

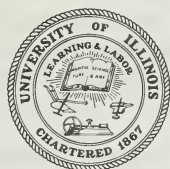
MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

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October 12, 1995



The October meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, October 12, 1995, beginning at 11:45 a.m.

Chair Thomas R. Lamont 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, Mrs. Judith Ann Calder, Mr. William D. Engelbrecht, Dr. Jeffrey Gindorf, Mrs. Susan L. Gravenhorst, Mr. Thomas R. Lamont, Ms. Ada N. Lopez, Ms. Judith R. Reese. The following members of the board were absent: Governor Jim Edgar, Mrs. Martha R. O'Malley. The following nonvoting student trustees were present: Mr. Neil J. Malone, Springfield campus; Mr. Roy Mathew, Chicago campus; Mr. Chapin Rose, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Sylvia Manning, vice president for academic affairs; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; Dr. David C. Broski, interim chancellor, University of Illinois at Chicago; Dr. Naomi B. Lynn, chancellor, University of Illinois at Springfield; 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. Lester H.

McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Donald K. Coe, university director of public affairs; Mr. Kirk Hard, associate president for governmental relations; Ms. Susan J. Sindelar, special assistant to the president; and Mr. R. C. Wicklund, associate secretary emeritus.

### **EXECUTIVE SESSION<sup>1</sup>**

Chair Lamont, 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, to discuss campus security, and to receive legal advice from counsel."

The motion was made by Mrs. Gravenhorst and approved by the following vote: Aye, Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Report from Chair of Search Committee for Chancellor, University of Illinois at Chicago**

President Stukel asked Dr. R. John Solaro, professor and head of the Department of Physiology and Biophysics, College of Medicine, Chicago, and chair of the search committee for chancellor, University of Illinois at Chicago, to report on the work of the search committee. Professor Solaro reported to the trustees that the search committee had a schedule for the process and hoped to have a list of candidates ready to present to President Stukel in April 1996. He also told the board members that the search committee would recommend that the executive search firm of Korn/Ferry International be hired to assist with the search process. Discussion followed between some trustees and Professor Solaro regarding the search firm and concerns of some of the trustees. Professor Solaro assured the board that he would convey their concerns to the search committee.

### **Report from the Chancellor, Urbana**

Chancellor Aiken told the board members that the search for a new dean of the College of Agricultural, Consumer and Environmental

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<sup>1</sup> Prior to the Executive Session, there was a meeting of the Committee on Buildings and Grounds and a meeting of the board as a Committee of the Whole. At the meeting of the Committee on Buildings and Grounds the trustees received recommendations for selection of architect/engineer for several projects at Chicago and at Urbana. (Materials are on file with the secretary.) Also, a report on the dissolution of an architectural firm, Ware and Associates, was presented. This firm had been working on the new building for the Office of Admissions and Records at Urbana.

At the meeting of the board as a Committee of the Whole, the trustees received a report on recommendations for tuition and fees for students for the 1996-97 academic year. (Materials are on file with the secretary.)

Sciences was underway. Next, he reported that the search for a dean of the College of Fine and Applied Arts was nearing a conclusion. He also indicated that a renewed search for a vice chancellor for student affairs was progressing.

Also, he reported that there had been an allegation made by a faculty member that she had been sexually assaulted by another faculty member. The chancellor indicated that he had no more information than the fact of the allegation.

### **Report from the Interim Chancellor, Chicago**

Dr. David C. Broski, interim chancellor at Chicago, reported that there were several searches for deans at the Chicago campus, but none had progressed to the stage that would provide for very much discussion at this time. He also noted that the search for a vice chancellor for student affairs continued. Dr. Broski also told the trustees that when this particular search is concluded, it will then be timely to initiate a search for an athletic director for the Chicago campus, providing the study of athletics being carried out by the Illinois Board of Higher Education is complete by that time. Otherwise the search for an athletic director might wait until the IBHE's study results are available.

### **Report from the Chancellor, Springfield**

Dr. Naomi Lynn reported that there were searches underway for vice chancellor for student affairs at the Springfield campus and for dean of public affairs as well.

### **Report on Labor Relations Matters**

Vice President Bazzani reported on the status of negotiations with several unions, including the American Federation of State, County, and Municipal Employees (AFSCME), the Illinois Nurses Association (INA), and the University Professionals of Illinois (representing the clerical unit at Springfield). Dr. Bazzani also noted that the tenor of negotiations this year is better than last year.

He discussed the issues in each case which included salary and wage issues, staffing, and length of contracts.

Dr. Bazzani promised the board that he would bring reports to them at each board meeting on the status of negotiations with unions and more often if there were developments that were notable. The board members asked for as much information as possible concerning labor union negotiations, and on a regular basis.

### **Report from Legal Counsel, Tully Case**

Mr. Higgins reported on the court opinion issued this week that concluded that Public Act 89-5, which calls for trustees of the University of Illinois Board of Trustees to be appointed, effective January 1996, was unconstitutional.



Following this, several members of the board asked for information regarding the process for selection of legal counsel to represent the board in this case and in others. Mr. Higgins explained that this was his responsibility. He went on to say that whenever the trustees are sued in their official capacity it is his task to determine appropriate representation and to secure that. Mrs. Calder was critical of the process regarding the Tully case, indicating that she thought the board members should have been more closely involved with the decision regarding selection of legal representation. Mr. Lamont stated that the State owes an elected official defense whenever that official is sued in his/her official capacity, but that the State does not owe that official counsel of his/her choice. Other members of the board expressed a need for more information on the case and stated that they thought they had not received sufficient information on various aspects of this earlier. Mr. Higgins promised to keep them apprised of all developments as soon as he receives any information related to this case.

### **Membership on Proposed Health Maintenance Organization Board**

A brief discussion followed about the membership on the board that is proposed for a reorganized Health Maintenance Organization for the University Hospital and Clinics. It was explained that in the proposed bylaws of this organization, terms of three years in length were suggested. The trustees expressed concern about lack of information concerning this and the need for consensus before proceeding.

### **EXECUTIVE SESSION ADJOURNED**

There being no further business, the executive session was adjourned and the board recessed for lunch. Following this, the board reconvened in open session.

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

President Stukel reported to the members of the board on the management teams that he had established shortly after he assumed the presidency and referred in particular to the item in the regular agenda that he was recommending to the board. This is the proposal to re-engineer the process followed for procurement in the University. He noted that this is an important step toward achieving a system that utilizes less paperwork and involves less complexity.

Next, he reviewed a community visit he had made to DuPage County since the last meeting of the board. He described meetings with local elected officials, high school students, business leaders, and alumni. He thanked Trustees Gindorf and Gravenhorst for accompanying him on this trip. He encouraged other trustees to join him on future trips around the State.

The president turned then to the recent celebration at the Springfield



campus to mark the campus' 25th year. He thanked Chancellor Lynn for planning such an impressive set of activities around this event.

President Stukel then reported to the board than he had recently met with representatives of several labor unions to hear from them their issues and to explain to them his agenda. He indicated that this was a positive encounter and he thought that as a first meeting it was very good.

Indicating to the board that he always liked to bring them good news from the campuses, Dr. Stukel told the trustees of several faculty and students who had received national honors and recognition.

In conclusion, the president introduced the senate observers present at this meeting.<sup>1</sup>

### **Report, Urbana-Champaign Senate Council**

At this time, President Stukel asked Dr. Thomas Riley for a report on activities of the senate at Urbana-Champaign over the last year. Professor Riley reviewed the purposes of the Urbana-Champaign Senate Council for the board and noted the work of several committees of the senate over the past year. He cited the work of the senate to assure responsible behavior on the part of the faculty. Related to this was a proposed policy on fitness to work. He also referred to the problems of faculty size, noting the reduction in the number of faculty over the last few years, and the need for better salaries for faculty.

Ms. Reese asked about the status of the policy on professional discipline. Professor Riley reported that that is being discussed in the senate and that he hoped it would be approved during the current academic year.

Mr. Engelbrecht asked Professor Riley to discuss the mood of the faculty at Urbana. Professor Riley replied by saying that the mood was positive but apprehensive about the maintenance of quality at Urbana. He noted that loss of faculty is a concern, and that faculty salaries must be competitive to ensure quality.

Mr. Lamont thanked Professor Riley for his report.

### **OLD BUSINESS**

There was no business presented under this aegis.

### **NEW BUSINESS**

#### **Introduction of New Police Chief, Urbana**

Chancellor Aiken introduced Chief O. J. Clark, the newly appointed chief of police at Urbana, to the board.

<sup>1</sup> University Senates Conference: Joan Larsen Klein, associate professor of English, Urbana-Champaign campus; Chicago Senate: Gerald S. Strom, professor of political science; Springfield Senate: Ronald E. Ettinger, chair of the Faculty Senate and professor of experimental studies; Urbana-Champaign Senate Council: Thomas J. Riley, professor of anthropology.

### **Report on Illinois Board of Higher Education Meeting**

Mrs. Gravenhorst reported on the most recent meeting of the IBHE, which she attended as the board's representative. She indicated that at that meeting there had been a report on all State institutions' performance on the Priorities, Quality, and Productivity (PQP) initiative. She noted that the University of Illinois presentation on this topic was outstanding and praised the presenters. She also apprised the board that graduation rates at Chicago State University were improving notably. (Materials are on file with the secretary.) Mr. Lamont also reminded the board that there would be a new structure for IBHE in January 1996. In that new structure, there would be just one board member from all institutions of public higher education in the State. There would be 14 other board members from the community college sector, private institutions, representatives of the public, the Illinois Scholarship Assistance Commission, and others chosen "at large."

### **Report on Athletic Board Meeting**

Mrs. Gravenhorst also reported on the recent meeting of the Athletic Board at the Urbana campus. She called the board's attention to the graduation rates for student athletes and the considerable improvement in grade point averages of the Urbana campus' student athletes. (Materials are on file with the secretary.)

Mrs. Gravenhorst also commended Ronald Guenther, athletic director, for having retired the debt he inherited, which had been lingering since the 1980's. Following this, she alerted the board to other financial issues facing the Division of Intercollegiate Athletics. She said that the revenue stream is inadequate for the plans of the future which include adding women's soccer as an intercollegiate sport by 1997.

### **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.)

### **Director, School of Biomedical and Health Information Sciences, Assistant Vice Chancellor for Health Informatics, Chicago**

(1) The interim chancellor at Chicago, after consultation with the dean of the College of Associated Health Professions, and the vice chancellor for health services, has recommended the appointment of Walter B. Panko, presently interim director and visiting professor, School of Biomedical and Health Information Sciences; and interim

assistant vice chancellor for health informatics, as director of the School of Biomedical and Health Information Sciences, and as assistant vice chancellor for health informatics in the Office of the Vice Chancellor for Health Services, beginning October 15, 1995, on a twelve-month service basis with an administrative increment of \$30,000. Dr. Panko will also be appointed as professor, School of Biomedical and Health Information Sciences, College of Associated Health Professions, on indefinite tenure on a twelve-month service basis with an annual salary of \$90,000, for a total salary of \$120,000.

Dr. Panko will succeed Professor Lewis Lamont Sadler who has been acting director since September 1, 1994. Dr. Sadler will return to his former position as associate professor and head, Division of Biomedical Visualization.

This nomination is made with the advice of the search committee<sup>1</sup> and after consultation with the faculty of the school.

The vice president for academic affairs concurs.

I recommend approval.

On motion of Ms. Reese, this appointment was approved.

**Head, Department of Pharmacology,  
College of Medicine at Chicago**

(2) The interim chancellor at Chicago, after consultation with the dean of the College of Medicine, has recommended the appointment of Asrar B. Malik, presently professor and chairman, Department of Pharmacology at Rush Medical College/Rush-Presbyterian-St. Luke's Medical Center, as head of the Department of Pharmacology, beginning October 15, 1995, on an academic year service basis with an administrative increment of \$20,000. Dr. Malik will also be appointed as professor of pharmacology on indefinite tenure on an academic year service basis with an annual salary of \$130,000, for a total salary of \$150,000.

Dr. Malik will succeed Dr. Richard D. Green, who has served as acting head since the retirement of Dr. Edmund G. Anderson on September 30, 1994. Dr. Richard Green will return to his appointment as professor in the Department of Pharmacology.

This recommendation is made with the advice of a search committee<sup>2</sup> and after consultation with the faculty of the department.

The vice president for academic affairs concurs.

I recommend approval.

On motion of Ms. Reese, this appointment was approved.

<sup>1</sup> Lionel M. Bernstein, M.D., *co-chair*; and Sidney E. Mitchell, director, University of Illinois Hospital and Clinics, *co-chair*; June D. Wencel-Drake, associate professor, director of Graduate Studies, and acting head, Medical Laboratory Sciences; Anthony Duminski, acting CIO, University of Illinois Hospital; Arthur S. Elstein, professor of medical education; Richard J. Marcantonio, research assistant professor of public health, mental health, and administrative nursing, College of Nursing; Elaine Russo Martin, assistant professor, assistant university librarian for the health sciences and University Library; Robert J. McAuley, assistant dean, College of Medicine; Dierdre A. McConathy, assistant professor, School of Biomedical and Health Information Sciences; Lewis Lamont Sadler, associate professor and head, Division of Biomedical Visualization, and acting director, School of Biomedical and Health Information Sciences; Rachelle Stewart, assistant dean for student affairs, College of Associated Health Professions; Annette L. Valenta, assistant professor and acting head, Division of Health Information Management; Daniel B. Hier, physician surgeon, professor and head, Department of Neurology, College of Medicine, and physician surgeon and hospital chief of services, University of Illinois Hospital.

<sup>2</sup> Philip Matsumura, professor and interim head, Department of Microbiology and Immunology, *chair*; Ronald F. Albrecht, professor and head, Department of Anesthesiology and hospital chief of anesthesiology, Department of Anesthesiology, and University of Illinois Hospital; Mary Fran Duggan, medical student; Richard D. Green, professor and acting head, Department of Pharmacology; Heidi Elizabeth Hamm, professor, Department of Physiology and Biophysics; Lester F. Lau, associate professor, Department of Genetics; Shigehiro Nakajima, professor, Department of Pharmacology; Raymond M. Quock, professor, Department of Biomedical Sciences, College of Medicine at Rockford; Arthur B. Schneider, professor and physician surgeon, Department of Medicine; Randal A. Skidgel, associate professor, Department of Pharmacology; Robert V. Storti, professor, Department of Biochemistry; Harvey J. Whitfield, associate professor, Department of Psychiatry.



### Director, Center for African Studies, Urbana

(3) The chancellor at Urbana, after consultation with the dean of the College of Liberal Arts and Sciences, has recommended the appointment of Paul Tiyaambe Zeleza, presently acting director and professor, Center for African Studies; and professor, Department of History, as director, Center for African Studies, beginning October 21, 1995, on an academic year service basis with an administrative increment of \$3,000. Dr. Zeleza will continue to hold the rank of professor of history and professor, Center for African Studies, on indefinite tenure on an academic year service basis with an annual salary for 1995-96 of \$72,000, for a total salary of \$75,000.

He will succeed Dr. Donald E. Crummey who resigned as director to return to teaching and research as a full-time faculty member.

The nomination is made with the advice of a search committee<sup>1</sup> and the support of the faculty and the College Executive Committee. The vice president for academic affairs concurs.

I recommend approval.

On motion of Ms. Reese, this appointment was approved.

### Appointments to the Faculty

(4) The following new appointments to the faculty at 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

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).

### Chicago

LISA A. ANDERSON, assistant professor of psychology, beginning August 21, 1995 (1), at an annual salary of \$40,000.

OLADAPO A. ASHIRU, associate professor of anatomy and cell biology, College of Medicine at Chicago, on 100 percent time, August 1-20, 1995 (N), \$3,333, and for three years, beginning August 21, 1995 (Q), at an annual salary of \$45,000, and adjunct associate professor of obstetrics and gynecology, College of Medicine at Chicago, on zero percent time, beginning September 1, 1995 (N;Q;N)

LISHENG CAI, assistant professor of chemistry, beginning August 21, 1995 (1), at an annual salary of \$43,000.

<sup>1</sup> Ronald W. Sousa, professor of Portuguese and Spanish, and head, Department of Spanish, Italian and Portuguese, *chair*; Merle L. Bowen, assistant professor of political science; Eyamba G. Bokamba, professor of linguistics; Rosemary M. Stevenson, Afro-Americana bibliographer and assistant professor of library administration; Michael O. West, assistant professor of history and in the Afro-American Studies Program; Charles C. Stewart, professor and chair, Department of History; Alex E. Winter-Nelson, assistant professor of agricultural and consumer economics, and assistant professor, Center for African Studies; Alma J. Gottlieb, associate professor of anthropology; Peter P. Jones, graduate student; Mwenda G. Ntaranga, graduate student.

- OSEI KOFI DARKWA, assistant professor, Jane Addams College of Social Work, beginning August 21, 1995 (1), at an annual salary of \$37,000.
- NAOMI ESTALEE ERVIN, assistant professor of public health, mental health, and administrative nursing, beginning September 1, 1995 (1Y), at an annual salary of \$65,529.
- NILDA M. FLORES-GONZALEZ, assistant professor of sociology, on 50 percent time, and assistant professor, Latin American Studies Program, on 50 percent time, beginning August 21, 1995 (1), at an annual salary of \$37,000.
- ALEXANDER A. FRIDMAN, professor of mechanical engineering, July 24-August 20, 1995 (N), \$9,000, and beginning August 21, 1995 (A), at an annual salary of \$90,000.
- LAURA E. HOSTETLER, assistant professor of history, beginning August 21, 1995 (1), at an annual salary of \$36,500.
- MARGARET J. HUGHES, assistant professor, Jane Addams College of Social Work, beginning August 21, 1995 (1), at an annual salary of \$38,000.
- VALERIE C. JOHNSON, assistant professor of political science, beginning September 1, 1995 (1), at an annual salary of \$40,217.
- ALISA L. KATZEN, assistant professor of genetics, College of Medicine at Chicago, beginning August 21, 1995 (1), at an annual salary of \$48,500.
- PETER J. MAC DONALD, associate professor, College of Medicine at Rockford-Dean's Office, on 100 percent time, and director of family practice in family and community medicine, College of Medicine at Rockford, on zero percent time, beginning September 1, 1995 (AY100;N), at an annual salary of \$140,000.
- ROBERT PAUL MAIDEN, assistant professor, Jane Addams College of Social Work, beginning September 1, 1995 (4), at an annual salary of \$42,000.
- BRADLEY J. NELSON, assistant professor of mechanical engineering, beginning August 21, 1995 (1), at an annual salary of \$53,000.
- ELLEN E. PIMENTEL, assistant professor of sociology, beginning August 21, 1995 (1), at an annual salary of \$38,000.
- SAI S. RAMASASTRY, associate professor of surgery, on 19 percent time, and physician surgeon, on 32 percent time, College of Medicine at Chicago, beginning September 1, 1995 (AY19;NY32), at an annual salary of \$134,550.
- THOMAS J. ROYSTON, assistant professor of mechanical engineering, beginning August 21, 1995 (1), at an annual salary of \$52,000.
- KRISHNA SHENAI, associate professor of electrical engineering and computer science, beginning August 21, 1995 (A), at an annual salary of \$67,000.
- DAVID B. SIEGER, assistant professor of mechanical engineering, beginning August 21, 1995 (1), at an annual salary of \$52,000.
- MICHAEL A. WARSO, assistant professor of surgical oncology, College of Medicine at Chicago, on 52 percent time, physician surgeon, University of Illinois Hospital, on 48 percent time, and assistant professor of surgery, College of Medicine at Chicago, on zero percent time, beginning September 1, 1995 (1Y52;NY48;N), at an annual salary of \$124,872.

### Urbana-Champaign

- SUREN BAGRATUNI, assistant professor, School of Music, beginning August 21, 1995 (1), at an annual salary of \$33,000.
- BRUCE E. BRANHAM, associate professor of natural resources and environmental sciences, for three years beginning August 21, 1995 (Q), at an annual salary of \$60,250.
- ANNA LIVIA BRAWN, assistant professor of French, beginning August 21, 1995 (1), at an annual salary of \$37,000.
- KEQUAN DING, assistant professor of mathematics, beginning August 21, 1995 (1), at an annual salary of \$44,000.
- AIDA X. EL-KHADRA, assistant professor of physics, beginning August 21, 1995 (1), at an annual salary of \$51,500.

- POSHEK FU, assistant professor of history, on 56 percent time (3), and assistant professor, Center for East Asian and Pacific Studies, on 44 percent time (3), beginning August 21, 1995, at an annual salary of \$47,500.
- BRIAN J. GAINES, assistant professor of political science, beginning August 21, 1995 (1), at an annual salary of \$42,000.
- JAMES E. HICKS, assistant professor of civil engineering, beginning August 21, 1995 (1), at an annual salary of \$54,000.
- LISA M. JORDAN, assistant professor, Institute of Labor and Industrial Relations, beginning August 21, 1995 (1Y), at an annual salary of \$53,000.
- MADHU KHANNA, assistant professor, Institute for Environmental Studies, August 6-20, 1995 (N), \$2,778, and assistant professor, Institute for Environmental Studies, on 75 percent time, and assistant professor of agricultural economics, on 25 percent time, beginning August 21, 1995 (1), at an annual salary of \$50,000.
- DEBORAH E. LECKBAND, assistant professor of chemical engineering, beginning August 21, 1995 (1), at an annual salary of \$59,500.
- EUGENE M. LERMAN, assistant professor of mathematics, beginning August 21, 1995 (1), at an annual salary of \$45,000.
- GREGORY B. NORTHCRAFT, professor of business administration, August 15-20, 1995 (N), \$2,111, and professor of business administration, on 75 percent time, and professor, Institute of Labor and Industrial Relations, on 25 percent time, beginning August 21, 1995 (N100;A75;A25), at an annual salary of \$95,000.
- JOHN M. O'DONNELL, assistant professor, School of Social Work, beginning August 21, 1995 (1), at an annual salary of \$38,000.
- NEIL D. PEARSON, assistant professor of finance, beginning August 21, 1995 (1), at an annual salary of \$95,000.
- CHRISTOPHER J. QUINN, assistant architecture and art librarian and assistant professor of library administration, University Library, beginning August 21, 1995 (1), at an annual salary of \$29,000.
- NARESH R. SHANBHAG, assistant professor of electrical and computer engineering, on 100 percent time, and research assistant professor, Coordinated Science Laboratory, on zero percent time, beginning August 21, 1995 (1;N), at an annual salary of \$53,000.
- HEINRICH K. TAUBE, assistant professor, School of Music, beginning August 21, 1995 (1), at an annual salary of \$33,000.
- LEI TIAN, assistant professor of agricultural engineering, beginning August 28, 1995 (N), at an annual salary of \$49,300.
- BHARGHAVAN VADUVUR, assistant professor of electrical and computer engineering, beginning August 21, 1995 (1), at an annual salary of \$52,000.
- PAUL TIYAMBE ZELEZA, acting director, Center for African Studies, on zero percent time (N), with an administrative increment of \$3,000, professor of history, on zero percent time (A), and professor, Center for African Studies, on 100 percent time (A), beginning August 29, 1995, at an annual base salary of \$72,000, for a total salary of \$75,000.

### Administrative Staff

- WILLIAM H. CHAMBERLIN, medical director and associate dean for Medical Center Affairs, University of Illinois Hospital, on 88 percent time, and in the College of Medicine at Chicago-Dean's Office, on 12 percent time, and physician surgeon in medicine, College of Medicine at Chicago, on zero percent time, beginning August 1, 1995 (NY88;NY12;N), at an annual salary of \$200,000.
- MELVIN J. DEGEETER, associate vice chancellor for research, Urbana, beginning September 18, 1995 (NY), at an annual salary of \$130,000.
- CYNTHIA M. GRUEBER, chief operating officer, University of Illinois Hospital, beginning September 11, 1995 (NY), at an annual salary of \$142,000.



JAMES ALLEN LEACH, professor of vocational and technical education, on 50 percent time (A), and associate dean, College of Education, Urbana, on 50 percent time (N), beginning August 21, 1995, at an annual salary of \$58,000, and an additional administrative increment of \$3,000 paid on a twelve-month service basis.

JOHN POERTNER, associate dean, School of Social Work, Urbana, on 50 percent time (NY), and professor, School of Social Work, on zero percent time (A), August 21, 1995-January 5, 1996, at a rate of \$43,056 a year, and associate dean, School of Social Work, on 100 percent time (NY), and professor, School of Social Work, on zero percent time (A), beginning January 6, 1996, at an annual salary of \$86,111.

ELIZABETH POLAK, director of Career Development and Placement, Master of Business Administration Program, Urbana, beginning September 14, 1995 (NY), at an annual salary of \$90,000.

TRACY G. WOLFE, associate dean for external affairs, College of Associated Health Professions-Dean's Office, Chicago, beginning August 1, 1995 (NY), at an annual salary of \$69,000.

On motion of Ms. Reese, these appointments were confirmed.

### **Sabbatical Leaves of Absence, 1995-96**

(5) On motion of Ms. Reese, two sabbatical leaves of absence recommended by the interim chancellor at Chicago were granted. These leaves will be included in an annual compilation of 1995-96 sabbatical leaves of absence to be made a part of the board *Proceedings*.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 6 through 14 inclusive. The recommendations were individually discussed but acted upon at one time.

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

### **Plan of Reorganization of the University of Illinois Health Maintenance Organization Plan Trust**

(6) The president of the University of Illinois recommends approval of the Plan of Reorganization for the University of Illinois Health Maintenance Organization Plan Trust.

Under the terms of the Plan of Reorganization, the current University of Illinois Health Maintenance Organization Plan Trust ("Plan Trust") will be terminated and its Assets and Liabilities assigned to UIHMO, Inc., an Illinois not-for-profit corporation ("UIHMO") which will be created. UIHMO will provide students at the Chicago campus with health insurance. It will also enable the University to provide health insurance programs to the medically indigent. As the State of Illinois institutes managed care services to the medically indigent, UIHMO will be in a position to expand the patient base in order to maintain quality medical education programs.

The entire Plan of Reorganization is contingent upon the Plan Trust receiving regulatory approval from the Illinois Department of Insurance. The following is a description of the relevant documents, copies of which will be maintained in the Board of Trustees Office.

*Articles of Incorporation of UIHMO:* Authorize UIHMO to operate as a health maintenance organization under the laws of the State of Illinois and to do all activities consistent with and in furtherance of that purpose. The Articles of Incorporation also name Vice Chancellor R. K. Dieter Haussmann, Vice President Craig S. Bazzani, and Dr. Jeffrey Gindorf (a member of the University of Illinois Board of Trustees), as the initial Board of Directors.

*Bylaws of UIHMO:* Provide for the Board of Trustees of the University of Illinois to be the sole member of UIHMO with certain reserve powers. These include the power to amend the Articles of Incorporation and Bylaws; to elect or remove the Board of Directors; to approve the nomination of the chair, vice chair, and president; to approve any merger, the corporation's incurring of long-term debt, the appointment of independent certified public accountants, and any voluntary dissolution of the corporation. As the sole member of UIHMO, the Board of Trustees of the University of Illinois appoints *R. K. Dieter Haussmann* as chairperson of the board, *Craig S. Bazzani* as vice chair, and *Anthony A. Ferrara* as the interim president/CEO.

*Management Agreement:* Provides for UIHMO to use employees of and other services (including participation in any University insurance program) offered by the University in order to perform its operations. UIHMO will pay the University for the actual costs associated with these employees and services. The Agreement also requires UIHMO to enter into a lease with the University for any office space it may require.

*Assignment and Assumption Agreements:* Set forth the assets and liabilities that will be transferred to UIHMO from the Plan Trust. It further transfers contracts for certain provider services entered into by the Plan Trust to UIHMO.

*Escrow Agreement:* Sets forth the terms under which the funds being held by the University in satisfaction of the regulatory reserve requirements for the Plan Trust will be transferred to UIHMO. The First National Bank of Chicago will be the escrow agent. In order to meet regulatory reserve requirements an additional capital contribution of approximately \$1.0 million representing Department of Insurance approved subordinated debt from the University to UIHMO will be funded from the UIC Hospital.

The financial statements and financial projections for UIHMO represent the applicable budget for UIHMO.

The comptroller and secretary of the Board of Trustees are further authorized and directed to execute such documents and to take such steps as are necessary to complete the Plan of Reorganization and to establish UIHMO, Inc.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Consulting Services for Procurement Reengineering Project**

(7) The vice president for business and finance, after consultation with the appropriate campus and University officers, recommends approval of a consulting services contract with Coopers and Lybrand Consulting, Boston, to assist in reengineering the procurement process across the three campuses.

As noted in earlier discussion with the board, one of our primary initiatives is to streamline administrative processes to become more effective and efficient. The procurement process has been identified as a key target of opportunity for reengineering. The current process requires a considerable amount of time and effort to process a request for a purchase and to make payment because it is very paper oriented, labor intensive, and makes limited use of current technology.

The benefits the University expects to realize by undertaking this procurement reengineering project include:

*Improved service* to faculty and staff through a streamlined, more simplified process;

*Reduced administrative costs* in campus support units and academic departments through the elimination of duplicative systems and processes;

*Reduced costs of procuring goods* through better leveraging the University's buying power and a central procurement organization focused on negotiation and vendor management rather than transaction processing.

Coopers and Lybrand Consulting is considered a national leader in "best practices" procurement in both commercial industry and higher education. Their considerable experience in performing similar process reengineering efforts at Yale University, Carnegie Mellon University, the University of California at Santa Cruz, and with others, enables them to bring to this project a team of consultants with broad experience in the many issues that will arise on this project including: (a) process reengineering in a multi-campus state university, (b) innovative practices in procurement, (c) the use of technology to support business processes, and (d) balancing efficiency and effective controls.

The planned engagement consists of two phases:

An *Assessment Phase* that evaluates the current process, internal controls and organization (including the role of campus stores' operations); and

*Design Phase* that integrates innovative practices being employed at corporations and universities, capabilities of enabling technologies, and improvement efforts already being undertaken by the University to develop a design and implementation plan for an improved procurement process.

The final phase of the project, *Implementation*, will be planned as a part of the design phase.

Coopers and Lybrand has agreed to conduct the current process assessment phase of the project at no cost. The recommended consulting contract for technology assessment and the design phase will not exceed \$410,000 plus reimbursable expenses estimated at \$80,000.

Funds are available from the Institutional Funds budget of the University Office of Business and Financial Affairs.

I concur.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Revised Intergovernmental Agreement, Metropolitan Computer-aided Dispatch, Urbana**

(8) Since 1979, the University has been a party to an Intergovernmental Agreement to jointly operate and fund the Metropolitan Computer-Aided Dispatch (METCAD) for police and fire dispatching operations. METCAD is jointly funded by the four participating entities: the cities of Champaign and Urbana; the County of Champaign; and the University. METCAD provides the constituents and citizens of the respective agencies with coordinated public safety dispatch services at a reasonable cost by sharing the expenses of technical staff, space, and computer equipment.

The METCAD organizational structure consisted of an Interagency Administrative Committee (IAC), comprised of two representatives from each of the four agencies, to provide overall direction and budget approval. An IAC member was responsible for the administration of the program, and a Lead Agency, the City of Champaign, provided personnel and business administration. A Public Safety Coord-



dinator was hired to provide administrative and technical support. Over time, an Operations Board, comprised of representatives from each agency's public safety departments, provided operational input, and the Public Safety Coordinator title was changed to Director.

Recently, the IAC and the Operations Board jointly reviewed the original Interagency Agreement and current administrative structures. They reaffirmed the cost benefits of METCAD and made three recommendations to improve the accountability, quality, and efficiency of the system.

The recommendations are included in the revised Interagency Agreement. First, a newly constituted Policy Board is to be appointed to replace the IAC and the Operations Board. The new board will have two representatives from each agency, one public safety and one administrative representative, and one rural county public safety representative. The board will have the same powers as the IAC, but will focus on policy and budgetary issues rather than on management functions. Second, the Lead Agency, which continues to be the City of Champaign, is responsible for the overall operations of METCAD, subject to the mission, goals, and objectives approved by the board. Finally, with the resignation of the former Director, the Lead Agency will hire a new METCAD Director, who will supervise METCAD staff and manage the operations.

The new agreement does not change the funding structure; each agency will continue to be responsible for a pro-rata share of METCAD's operating budget and expenses, using a cost sharing formula based in part on the volume of calls made to the system by each agency. In Fiscal Year 1995, the University's share of that cost was \$188,544, and in FY 1996 the University's share of the cost will be \$188,460. A shared computerized police record-keeping system currently being implemented is expected to add \$18,750 in recurring costs.

The revised agreement provides for METCAD to be operated and managed with clear lines of authority for implementing policies to achieve the mission and goals of the system. The agreement is consistent with the 1970 Illinois Constitution's provisions for intergovernmental cooperation. The approvals of the cities of Champaign and Urbana and the County of Champaign are anticipated.

Funds for this agreement are available in the State appropriated funds operating budget of the campus Public Safety Division.

The chancellor at Urbana has recommended approval of the agreement as described. The vice president for business and finance concurs.

I recommend approval.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Contract for Fiscal Year 1996 Snow Removal, Landscaping, and Site Work Equipment with Operators and Materials, Chicago**

(9) The president of the University, with the concurrence of the appropriate administrative officers, recommends the award of a cost-plus contract to Century Contractors, Inc., Chicago, the lowest responsible bidder, for snow removal, landscaping, and site work equipment with operators and materials at the Chicago campus for the fiscal year ending June 30, 1996.

The University has the option to extend the contract from July 1, 1996, to June 30, 1997, under the same terms and conditions, subject to approval by the Board of Trustees.

The contractors bid on percentages to be added to the estimated volume of material, labor, and subcontractors.

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

Funds as required will be authorized by a contract work order which will be charged against funds allocated for each project, and may include State appropriated, institutional, or restricted funds available in the campus operating budget. It is recommended that the comptroller be authorized to approve work orders under this contract for projects whose cost would not exceed the limits established by the Illinois Purchasing Act.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

**Employment of Architect/Engineer for  
Fire Alarm System Upgrade,  
Loomis Laboratory of Physics, Urbana  
(Capital Development Board Project)**

(10) The president of the University, with the concurrence of the appropriate University officers, recommends that the Board of Trustees request the Capital Development Board to employ the architect/engineer as indicated below for a "Build Illinois" capital project for Fiscal Year 1994 at the Urbana campus. The professional fee for the firm employed will be negotiated by the Capital Development Board in accordance with its procedure.

<i>Project</i>	<i>Project Budget</i>	<i>Professional Firm Recommended</i>
Fire Alarm System Upgrade, Loomis Laboratory of Physics	\$166 200	S&R Engineering Inc., Champaign

Funds for the employment of the professional firm have been appropriated to the Capital Development Board for FY 1994.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

**Employment of Architect/Engineer for  
Remodeling South Campus Properties, East Building, Chicago**

(11) The president of the University, with the concurrence of the appropriate administrative officers, recommends that the firm of Wight & Company, Downers Grove, be employed for the professional services required for the remodeling of the South Campus Properties, East Building, at the Chicago campus. The firm's fee through the construction documents phase will be \$75,000, including reimbursable expenses.

The project consists of the remodeling and reconfiguration of an existing six-story structure to accommodate central receiving, storage, publications, mail service, and faculty use functions.

Funds are available in the Institutional Funds Operating budget of the Chicago Physical Plant.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Employment of Architect/Engineer for Office of Admissions and Records Building, Urbana**

(12) The proposed three-story 30,766 gsf (16,526 nasf) facility for the Office of Admissions and Records is to be constructed on California and Gregory Streets south and east of the Levis Faculty Center. The original scope of the project included steam and electric utility extensions, site development, and building construction for a total proposed project cost of \$6,707,797. The utility infrastructure extensions include new chilled water lines, steam and condensate mains, and electrical distribution upgrades.

In June 1994, the board approved the employment of the architectural/engineering firm of Ware Associates, Chicago, to provide the professional services required for the project. In July 1995, the University was notified that Ware Associates could no longer provide architectural/engineering services to the Board of Trustees for the Office of Admissions and Records Building project. University administrators have terminated the University's agreement with Ware Associates as a result of their breach of contract. Consequently, it is necessary to employ another architectural/engineering firm to continue the project.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends the employment of Isaksen-Glerum PC Architects, Urbana, for the professional architectural and engineering services required for the Office of Admissions and Records Building. The budget for the project (building construction and site development) is estimated to be \$5,110,000 and does not include the utilities extension portion of the original project.

The firm's fee for the professional services required through the bidding phase will be a fixed fee of \$113,000, plus reimbursements estimated to be \$24,000.<sup>1</sup>

Funds for the project are available initially from Campus Institutional Funds with anticipated reimbursement from a future Auxiliary Facilities System bond sale.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **Purchases**

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

<sup>1</sup> On August 16, 1995, the University employed the firm of Isaksen-Glerum PC Architects, Urbana, to provide professional services for cost reductions and estimating efforts on an hourly basis, not to exceed a total of \$23,000 plus \$1,000 in reimbursables. Subsequently, the firm was employed to continue with cost reduction and planning efforts before proceeding with contract documents at a fixed fee of \$22,000, plus \$4,000 in reimbursables.



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:

<i>From Appropriated Funds</i>	
Recommended .....	\$ 526 751
<i>From Institutional Funds</i>	
Recommended .....	5 744 012
<i>Grand Total</i> .....	\$6 270 763

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 Ms. Reese, the purchases recommended were authorized by the following vote: Aye, Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Mathew, Mr. Rose; no, none. Mr. Malone asked to be recorded as not voting on this item.)

**Tuition Policy and Guidelines Statement**

(14) Tuition policy has long been a major concern for the Administration and the Board of Trustees. As constraints in the Illinois economy and significant budget needs among an array of social and human services have combined to reduce the share of the University's budget borne by State taxes, tuition has become a more vital source of revenue. At the same time the trustees have continued an unwavering concern for student access, and have supported increases in both Illinois Student Assistance Commission funding and in institutionally-based student aid programs as essential components of all tuition increase proposals.

The board has reviewed and updated its tuition policy guidelines on a regular basis over recent years. Three years ago, upon the recommendation of the Administration, the trustees altered the timetable for consideration of tuition rate changes, shifting their action from the Spring to the Fall prior to the effective date of tuition changes. This move has provided considerably more time for students and their families, as well as other higher education agencies concerned with budget or student assistance needs, to plan for tuition changes approved by the board.

With the addition of a new campus to the University, the Administration and the board again reviewed tuition policies in August 1995. They sought to refine the University's tuition policy to recognize more explicitly the different missions, strengths, and priorities of each campus and to incorporate those differences more directly into tuition levels.

The vice president for academic affairs has developed a tuition policy and guidelines statement which reflects the board's most recent review of tuition issues and which accompanies this agenda item. The statement addresses the board's and Administration's desire to consider campus differences as one factor affecting tuition charges among the campuses and it incorporates a variety of other considerations identified by the trustees and the Administration as important in their overall review of tuition levels.

The tuition policy and guidelines statement was developed with the advice and

counsel of the Academic Affairs Management Team, was reviewed by the University Policy Council, and is recommended for adoption by the vice president for academic affairs.

I concur.

### **Tuition Policy and Guidelines**

The University of Illinois Board of Trustees upon recommendation by the Administration sets tuition charges to students according to the following considerations:

- The three campuses of the University of Illinois serve different groups of students, incur different costs, and are differently perceived as to a reasonable price for their degrees. Tuition charges will therefore vary among campuses, as may the rate of tuition charge increase in any year.
- Because student access to the University of Illinois is a high priority, tuition decisions are made in relationship to financial aid policy and resources, with the goal of minimizing financial barriers for all admitted students.
- Students and families should bear a fair share of their costs of higher education.
- Insofar as tuition revenue supplements state general funds in support of University programs, tuition charges will respond to variations in State support.
- Relevant cost and price indices include the CPI, HEPI, Illinois disposable income, and tuition charges at peer institutions.
- Tuition charges are expected to be higher for graduate programs than for undergraduate programs and even higher for first-professional graduate degree programs that are in highly remunerated professions or are very costly to offer.
- Tuition charges to non-resident students should cover the cost of instruction. At the undergraduate level this is equated roughly to a 3:1 ratio of non-resident to resident tuition rates. Refinement of cost-of-instruction measures may lead to changes in that ratio, or supersede it. At the graduate level, this ratio may not be applied due to higher resident charges or competitive pressure from peer institutions.

On motion of Ms. Reese, this recommendation was approved by the following vote: Dr. Bacon, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Ms. Reese; no, none; absent, Governor Edgar, Mrs. O'Malley.

(The student advisory vote was: Aye, Mr. Malone, Mr. Mathew, Mr. Rose; no, none.)

### **SECRETARY'S REPORT**

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

### **ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD**

Chair Lamont called attention to the schedule of meetings for the next few months: November 9, 1995, Springfield; January 18, 1996, Urbana (Annual Meeting); February 8, Chicago (one-day meeting). There is no meeting scheduled for December.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

*Secretary*

THOMAS R. LAMONT

*Chair*



