis and alternative design of the system, and Phase II, for the development of detailed specifications and request for proposals, at a combined fee of \$140,625, plus actual reimbursable expenses not to exceed \$15,000. Phase I was completed in July of 1984 at the contract price plus actual reimbursable expenses of \$5,750. Phase II was completed in January of 1985 at the contract price plus actual reimbursable expenses of \$8,494.

Phase III, services for the evaluation of proposals, was approved on November 15, 1984, and the board authorized a contract of \$83,750, plus actual reimbursable expenses not to exceed \$8,000. The work was completed in November of 1985 at the contract price and actual reimbursable expenses of \$3,596 have been paid to date.

The chancellor at the Urbana-Champaign campus has now recommended approval of an amendment to the contract with Telecommunications to provide for Phase IV consulting services. In this phase, the consultant will monitor the progress of the vendor, Illinois Bell, as the new system is installed, providing an installation schedule, a monthly status report, frequent quality control checks, comprehensive test development, a system-wide inventory, a punch-list-correcting procedure, and

a final report and analysis. The consultant's fee for these services is \$96,250, plus reimbursable expenses not to exceed \$9,000.

Funds are available from the restricted funds operating budget of the Urbana campus Division of Telecommunications.

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

I recommend approval.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Employment of Architect/Engineer for Remodeling Telecommunication Node Sites, Urbana

(20) The president of the University, with the concurrence of the appropriate administrative officers, recommends the employment of Unteed, Scaggs, Nelson, Ltd., Champaign, for the professional services required, through the receipt of bids, for the remodeling of seven buildings to accommodate telephone switching equipment at the Urbana campus.

The work consists of space realignment, interior finishes, air conditioning, new lighting in certain areas, power line conditioning, and fire alarm/emergency lighting in six locations (Scott Hall, Children's Research Center, Davenport Hall, Florida Avenue Residence Halls, Willard Airport, and Illini Union) as well as a new underground structure north of the Transportation Building that will serve the north campus.

The professional services required will be at a fixed fee of \$73,500, plus authorized reimbursements estimated to be \$4,000. Upon receipt of satisfactory bids, the board will be requested to approve contracts for construction and to employ the firm for the professional services required during the construction phase.

Funds are available from the restricted funds operating budget of the Urbana campus.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Contract, Roof Resurfacing, Allen and Lincoln Avenue Residence Halls, Urbana

(21) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$211,700 to Wayne Cain & Sons Roofing and Sheet Metal Company, Champaign, to resurface the flat roof areas of Lincoln Avenue and Allen Residence Halls. The award is to the low base bidder, plus acceptance of Alternates 1 and 2.

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

The two buildings are experiencing severe roof leaks which threaten serious damage to the interiors of the buildings. It has been determined that the roof

areas (constructed in 1959) have deteriorated to a stage beyond normal maintenance.

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

Alternate 1 is for the west porch roof of Allen Residence Hall and Alternate 2 is for two roof areas above the lounge in Lincoln Avenue Residence Hall.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Contracts for Renovations, Illinois Street Residence Hall, Urbana

(22) The president of the University, with the concurrence of the appropriate administrative officers, recommends award of the following contracts to remodel the kitchen, dishroom, and dining room at the Illinois Street Residence Hall, Urbana campus. The award in each case is to the low bidder, plus acceptance of the indicated alternates.¹

Division I — General

Meneley Construction, Pesotum	Base Bid ..	\$194 674	
	Alt. G-1 ...	816	
	Alt. G-3 ...	4 285	
			\$199 775

Division V — Electrical

Downtown Electric Incorporated, Urbana	Base Bid ..	9 840	
	Alt. E-3 ...	10 584	
			20 424
<i>Total</i>			\$220 199

It is further recommended that: (1) the electrical contract be assigned to the contractor for general work; and (2) an agreement be entered into with Meneley Construction, Pesotum, for the assignment of the electrical contract.

Funds are available in the Auxiliary Facilities System Repair and Replacement Reserve and the Restricted Funds operating budget of the Urbana Housing Division.

This project seeks to improve the atmosphere, efficiency, and appearance of the dining rooms and their respective serving areas and includes the construction of a new freezer and remodeling of the dishroom.

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

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

¹ A schedule of the alternates is filed with the secretary of the board for record.

Contract for Remodeling, Fred H. Turner Student Services Building, Urbana

(23) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$70,159 to Johnson-Stirewalt Construction Co., Urbana, to remodel the Financial Aid Office on the fourth floor of the Fred H. Turner Student Services Building, Urbana.

The remodeling will provide additional offices in an existing, open, general office area, a new reception area with counter, a file room, and a job-posting area.

This project consists of partial interior remodeling of approximately 6,300 square feet and includes minor demolition, new partitioning, reworking of existing lighting, and new finishes.

Funds are available in the Fiscal Year 1987 restricted funds operating budget of the Urbana campus.

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

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Contracts, Baseball Stadium and Related Site Work, Urbana

(24) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of the following contracts for the construction of the Baseball Stadium at the Urbana campus. The award in each case is to the low bidder on its base bid, plus acceptance of the indicated alternate.

Division I — General

Williams Brothers Construction, Inc.,

Peoria	Base Bid ..	\$1 078 000	
	Alt. G-1 ..	6 996	
			\$1 084 996

Division II — Plumbing

Mechanical Piping, Inc., Downs	Base Bid	86 767
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Division III — Heating, Piping,

Refrigeration, and Temperature Control

A & R Mechanical Contractors, Inc.,

Urbana	Base Bid	24 475
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Division IV — Ventilation and

Air Distribution

A & R Mechanical Contractors, Inc.,

Urbana	Base Bid	16 800
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Division V — Electrical

Downtown Electric, Inc., Urbana	Base Bid	105 152
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<i>Total</i>		\$1 318 190
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It is further recommended that all contracts, other than the contract for general work, be assigned to the contractor for general work (Alt. G-1).

It is also recommended that the firm of Heery-FABRAP, Atlanta, Georgia, be employed for construction contract administration, including twelve site visits, at a fixed fee of \$31,900. On-site field representation shall be on an hourly basis for direct personnel costs times 2.1, not to exceed \$28,000. Authorized reimbursements for this phase of the project are estimated to be \$25,000.

Funds for this project are available from the \$1,900,000 allocated to the project from the proceeds of the Series 1985 Auxiliary Facilities Revenue Bond issue.

The project consists of the construction of a new baseball field with support facilities, such as a locker room, showers, training facilities, dugouts, and spectator seating for 1,500 with expansion capabilities to 5,000. In addition, toilet, concession, and ticket booth facilities, and press box with radio and television broadcasting capabilities are to be constructed. The project also includes associated site development, utilities, extensions, walkways, and landscaping. Provisions for the addition of lighting at a later date are also included.

A schedule of the bids received and a schedule of the firm's hourly rates have been filed with the secretary of the board for record.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Employment of Architect/Engineer by the Capital Development Board, Animal Sciences Laboratory Addition, Urbana

(25) The 84th General Assembly appropriated \$1 million from the Build Illinois bond fund in Fiscal Year 1986 for remodeling and for an addition to the Animal Sciences Laboratory Addition, Urbana. The remodeling includes an upgrade of the mechanical systems and the conversion of existing space to research laboratory space. The addition will provide approximately 38,000 net square feet for additional research and instructional laboratories, offices, classrooms, and animal rooms.

The president of the University, with the concurrence of the appropriate administrative officers, recommends that the Board of Trustees request the Capital Development Board to employ Phillips Swager & Associates, Peoria, to provide the professional services required for the Animal Sciences Laboratory project. The professional fee for the firm will be negotiated by the Capital Development Board in accordance with its procedure.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

North Campus Master Plan; Site, Beckman Institute; and Central Utilities Facilities, Urbana

(26) On December 10, 1985, Sasaki Associates, Inc., Watertown, Massachusetts, was employed to undertake a master plan study of the north campus. The completed master plan establishes a physical framework for the growth of the north campus within which both near- and long-term building projects can be accom-

modated. The plan also serves as a guide for sites of future buildings as well as landscaping, parking, and circulation patterns for the area. The master plan for the north campus focuses most specifically on the site needs for the four building projects (Beckman Institute; Microelectronics Center—Phase I; Digital Computer Laboratory Addition; and Central Utilities Facility) which will be undertaken within the next year.¹

The president of the University, with the concurrence of the appropriate administrative officers, recommends the approval of the master plan as a general guideline for the long-term growth and development of the north campus.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Amendment to Architectural/Engineering Contract, Beckman Institute, Urbana

(27) On December 10, 1985, an agreement was executed between the Board of Trustees and the firm of Smith, Hinchman & Grylls, Associates, Inc., Detroit, Michigan, for the "preliminary programming and conceptual design" phase of the Arnold O. and Mabel M. Beckman Institute for Advanced Science and Technology, Urbana. The fee was on an hourly basis, not to exceed \$330,000, plus reimbursable expenses authorized by the University, estimated to be \$60,000.

On March 13, 1986, the Board of Trustees authorized an amendment to the agreement to include the professional services required through the "schematic design" phase on an hourly basis not to exceed \$290,000.

It is now recommended that the agreement be amended to include the professional services required through the receipt of bids. The cost of these services will be a fixed fee of \$2,125,000 plus authorized reimbursements.

After the receipt of bids for the project, the board will be requested to approve the contracts for construction and to authorize the balance of the architectural and engineering services required during construction.

Funds are available from private gift funds through the University of Illinois Foundation and from funds appropriated by the State of Illinois.

I concur.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Amendment to Construction Manager Contract, Beckman Institute, Urbana

(28) On December 10, 1985, an agreement was executed between the Board of Trustees and the firm of Turner Construction Company, Chicago, for program review, conceptual budgeting, and scheduling for the period identified as Part One (December 16, 1985, through March 31, 1986) of the preconstruction phase of the Arnold O. and Mabel M. Beckman Institute for Advanced Science and Technology,

¹ A comprehensive presentation of the plan was given the trustees at a meeting of the Buildings and Grounds Committee on April 9.

Urbana. The fee for the professional services required for that phase was on an hourly basis not to exceed \$100,000, plus reimbursable expenses authorized by the University, estimated to be \$30,000.

On April 1, 1986, a change order was executed which extended Part One of the preconstruction phase to April 10, 1986.

It is now recommended that the agreement be amended to include the professional services required during Part Two of the preconstruction phase (through the receipt of bids) on an hourly basis not to exceed \$500,000.

After the receipt of bids for the project, the board will be requested to approve contracts for construction and to authorize the balance of the construction manager services required during the construction phase.

Funds for this project are available from private gift funds through the University of Illinois Foundation and from funds appropriated by the State of Illinois.

I concur.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Purchases

(29) 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 purchases were 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	\$ 506 317 65
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From Institutional Funds

Recommended	1 345 463 02
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<i>Grand Total</i>	<u>\$1 851 780 67</u>
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A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

Comptroller's Monthly Report of Contracts Executed

(30) The comptroller submitted the April 1986 report of contracts. The report included contractual agreements for payments to the University and contracts in

amounts up to \$50,000, to be paid by the University. A copy of this report is filed with the secretary.

This report was received for record.

Report of Investment Transactions through March 15, 1986

(31) The comptroller presented the investment report as of March 15, 1986.

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Transactions under Finance and Audit Committee Guidelines				
Sales:				
2/18	900 shares	AZP Group common stock ...	\$ 22 009 50	\$ 23 700 71
2/19	10 000 shares	Inexco Oil common stock....	58 217 00	34 498 83
2/24	400 shares	AZP Group common stock ...	9 782 00	11 133 63
2/26	\$ 564 000	Chevron demand notes	564 000 00	564 000 00
2/26	803 000	Ford Motor Credit demand notes	803 000 00	803 000 00
2/28	3 800 shares	Eastman Kodak common stock	160 436 00	215 027 22
2/28	\$ 70 000	Ford Motor Credit demand notes	70 000 00	70 000 00
3/3	70 000	Ford Motor Credit demand notes	70 000 00	70 000 00
3/4	1 200 shares	AZP Group common stock ...	29 346 00	33 037 30
3/4	\$ 31 000	Ford Motor Credit demand notes	31 000 00	31 000 00
3/6	1 700 shares	Philip Morris common stock ..	139 843 37	171 345 78
3/6	\$ 23 000	Ford Motor Credit demand notes	23 000 00	23 000 00
3/10	15 000	Ford Motor Credit demand notes	15 000 00	15 000 00
3/11	91 000	Ford Motor Credit demand notes	91 000 00	91 000 00
3/12	609 000	Ford Motor Credit demand notes	609 000 00	609 000 00
3/12	50 000	Phibro-Salomon demand notes	50 000 00	50 000 00
3/13	3 000	Ford Motor Credit demand notes	3 000 00	3 000 00
Purchases:				
2/18	\$ 24 000	Quaker Oats demand notes	7.53%	\$ 24 000 00
2/21	34 000	Chevron demand notes	7.91	34 000 00
2/24	2 300 shares	Northeast Utilities common stock ...	7.88	49 036 00
2/26	\$ 1 300 000	Amoco 9% percent bonds due 2/1/16	9.81	1 309 750 00
2/26	600 shares	Centel common stock	4.92	29 779 80
2/26	700 shares	Great Lakes Chemical common stock	1.20	28 042 00
2/28	1 400 shares	Centel common stock	4.90	69 748 00
3/3	5 400 shares	Morton Thiokol common stock	1.94	194 837 40
3/3	200 shares	Reichhold Chemicals common stock .	2.22	7 212 00
3/3	500 shares	Witch common stock	2.98	24 842 50
3/4	100 shares	Essex Chemical common stock	2.53	2 761 80
3/4	2 900 shares	Northeast Utilities common stock ...	7.91	61 616 30
3/5	600 shares	Reichhold Chemicals common stock .	2.16	22 224 60
3/5	\$ 1 478 000	Quaker Oats demand notes	7.53	1 478 000 00
3/7	3 200 shares	Centel common stock	4.82	161 824 00
3/7	100 shares	Essex Chemical common stock	2.48	2 818 74
3/7	\$ 50 000	Phibro-Salomon demand notes	7.91	50 000 00
3/10	300 shares	Centel common stock	4.83	15 156 90
3/11	1 800 shares	Centel common stock	4.82	91 026 00
3/11	100 shares	Essex Chemical common stock	2.40	2 906 00
3/12	\$ 650 000	General Motors Acceptance 8% percent bonds due 3/1/96	8.66	659 490 00
3/13	100 shares	Essex Chemical common stock	2.37	2 952 19

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
Transactions under Comptroller's Authority				
Sales:				
2/20	\$ 544 000	Ford Motor Credit demand notes	\$ 544 000 00	\$ 544 000 00
2/20	664 000	General Motors Acceptance demand notes	664 000 00	664 000 00
2/20	243 000	Quaker Oats demand notes .	243 000 00	243 000 00
2/20	2 000 000	U.S. Treasury bills due 5/22/86	1 940 136 25	1 964 105 56
2/21	242 324	Federated Trust for U.S. Treasury Obligations	242 323 65	242 323 65
2/21	1 000 000	U.S. Treasury bills due 5/15/86	948 508 58	983 584 44
2/21	1 000 000	U.S. Treasury bills due 5/29/86	968 202 22	981 031 11
2/24	3 000 000	U.S. Treasury bills due 6/5/86	2 911 953 10	2 941 083 33
2/25	297 000	Chevron demand notes	297 000 00	297 000 00
2/25	594 000	General Motors Acceptance demand notes	594 000 00	594 000 00
2/25	402 000	Eli Lilly demand notes	402 000 00	402 000 00
2/25	986 000	Quaker Oats demand notes .	986 000 00	986 000 00
2/25	721 000	Phibro-Salomon demand notes	721 000 00	721 000 00
3/3	5 000	Eli Lilly demand notes	5 000 00	5 000 00
3/3	2 000 000	U.S. Treasury bills due 6/5/86	1 941 302 07	1 963 601 11
3/3	2 000 000	U.S. Treasury bills due 6/12/86	1 903 280 74	1 961 058 89
3/4	2 000 000	U.S. Treasury bills due 6/12/86	1 903 280 74	1 962 166 67
3/5	82 000	Quaker Oats demand notes .	82 000 00	82 000 00
3/5	59 000	Phibro-Salomon demand notes	59 000 00	59 000 00
3/5	500 000	U.S. Treasury bills due 3/20/86	479 771 95	498 604 17
3/5	2 000 000	U.S. Treasury bills due 6/12/86	1 903 280 74	1 962 490 00
3/6	1 000 000	Chevron demand notes	1 000 000 00	1 000 000 00
3/6	1 000 000	Phibro-Salomon demand notes	1 000 000 00	1 000 000 00
3/6	2 940 000	U.S. Treasury bills due 3/20/86	2 880 952 41	2 933 037 10
3/6	380 000	U.S. Treasury bills due 5/15/86	360 661 80	375 049 44
3/12	5 000	Eli Lilly demand notes	5 000 00	5 000 00
3/12	2 000 000	U.S. Treasury bills due 7/10/86	1 925 492 19	1 955 533 33
3/14	500 000	General Motors Acceptance demand notes	500 000 00	500 000 00
3/14	2 500 000	U.S. Treasury bills due 7/10/86	2 406 865 24	2 445 670 83
Purchases:				
1/1	\$ 1 664	Champaign National Bank liquid cash	7.40%	\$ 1 664 10
1/1	4 229	Federated Master Trust	7.57	4 229 00
1/1	17 265	Federated Short-term Governments .	10.26	178 000 02
1/6	9	Champaign National Bank liquid cash	7.40	9 35

<i>Date</i>	<i>Number</i>	<i>Description</i>	<i>Cost/Yield</i>	<i>Amount</i>
1/10 \$	1 479	Champaign National Bank liquid cash	7.40%	\$ 1 478 90
1/10	106	Federated Trust for U.S. Treasury Obligations	7.28	106 21
1/10	4 920	Federated Trust for U.S. Treasury Obligations	7.28	4 920 29
1/21	27	Champaign National Bank liquid cash	7.40	27 36
2/13	1 847	Federated Trust for U.S. Treasury Obligations	7.21	1 846 94
2/14	61 000	U.S. Treasury 10% percent notes due 2/15/93	8.72	68 034 06
2/14	60 000	U.S. Treasury 13% percent notes due 5/15/92	8.69	74 456 25
2/18	3 000	Quaker Oats demand notes	7.53	3 000 00
2/19	351 000	General Motors Acceptance 7.70 percent commercial paper due 2/20/86	7.70	351 000 00
2/20	240 000	Federated Trust for U.S. Treasury Obligations	7.21	240 000 00
2/20	23 000	General Motors Acceptance demand notes	7.85	23 000 00
2/20	328 000	Phibro-Salomon demand notes	7.91	328 000 00
2/24	61 000	Westinghouse Credit 7.40 percent commercial paper due 2/25/86 ...	7.40	61 000 00
2/25	61 000	Chevron demand notes	7.91	61 000 00
2/27	625 000	Chevron demand notes	7.70	625 000 00
2/27	3 000 000	U.S. Treasury bills due 8/7/86 ...	7.27	2 905 546 67
2/27	2 500 000	U.S. Treasury 9 percent notes due 2/15/87	7.62	2 533 203 13
2/28	19 000	Ford Motor Credit demand notes ..	7.66	19 000 00
2/28	981 000	General Motors Acceptance demand notes	7.72	981 000 00
3/3	140 000	General Motors Acceptance 7% percent commercial paper due 3/4/86 ..	7.75	140 000 00
3/4	140 000	General Motors Acceptance demand notes	7.72	140 000 00
3/5	32 000	Ford Motor Credit demand notes ..	7.66	32 000 00
3/6	537 000	Quaker Oats demand notes	7.53	537 000 00
3/6	3 000 000	General Motors Acceptance 7.40 percent commercial paper due 3/7/86 ..	7.40	3 000 000 00
3/7	123 000	Chevron demand notes	7.70	123 000 00
3/7	2 000	Eli Lilly demand notes	7.65	2 000 00
3/7	268 000	Quaker Oats demand notes	7.53	268 000 00
3/7	2 000 000	General Motors Acceptance 7% percent commercial paper due 3/10/86 ..	7.25	2 000 000 00
3/7	2 000 000	Westinghouse Electric 7.05 percent commercial paper due 3/8/86	7.05	2 000 000 00
3/7	4 000 000	U.S. Treasury bills due 8/28/86 ...	6.90	3 870 853 33
3/7	4 000 000	U.S. Treasury bills due 10/30/86 ...	6.98	3 824 356 67
3/10	1 370 000	U.S. Treasury 7% percent notes due 11/15/87	7.16	1 378 990 63
3/11	308 000	General Motors Acceptance demand notes	7.72	308 000 00
3/11	3 000 000	U.S. Treasury bills due 3/20/86 ..	6.16	2 995 387 54
3/13	4 000	Ford Motor Credit demand notes ..	7.66	4 000 00
3/13	700 000	U.S. Treasury bills due 8/7/86	6.83	681 020 67
3/13	90 000	U.S. Treasury bills due 9/11/86 ..	2.15	89 032 45

On motion of Mrs. Day, this report was approved as presented.

Increase in Project and Amendment to Contract, Addition to Memorial Stadium, Urbana

(32) On March 21, 1985, the Board of Trustees, at the request of the Board of Directors of the Athletic Association, approved an addition to (and renovation of) the football facilities in Memorial Stadium at a cost of \$4.2 million. The project is financed from the proceeds of the 1985 Series Auxiliary Facilities Revenue Bond issue.

On April 4, 1986, the Executive Committee of the Board of Directors of the Athletic Association approved a \$188,000 increase in the project cost: (1) to include additional work not originally contemplated; and (2) to advance the completion date of the second floor area of the project from December 1, 1986, to August 1, 1986.

Accordingly, the president of the University, with the concurrence of the appropriate administrative officers, recommends that the allocation of \$188,000 be confirmed in order that the project cost may be increased to \$4,388,000.

It is also recommended that the contract with Kuhne-Petry Associates, Champaign, be increased by \$78,700 for the additional costs associated with the acceleration of the date of completion of the second floor area.

Funds for the increase in the project are provided from private gift funds through the University of Illinois Foundation for the benefit of the Athletic Association.

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

(The student advisory vote was: Aye, Mr. Becker, Mr. Lamm; no, none.)

SECRETARY'S REPORT

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

ANNOUNCEMENTS

Trustee Forsyth called attention to the schedule of meetings for the next three months: May 8, Chicago (a one-day meeting); June 12, Urbana-Champaign; July 10, Chicago.

CALENDAR, BOARD MEETINGS, 1986-87

The calendar for 1986-87 was presented by the secretary and approved.

September 11, 1986	Urbana-Champaign
October 9, 1986	Urbana-Champaign
November 13, 1986	Chicago
January 15, 1987 (annual meeting)	Chicago
February 12, 1987	Urbana-Champaign
March 12, 1987	Chicago

April 9, 1987	Urbana-Champaign
May 14, 1987	Chicago
June 11, 1987	Urbana-Champaign
July 9, 1987	Chicago

There is no meeting scheduled in August or December. The January meeting is scheduled on the third Thursday of the month; all others are on the second Thursday.

There being no further business, the board adjourned.

EARL W. PORTER
Secretary

WILLIAM D. FORSYTH, JR.
President pro tem

LUNCHEON GUESTS

Honored guests at the trustee luncheon were 17 of the 24 University Scholars for 1985-86 at the Urbana campus. (A similar group from the Chicago campus had been honored at the October 10, 1985, board meeting.)