

MEETING OF THE BOARD OF TRUSTEES  
OF THE  
UNIVERSITY OF ILLINOIS

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February 2, 1989



The February meeting of the Board of Trustees of the University of Illinois was held in Room C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, February 2, 1989, beginning at 8:00 a.m.

President Charles P. Wolff called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Dr. Gloria Jackson Bacon, Mr. Kenneth R. Boyle, Mrs. Judith Ann Calder, Mr. Donald W. Grabowski, Mrs. Susan L. Gravenhorst, Mr. Ralph C. Hahn, Ms. Judith R. Reese, Mrs. Nina T. Shepherd, Mr. Charles P. Wolff. Governor James R. Thompson was absent. Mr. Robert Scott Wylie, nonvoting student trustee from the Urbana-Champaign campus, was present. Mr. James L. Evenson, nonvoting student trustee from the Chicago campus, was absent.

Also present were President Stanley O. Ikenberry; Dr. Robert W. Resek, acting vice president for academic affairs; Dr. Donald N. Langenberg, chancellor, University of Illinois at Chicago; Dr. Morton W. Weir, 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); Mr. Byron H. Higgins, university counsel; Mr. Bernard T. Wall, treasurer; and Dr. Earl W. Porter, secretary.

### **Meeting of the Board as a Committee of the Whole Report, University Hospital and Related Matters**

On Wednesday, February 1, the board met as a Committee of the Whole to receive status reports on the University's affiliation agreement with Michael Reese Hospital and affiliation and use agreements with Cook County Hospital. (The former was discussed and approved in principle at the January meeting.) Dr. Donovan W. Riley, interim hospital director and associate vice chancellor for health services, and Dr. Phillip M. Forman, vice chancellor for health services and dean of the College of Medicine, presented reports on the hospital's financial status; and a progress report on various actions taken in further analysis and consultation: committee chairmen in various areas have been appointed and are at work; the "transition team" established by the Board of Trustees is being appointed; recommendations to appoint medical department heads and clinical chiefs, respectively, at the University and at Michael Reese are being developed; and discussions with Cook County are underway. The deans of the other colleges (other than the College of Medicine) are meeting with officers at Reese and are seeking parallel affiliations.

As to the status of residency programs, especially at Michael Reese, the agreements are virtually complete. Dr. Forman emphasized that University of Illinois residents will be fully welcome both at Cook County Hospital and at Michael Reese Hospital.

Vice President Bazzani reported on the service (or use) agreement now under negotiation with Cook County, involving personnel, the laundry, data processing, pharmacy, and a variety of related matters. Trustees Shepherd, Boyle, and others expressed a continuing desire for additional details of financial analysis of Michael Reese and of the Cook County use agreement prior to being asked to give final approval to the arrangements. President Ikenberry said that the work will continue vigorously, with the hope of bringing a full package of agreements to the trustees at the March meeting, possibly later. The board, he said, will be in a position to determine at which point it wishes to approve finally one or all of the agreements negotiated. Arrangements will be made in March to receive testimony and comment from a variety of officers, faculty, and staff within the hospital and Health Sciences Center.

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### **EXECUTIVE SESSION**

President Wolff, 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.

#### **I.**

At the first executive session, attendance was limited to the trustees, the president of the University, and the officers of the board.

### **Illinois Open Meetings Act**

At President Wolff's request, University Counsel Higgins reviewed in detail the provisions of the Act, especially for new members of the Board of Trustees. He described the definitions within the Act of what is a "meeting," what is a "quorum," etc. He reported that a recent amendment to the Act requires the review of Executive Session minutes at least every six months and their release to the public unless an item is expressly excluded by the Board of Trustees for good reason.

### **II.**

At a second executive session, the attendance included trustees, officers of the board, and general University officers.

### **Medical Malpractice Settlement (Julia Palmowski)**

Mr. Higgins noted the University is partially liable in this instance, perhaps at the level of \$225,000. He asked, without objection, to proceed along this line in a settlement and to present a recommendation for formal approval at a later date.

By consensus, the trustees agreed.

### **Searches**

At the president's request, Chancellor Weir reported on the search for a dean of the College of Agriculture at Urbana, indicating that Wayne R. Gomes, acting dean, is the likely selection and that a public announcement of such a recommendation to the board probably will be necessary prior to the March board meeting.

### **"Glasnost" Football Game**

Dr. Weir reported that there are disputes between the sponsoring parties with regard to the planned University of Illinois and University of Southern California football game in Moscow in September 1989. The dispute has stalled the plans for the undertaking and the event may not take place. In all likelihood, the prospect for a large number of tour packages probably is not feasible at this point. The trustees will be kept informed.

### **Negotiations with Cook County**

Vice President Bazzani reported on the confidential deliberations now underway with regard to budgets, employee policies, and a variety of matters involved in the use agreement by which Cook County will operate the University of Illinois Hospital. The figures submitted are tentative and necessarily confidential. More precise information will be provided later, possibly at the March meeting.

### EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 9:40 a.m.<sup>1</sup> The board reconvened in regular session at 11:45 a.m.

### MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of September 8, October 6, and November 10, 1988, copies of which had previously been sent to the board.

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

### APPOINTMENTS TO STANDING COMMITTEES OF THE BOARD<sup>2</sup>

President Wolff announced that, following consultation with members of the board, he had appointed committees of the board for 1989 as follows:

#### *Academic Affairs*

Nina T. Shepherd, Chairwoman	*James L. Evenson
Gloria Jackson Bacon	Susan L. Gravenhorst
Kenneth R. Boyle	Judith R. Reese

#### *Affirmative Action/Equal Opportunity*

Gloria Jackson Bacon, Chairperson	Nina T. Shepherd
Kenneth R. Boyle	*Robert Scott Wylie
Judith Ann Calder	

#### *Agriculture*

Susan L. Gravenhorst, Chairman	Ralph Crane Hahn
Judith Ann Calder	*Robert Scott Wylie

#### *Alumni*

Ralph Crane Hahn, Chairman	*James L. Evenson
Gloria Jackson Bacon	Judith R. Reese

#### *Athletic Activities*

Kenneth R. Boyle, Chairman	Donald W. Grabowski
*James L. Evenson	Ralph Crane Hahn

#### *Buildings and Grounds*

Judith Ann Calder, Chairman	Judith R. Reese
Donald W. Grabowski	Nina T. Shepherd
Susan L. Gravenhorst	*Robert Scott Wylie

#### *Finance and Audit*

Donald W. Grabowski, Chairman	*James L. Evenson
Kenneth R. Boyle	Judith R. Reese
Judith Ann Calder	Nina T. Shepherd

#### *Nonacademic Personnel*

(Also representatives on the Civil Service Merit Board)

Donald W. Grabowski, Chairman	Charles P. Wolff
Susan L. Gravenhorst	

<sup>1</sup> Following the executive session, meetings of the Committee on Buildings and Grounds and the Committee on Academic Affairs were held. At the latter, the dean of the College of Liberal Arts and Sciences at Chicago and a number of faculty members presented details on significant curricular reform of undergraduate education approved by the faculty of the college. These steps are being taken in response to a variety of social changes involving technological competence, demands for broader training in world culture, writing requirements, as well as conventional questions such as advising, distribution requirements, the use of teaching assistants, etc.

<sup>2</sup> Nonvoting student members are designated by an asterisk.

*Student Welfare and Activities*

Judith R. Reese, Chair  
 Gloria Jackson Bacon  
 Kenneth R. Boyle

Judith Ann Calder  
 Ralph Crane Hahn  
 \*Robert Scott Wylie

*University Hospital*

All members of the Board

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

*State Board of Higher Education Representative*

Charles P. Wolff  
 (Principal)

Susan L. Gravenhorst  
 (Alternate)

*State Universities Retirement System Representatives*

Donald W. Grabowski

Charles P. Wolff

**BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY**

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

**Special Session, Legislature**

President Ikenberry noted that the special session and the Governor's State of the State address constitute a vote of confidence and a hope for a stronger and higher priority for education and higher education by State government. University officers will press for the exploration of a proposed program ("the 50 percent solution"): that one-half of all new State general revenue be assigned to education now and in the future. In the light of recent actions taken on certain appropriations deferred in the fall session, he expressed optimism that such favorable action would become a trend.

**REGULAR AGENDA**

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 5 inclusive. The recommendations were individually discussed but acted upon at one time. (The record of board action appears at the end of each item.)

**Award of Certified Public Accountant Certificates**

(1) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded under Section 5 of the Illinois Public Accounting Act of 1983 to 14 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

<sup>1</sup>University Senates Conference: Frank Tachau, professor of political science, Chicago (Pierson J. Van Alten, professor of anatomy and cell biology, College of Medicine at Chicago, attended the meetings on Wednesday); Urbana-Champaign Senate Council: Steven E. Tozer, assistant professor of educational policy studies; Chicago campus Senate: Elmer B. Hadley, professor of biological sciences and secretary of the Faculty Senate.

and who qualify in all other respects under this provision of the law. The names of the candidates are filed with the secretary.

The Committee on Accountancy, pursuant to Section 1300.160(d) of the Regulations, also recommends that the certificate of certified public accountant be awarded to 15 candidates who wish to transfer the examination credit earned by passing the uniform written examination in another state and who have fulfilled all other legal requirements under Sections 1, 2, and 3 of the Illinois Public Accounting Act of 1983. The names of the candidates are filed with the secretary.

I concur in these recommendations.

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

### Appointments to the Faculty

(2) 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

KAREN A. LISTON, coordinator, Illinois Research and Reference Center, and assistant professor of library administration, Library, beginning January 1, 1989 (NY), at an annual salary of \$30,000.

JACK V. LOGOMARSINO, associate professor in hospitality management, Department of Foods and Nutrition, beginning January 6, 1989 (A), at an annual salary of \$48,500.

### Chicago

DANIEL J. BRAUNER, assistant professor of clinical medicine, on 92 percent time, and physician surgeon, on 8 percent time, College of Medicine at Chicago, beginning January 1, 1989 (4Y92;NY8), at an annual salary of \$63,000.

ESPERANZA BRIONES, assistant professor of nutrition, College of Associated Health Professions, beginning January 1, 1989 (1Y), at an annual salary of \$35,000.

BEHROUZ CHEHROUDI, assistant professor of mechanical engineering, beginning January 1, 1989 (3) at an annual salary of \$43,500.

DENNIS K. GRUMLING, assistant catalog librarian and assistant professor, Library, beginning January 1, 1989 (NY), at an annual salary of \$26,000.

MOHSEN ISSA, assistant professor of civil engineering, beginning January 1, 1989 (1), at an annual salary of \$38,000.

- WILLIAM C. OLIVERO**, assistant professor of neurological surgery, College of Medicine at Peoria, on 60 percent time, and physician surgeon, on 40 percent time, beginning December 1, 1988 (1Y60;NY40), at an annual salary of \$110,000.
- DAREL J. ROBB**, acquisitions and serials librarian and assistant professor, beginning December 6, 1988 (1Y), at an annual salary of \$33,500.
- PETER SCHEFF**, associate professor, School of Public Health, beginning January 1, 1989 (AY), at an annual salary of \$52,000.
- CAROLYN A. SHEEHY**, reference librarian and assistant professor, beginning January 1, 1989 (NY), at an annual salary of \$35,000.
- MAUREEN E. SHEKLETON**, assistant professor of medical-surgical nursing, beginning January 1, 1989 (NY), at an annual salary of \$45,000.
- DIAN O. WEDDLE**, assistant professor of nutrition, College of Associated Health Professions, beginning January 1, 1989 (1Y), at an annual salary of \$33,920.

#### Administrative Staff

**GERALD L. WHITE**, director of Payroll Operations, Office of Business Affairs, Urbana, beginning December 21, 1988 (NY), at an annual salary of \$39,000.

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

#### Conversion of Computer/Graduation Fees to Tuition, Urbana

(3) A \$20 per semester computer fee, initiated in the fall of 1987, provides students on the Urbana-Champaign campus with increased access to computers. During Fiscal Year 1988, income from the fee amounted to \$1.4 million. A campus Computer Fee Advisory Committee, consisting of seven students and six faculty members, provides advice on the allocation of funds.

When the fee was established, it was hoped that campus computerization could be improved without penalizing other new program initiatives. That was true for the first year, but subsequently the Illinois Board of Higher Education viewed revenue produced by the fee as if it were tuition supporting all academic programs.

When a proposal to increase the computer fee was under consideration in the spring of 1988, a majority of the 2,300 students who voted in a referendum held by the Student Government Association favored no increase. An issue raised in the discussion was the use of the computer fee to support "departmental" sites; many students felt that the fee should be used to support only "public" sites, i.e., sites open to all students. While the Computer Fee Advisory Committee agreed that the campus needed public sites, it favored as well the establishment of specialized computing facilities to address specific student needs in certain curricula, e.g., architecture, engineering, and mathematics. The committee's overriding objective was to address the computing needs of as many students as possible and, by funding some departmental projects, to leverage funds obtained through the computer fee with those provided by departments.

After the referendum, the chancellor consulted with student leaders who did not object to the funding of departmental computer projects; they simply did not favor their funding by a fee—in short, that such projects were part of a department's educational program and should be funded as part of tuition. Student leaders supported the idea of converting the fee to tuition if support of both departmental and public sites is continued.

Accordingly, it is proposed that the computer fee be eliminated and incorporated in tuition by a corresponding amount. There would be no net increase in the total charge to students.

It is also recommended that simultaneously the present graduation fee be eliminated as such and also incorporated into tuition. This fee has been a source

of irritation for graduating students; the income, however, is essential to support commencement activities as presently conducted. The graduation fee paid by each student completing degree requirements is presently \$15; it is proposed this fee be replaced with a tuition charge of \$2 per semester for all students.

The chancellor at Urbana-Champaign has recommended that these changes be incorporated into any tuition and fee schedules brought to the Board of Trustees for action, effective in the fall semester, 1989-90. If in the future it is considered necessary to increase tuition to underwrite additional teaching-related computer enhancements, such increases will be a part of the annual tuition and fee recommendations that are brought to the board.

I concur.

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

**Authorization of Depository:  
Jefferson Trust and Savings Bank of Peoria**

(4) In order to improve the efficiency of the transfer of Medical Service Plan cash collections from the College of Medicine at Peoria to the First National Bank of Chicago, it is proposed that a depository account with the Jefferson Trust and Savings Bank of Peoria be established. The new account would replace an existing account at a Peoria-based bank.

After experiencing system difficulties and increased annual fees with the current bank, University officers solicited proposals to meet banking service requirements; Jefferson Bank provided the most favorable proposal with a one year guarantee of no service fees, eliminating a current expense of \$750 per year.

Accordingly, the vice president for business and finance and comptroller has recommended the establishment of a bank account for the purpose described with Jefferson Trust and Savings Bank of Peoria and adoption of the following resolution. The account would be opened as soon as necessary documentation can be completed. Upon conclusion of all business in process with the current processor that account will be closed.

I concur.

**Resolution for Jefferson Trust and Savings Bank Depository**

*Be It Resolved,*

1. That the Jefferson Trust and Savings Bank of Peoria, Illinois, be and is hereby designated a depository of the University of Illinois in connection with an agreement to provide depository account services to the University of Illinois College of Medicine at Peoria, and that funds so deposited may be withdrawn upon a check, draft, note, or order of the University of Illinois.

2. That all checks drawn on or payable against said account shall be signed by any two persons from time to time holding the following offices of this institution.

President of the Board of Trustees  
Secretary of the Board of Trustees

3. That the President and the Secretary of the Board of Trustees, jointly are authorized from time to time to designate in writing to the Bank those officers, employees, and other agents of the University authorized to issue written, telephonic, electronic, or oral instructions with respect to the transfer of funds of the University on deposit with the Bank (or otherwise transferable by the Bank), by wire or otherwise, without any written order for the payment of money being issued with respect to such transfer, and, for and on behalf of the University, to enter into such agreements with the Bank with respect to any such transfer(s) as such officer(s) in (his) (their) sole discretion deem(s) advisable.

On motion of Mr. Hahn, this recommendation was approved and the foregoing resolution was adopted.



### **Noise Control and Land Use Study, Willard Airport**

(5) On September 10, 1987, the Board of Trustees asked the Illinois Department of Transportation, Division of Aeronautics, to employ Coffman Associates of Kansas City, Missouri, for a study of airport noise and land use compatibility at Willard Airport.

The study has been completed and the consultant has submitted a report providing noise exposure maps and a noise compatibility program. (A copy of the report is filed with the secretary of the board.)

The Noise Compatibility Program consists of aircraft noise abatement recommendations and a list of land-use management recommendations. The recommendations were developed following a year-long series of meetings with representatives of the airport; the Office for Capital Programs; Federal Aviation Administration, Division of Aeronautics; airport tenants and users; neighborhood associations; the Village of Savoy; the Regional Planning Commission; and the Champaign County Board. Additional public meetings were conducted. There was no opposition to the final recommendations, which were presented at a public hearing on November 2, 1988.

There are two recommendations for noise abatement: (1) expand the existing informal agreement with the FAA and airlines to use Runway 14-32 as the preferred runway for turbo prop and jet aircraft; and (2) follow through with the airport master plan recommendations of lengthening Runway 4-22 and constructing a new general aviation runway parallel to Runway 14-32. If implemented, these recommendations would be financed by Federal and State funds.

The recommendations for land use management would require the University to ask the Village of Savoy, the City of Champaign, Champaign County, and the Urbana-Champaign Sanitary District to take certain actions in accordance with the attached summary. (A copy of the summary is filed with the secretary of the board.)

The Federal Aviation Administration requires that the recommendations reflect the airport proprietor's noise compatibility program, and that the airport proprietor certify its approval of the plan.

Accordingly, the chancellor at Urbana, with the concurrence of the appropriate administrative officers, has recommended that the study measures set forth above and the Noise Compatibility Program be accepted and approved.

I concur.

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

(Mrs. Shepherd was not present for the following roll call votes.)

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 6 through 18 inclusive. The recommendations were individually discussed but acted upon at one time.

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

### **Contract for Recovery of Previously-Unbilled Patient Charges, University of Illinois Hospital, Chicago**

(6) The chancellor at Chicago has recommended renewal of a contract with Kapner, Wolfberg & Associates, Inc., to assist the University of Illinois Hospital in identifying and rebilling omitted patient charges.

This is a renewal of a contract to recover revenue for hospital services provided but not included on the hospital bill. Billings under this contract will cover the period from February 1988 to the present. The contractor will identify those lost charges and prepare invoices for third-party insurance carriers. The contractor has developed a reporting mechanism to identify billing deficiencies by department.

The hospital and the contractor will share equally in any recovered revenue. In Fiscal Year 1988, *gross* revenue collected totalled \$892,170 with commissions being paid at \$446,085 (50 percent of collections paid to the contractor). It is estimated that this contract will yield \$900,000 in *gross* additional hospital revenue collected in FY 1989.

The vice president for business and finance recommends approval.

I concur.

(This recommendation is in support of the current operating requirements of the hospital and clinics and should be unaffected by the negotiations in progress with the Cook County Board.)

On motion of Mr. Grabowski, this recommendation was approved by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

#### **Contracts with Collection Agencies, University of Illinois Hospital, Chicago**

(7) The chancellor at Chicago has recommended the approval of contracts with three collection agencies to collect unpaid patient accounts which the hospital has been unable to settle through its regular collection efforts. The use of such agencies has become a standard procedure required by the State Collection Act before an account can be written off as uncollectable.

Recommended is the renewal of contracts with American Creditors Bureau, G. C. Services Corporation, and Hayt, Hayt & Landau based on their record of performance and on the quality of their proposals. (The amounts placed thus far this fiscal year with each agency and collected through its efforts are listed on a table filed with the secretary.) The University has reserved the right to adjust the number and value of accounts to be placed with an agency based on experience during the year. No guarantees of dollar placements are made and no funds are paid until they are collected. The funds will be paid to and from the Hospital Income Fund.

The vice president for business and finance has concurred.

I recommend approval.

(This recommendation is in support of the current operating requirements of the hospital and clinics and should be unaffected by the negotiations in progress with the Cook County Board.)

On motion of Mr. Grabowski, this recommendation was approved by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

#### **Contracts, Eighth Floor Remodeling, College of Medicine East, Chicago**

(8) The president of the University, with the concurrence of the appropriate administrative officers, recommends award of the following contracts for remodeling the eighth floor of the College of Medicine East at the Chicago campus. The award in each case is to the lowest base bidder plus acceptance of indicated alternates.

**Division I — General**

American Construction Management, Inc.,

Chicago ..... Base Bid ..... \$140 495

**Division II — Plumbing**G. F. Connelly Co., Inc., Chicago..... Base Bid ... \$186 924  
Alt. P-1 ... ( 44 924)

142 000

**Division III — Heating, Air Conditioning,  
Process Piping & Temperature Control**G. F. Connelly Co., Inc., Chicago..... Base Bid ... 133 889  
Alt. H-2 ... ( 9 700)  
Alt. H-3 ... ( 31 800)

92 389

**Division IV — Ventilation**

Res-Com Heating, Inc., Hammond, Indiana Base Bid ..... 74 200

**Division V — Electrical**

Markham Electric, Inc., Elk Grove Village.. Base Bid ..... 29 600

*Total* ..... \$478 684

The work will include general demolition, electrical, mechanical, ventilation, plumbing, insulation, laboratory furniture, and casework. The project will provide 2,100 square feet of new research laboratory space and 200 square feet of new office area.

A schedule of the bids received and a schedule of the alternates have been filed with the secretary of the board for record.

Funds are available from the Institutional Funds budget of the Chicago Physical Plant.

On motion of Mr. Grabowski, these contracts were awarded by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

**Contract, Steam Absorption Microprocessor Control,  
Sherman Hall, Urbana**

(9) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a contract for \$53,350 to Johnson Controls, Inc., Peoria, the low bidder, on its base bid, for microprocessor control work on one steam absorption chiller at Sherman Residence Hall, Urbana. This project will improve the efficiency and control of the chilled water system in this building.

Funds are available from the Fiscal Year 1988 Auxiliary Facilities R&R Program in Urbana.

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

On motion of Mr. Grabowski, this contract was awarded by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

**Employment of Architect/Engineer, Asbestos Study,  
Clinical Sciences Building, Chicago**

(10) The General Assembly has appropriated funds for the remodeling of the Clinical Sciences Building at the Chicago campus.

It is necessary to complete a study concerning the removal or containment of asbestos in the building. Accordingly, 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 Turnkey Environmental Consultants, Inc., Mount Prospect, for the professional services required for such a study. The firm's professional fee will be negotiated by the Capital Development Board in accordance with its procedure.

On motion of Mr. Grabowski, this recommendation was approved by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson. (Mr. Hahn asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

**Purchases**

(11) 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 .....	\$ 185 000 00
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*From Institutional Funds*

Recommended .....	1 796 371 37
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Grand Total .....	\$1 981 371 37
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A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mr. Grabowski, the purchases recommended were authorized by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

### Comptroller's Monthly Report of Contracts Executed

(12) The comptroller submitted the February 1989 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.

### Comptroller's Report of Investment Transactions through January 15, 1989

(13) The comptroller presented the above report which includes transactions under Finance and Audit Committee guidelines and transactions under the comptroller's authority. A copy of this report is filed with the secretary of the board.

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

### Quarterly Report of the Comptroller

(14) The comptroller presented his quarterly report as of December 31, 1988. A copy has been filed with the secretary of the board.

This report was received for record.

### Annual Report of the Treasurer

(15) In accordance with the Bylaws of the Board of Trustees, the treasurer of the University has submitted a report of receipts and disbursements of University funds in his custody for the period January 1, 1988, to December 31, 1988, certified by the comptroller. A copy of this report was sent to each member of the Board of Trustees prior to the meeting, and a copy is filed with the secretary of the board.

This report was received for record.

### Comptroller's Report of Gifts and Funds Received from Outside Sources

(16) The comptroller presented a report of gifts, grants, and contract funds (including funds from private donors and funds received from governmental agencies) received by the University during the Fiscal Year July 1, 1987, through June 30, 1988.

The complete report was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board.

A summary of the total amounts of funds received and sources follows:

#### Private Gifts, Grants, and Contracts:

Chicago .....	\$ 16 023 253
Urbana-Champaign .....	44 342 549
Central Administration .....	539 557
University of Illinois Foundation .....	23 298 406
<i>Total Private Gifts, Grants, and Contracts</i> .....	<u>\$ 84 203 765</u>

#### United States Government Grants and Contracts:

Chicago .....	\$ 53 925 451
Urbana-Champaign .....	132 754 890
Central Administration .....	323 935
<i>Total United States Government Grants and Contracts</i> .....	<u>\$187 004 276</u>

**State of Illinois and Other Government Grants and Contracts:**

Chicago .....	\$ 8 788 948
Urbana-Champaign .....	19 086 916
Central Administration .....	1 975 964
<i>Total State of Illinois and Other Government Grants and Contracts</i> .....	
	\$ 29 851 828

**SUMMARY OF GIFTS, GRANTS, AND CONTRACTS BY LOCATION****Total Gifts, Grants, and Contracts:**

Chicago .....	\$ 78 737 652
Urbana-Champaign .....	196 184 355
Central Administration .....	2 839 456
University of Illinois Foundation .....	23 298 406
<i>Total Gifts, Grants, and Contracts</i> .....	
	\$301 059 869

**Contract with Human Resources Consultants,  
University of Illinois Hospital, Chicago**

(17) The chancellor at Chicago has recommended approval of a contract with a consultant to assist the hospital management in developing and implementing an Employee Transition Assistance Program during the transfer of services from the University Hospital to Michael Reese Hospital and Medical Center and Cook County Hospital.

These external services should be helpful to employees who are affected by the affiliations between the University, Michael Reese, and Cook County.

Career Transition Consultants of Chicago is recommended as the primary provider, based on its experience with major institutions in such matters.

The contract would begin immediately and continue through June 30, 1989, at an amount not to exceed \$181,000. The hospital may recommend an increase in the contract at a later date to provide outplacement services, especially for employees who may not be able to find employment at the University of Illinois at Chicago, at Michael Reese Hospital and Medical Center, or at Cook County Hospital. The source of funds is the Hospital Income Fund.

The vice president for business and finance has recommended approval.  
I concur.

On motion of Mr. Grabowski, this recommendation was approved by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

**Authorization to Defer Payment of Receivables to Meet New  
Insurance Commission HMO Regulations,  
University of Illinois Hospital, Chicago**

(18) Recent legislation known as the Illinois Health Maintenance Act has set new, higher equity and reserve requirements for all HMOs. In order to meet these new requirements by the deadlines that have been set by the State of Illinois Insurance Commission, two HMOs, MedCare and Compass, seek to defer payment of receivables owed to sponsor hospitals. When earned surpluses are available to meet the new requirements, the receivables will be reclassified on the books of the HMOs and paid to the hospitals. The Insurance Commission has approved

this method of meeting the new standards but requires that all sponsoring hospitals consent to the arrangement.

1. The University of Illinois Hospital (UIH) is one of five sponsoring hospitals of MedCare HMO and has an exclusive contract to provide tertiary care for the 33,000 members of MedCare HMO. Annual revenue from MedCare to UIH is currently about \$1.2 million. The other four hospital sponsors of MedCare have subordinated receivables to assist MedCare in meeting these new requirements. The subordinated amount will be reclassified to a receivable account when reserve requirements are met from earned surplus on operations.

2. UIH is one of 18 sponsoring hospitals of Compass HMO. The other 17 hospital sponsors of Compass have agreed to subordinate receivables to assist Compass in meeting these new requirements. The subordinated amount will be reclassified when reserve requirements are met from earned surplus on operations.

The chancellor at Chicago has recommended approval of agreements to defer payment and reclassify for accounting purposes a total of \$343,000 of receivables due the hospital from the Medicare HMO and \$90,000 of receivables due the hospital from the Compass HMO to meet new regulatory requirements set by the State of Illinois Insurance Commission for HMOs.

The vice president for business and finance concurs.

I recommend approval.

On motion of Mr. Grabowski, this recommendation was approved by the following vote: Aye, Dr. Bacon, Mr. Boyle, Mrs. Calder, Mr. Grabowski, Mrs. Gravenhorst, Mr. Hahn, Ms. Reese, Mr. Wolff; no, none; absent, Mrs. Shepherd, Governor Thompson.

(The student advisory vote was: Aye, Mr. Wylie; absent, Mr. Evenson.)

### 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.

### DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on January 15, 1989.

#### Summary

##### *Graduate Degrees*

Doctor of Philosophy.....	112
Doctor of Education.....	3
Doctor of Musical Arts.....	5
<i>Total, Doctors</i> .....	(120)
Master of Arts.....	49
Master of Science.....	284
Master of Accounting Science.....	8
Master of Architecture.....	11
Master of Business Administration.....	16
Master of Computer Science.....	1
Master of Education.....	46
Master of Extension Education.....	4
Master of Fine Arts.....	4

Master of Landscape Architecture.....	1
Master of Laws.....	1
Master of Music.....	1
Master of Social Work.....	25
Master of Urban Planning.....	1
<i>Total, Masters</i> .....	(452)
Advanced Certificate in Education.....	4
Certificate of Advanced Study in Library & Information Science.....	1
<i>Total, Certificates</i> .....	(5)
<i>Total, Graduate Degrees</i> .....	577
<i>Professional Degrees</i>	
College of Law	
Juris Doctor .....	11
<i>Total, Professional Degrees</i> .....	11
<i>Undergraduate Degrees</i>	
College of Agriculture	
Bachelor of Science.....	63
College of Applied Life Studies	
Bachelor of Science.....	45
College of Commerce and Business Administration	
Bachelor of Science.....	98
College of Communications	
Bachelor of Science.....	20
College of Education	
Bachelor of Science.....	52
College of Engineering	
Bachelor of Science.....	345
College of Fine and Applied Arts	
Bachelor of Architecture.....	1
Bachelor of Arts in Urban Planning.....	5
Bachelor of Fine Arts.....	22
Bachelor of Landscape Architecture.....	5
Bachelor of Science.....	32
<i>Total, College of Fine and Applied Arts</i> .....	(65)
College of Liberal Arts and Sciences	
Bachelor of Arts.....	276
Bachelor of Science.....	171
<i>Total, College of Liberal Arts and Sciences</i> .....	(447)
School of Social Work	
Bachelor of Social Work.....	1
<i>Total, Undergraduate Degrees</i> .....	1,136
<i>Total, Degrees Conferred January 15, 1989</i> .....	1,724

## OLD AND NEW BUSINESS

### Meeting of the Association of Governing Boards

Trustee Gravenhorst, noting that the next annual meeting of the Association will be March 19-21 in Boston, urged the new trustees in particular to attend if possible, noting the program and the Association provide a useful perspective for service on the Board of Trustees.



**ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD**

President Wolff called attention to the following revised meeting schedule (changes in locations only) for 1989: March 9, Urbana-Champaign; April 13, Chicago; May 11, Springfield; June 8, Chicago; July 13, Urbana-Champaign.

**EXECUTIVE SESSION CONTINUED**

At 12:15 p.m., the board meeting was adjourned and, on motion of Mr. Boyle, convened in executive session to discuss matters of employment.

Mr. Boyle raised the question of whether it would be desirable for trustees who needed such help to be furnished with personal staff service. He believed this would be helpful in secretarial assistance, and in particular to provide some analysis of the agenda. In the discussion it was pointed out that the University through the president's office in Chicago and the secretary's office in Urbana provides a variety of support. President Wolff observed that, although the electronic mail service now available to trustees who have asked for it has produced mixed results, it was his view that a uniform facsimile network, linking the trustees and University offices, would be a useful and efficient means of handling a variety of matters. (The secretary's office is investigating this service and will report as soon as possible.)

As to the general subject of assistance to trustees, President Wolff will review the matter and be in communication with the board as soon as possible.

There being no further business, the board adjourned.

EARL W. PORTER  
*Secretary*

CHARLES P. WOLFF  
*President*