

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

October 14-15, 1999



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 and Friday, October 14-15, 1999, beginning at 1:35 p.m. on October 14.

Chair Jeffrey Gindorf called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. William D. Engelbrecht, Dr. Jeffrey Gindorf, Mrs. Susan L. Gravenhorst, Mr. Roger L. Plummer, Ms. Judith R. Reese; Dr. Kenneth D. Schmidt; Mr. Gerald W. Shea. The following members of the board were absent: Mr. Thomas R. Lamont, Mrs. Martha R. O'Malley, Governor George H. Ryan. Mr. David J. Cocagne, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Melissa R. Neely, Springfield campus; Mr. Arun K. Reddy, Chicago campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, interim vice president for academic affairs; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; Dr. Naomi B. Lynn, chancellor, University of Illinois at Springfield; Dr. Sylvia Manning, interim chancellor, University of Illinois at Chicago; and the officers of the board, Dr. Craig S. Bazzani, comptroller (and vice president for business and finance); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thomp-

son, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Ms. Susan H. Trebach, executive director of the University Office of Public Affairs; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, special assistant to the secretary.

MOTION FOR EXECUTIVE SESSION

Chair Gindorf, 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 Mr. Shea and approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mr. Lamont, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

EXECUTIVE SESSION

Discussion of Litigation

The trustees, President Stukel, Dr. Bazzani, Mr. Bearrows, and Dr. Thompson were present for this portion of the executive session.

President Stukel asked Dr. Bazzani and Mr. Bearrows to report the facts of a proposed settlement with a University administrator and to discuss alternatives they are considering. This included funds to be approved sufficient to permit payment to the State Universities Retirement System for service prior to coming to the University of Illinois as well as continuation of the salary being paid until the ending date of the current contract. Other options for this settlement were presented and discussed. These options were contingent upon the individual's accepting a position outside the University. President Stukel pointed out that all of the proposals would probably be less than what the University would pay the individual if that person were to stay at the University in a faculty position.

The trustees concurred by consensus that a settlement was prudent and encouraged Dr. Bazzani and Mr. Bearrows to continue discussions and conclude a settlement.

Discussion of Performance and Goals of a University Employee

The members of the board, President Stukel, and Secretary Thompson were present for this session.

President Stukel presented a progress report to the board on the goals set by the board for this year. (Materials are filed with the secretary.) All of the goals the president discussed related to the overall performance of the president.

First, the president reported on the meetings he has had with various legislators over the past two months, and his plans to contact others in the near future. This was in response to goal number one which is to "improve governmental relations with the governor, legislative leaders, and the Illinois Board of Higher Education." He then referred to a listing of State legislators who are the board members' local legislators. He asked the trustees to contact these individuals when the time is right to discuss the University's needs. He promised to compile a list of the University's priorities with facts about each of these that could be used by the board members as they meet and talk with legislators.

The president and the trustees proceeded to discuss the other goals one by one. Mr. Shea commented that he thought that goal number two, "developing a long-term strategy for the hospital and College of Medicine that is both educationally and economically viable," was the most critical goal for the next six months.

With regard to goal number three, "convince the governor, the legislature, and the public that the University of Illinois is truly an engine for economic development," the board members expressed support for the recently completed report on the University's potential for this. They added that they wanted to be sure that the University was ready to demonstrate that all items listed in this report are necessary for the retention of the faculty who will develop these areas and that these are the areas that will help the State in the future.

On goal number four, "South Campus, Chicago," all agreed that the plans for this project and all steps needed for these were almost complete.

Concerning goal number five, "South Campus, Urbana-Champaign," Mr. Shea stated that Dr. Bazzani had told him that the staff had worked out a plan to trade some land and purchase other parcels needed for this expansion. He also noted he knew this was a priority in the University's capital projects budget for Fiscal Year 2001, and he reminded the board that the University of Illinois Foundation had established a line of credit for \$5.0 million to assist in purchasing land for this purpose. He also suggested locating the new building for the National Center for Supercomputing Applications (NCSA) on the south campus, since a physical focal point seems to be needed in this development to emphasize that technology is a major activity for the units located in this part of the campus. Dr. Schmidt opined that the planned Post-Genomics Institute building could also be the focal point in the development of this area. Mr. Engelbrecht added that a central grouping of several facilities was needed in the planned expansion of the south campus.

Mr. Shea went on to state that the director of the State of Illinois Department of Agriculture, Mr. Joe Hampton, had urged the University to work with agricultural businesses to develop more biotechnology research activities. He observed that on the south campus there are between 400 and 500 acres of available land that could accommodate companies and

employees of a technology park. Dr. Schmidt said that just as the Beckman Institute is the central facility on the north campus, there should be something comparable to that on the south campus. Mrs. Gravenhorst then said that she thought the new NCSA building should be near the engineering buildings.

President Stukel concluded the discussion of this goal when he informed the board that in just the last few weeks a donor has appeared who wants to present a gift for about one-half of the amount required for a new Computer Engineering building. He explained that this individual believes the best plan for the engineering campus is to locate a building for the NCSA on one end of a quadrangle and a Computer Engineering building at the other end. The president also said that there is another gift expected for another building west of the Beckman Institute. Mr. Shea mentioned that he thought that there is one developer who wants to construct a building for NCSA at no expense to the University.

Mr. Plummer advised that in planning all of these facilities, for both locations, interdepartmental teams should be utilized.

All of the above items were reported as aspects of approaches to assessing achievement of goals for the University employee.

Under the aegis of personnel items related to individual administrators, Mr. Shea asked that in future the board be given more time to consider temporary administrative appointments. Mr. Plummer added that he thought more time to consider such appointments would be helpful.

Dr. Schmidt then indicated that he had a comment about one administrator at the Chicago campus, and maybe others. He objected to the manner in which he was informed about plans for the development of the south campus in Chicago, saying he thought he was not given accurate information by this administrator.

President Stukel then told the board that Dr. Manning asked that he convey to the board her request that they be patient with her in her new role as interim chancellor at Chicago as she adjusts to the demands of this position. He said that she wanted the board to know that there would probably be some surprises for all in the next few months and that she hoped they would be patient with her throughout these situations.

Mrs. Gravenhorst asked about the status of pending litigation involving a staff member and was told that there are no recent developments.

Dr. Schmidt mentioned what he considered to be problems with one staff member's performance and others offered comments on this. He also noted concern about certain administrators' handling of press contacts and reports.

Mr. Engelbrecht then noted personnel concerns he had and discussion followed.

This special portion of the executive session concluded and the other University officers joined the board and the president for discussion of other topics.

Personnel Issues, Chicago

Dr. Manning apprised the board that an offer had been made to Dr. Bruce Graham to become dean of the College of Dentistry and that he was interested in this position, but that the salary would need to be more than the \$190,000 that had been suggested to the board earlier. She said that she thought a salary greater than \$200,000 would be required in order to attract Dr. Graham.

She also reported that she had decided that a vice chancellor for health services was a necessary position for the campus, and given the urgency to have someone functioning in that position she would suggest an appointment of an individual for two years rather than conduct a search at this time. She said that she would recommend Dr. Charles Rice, currently vice dean of the College of Medicine. Discussion followed about making it clear that Dr. Rice would be reporting to the chancellor in this position and no longer would be an administrator of the College of Medicine.

Dr. Manning then announced that Dean Anthony Rucci of the College of Business Administration had resigned for health and other personal reasons.

Report on Collective Bargaining Negotiations with the Illinois Nurses Association (INA)

Vice President Bazzani told the board that these negotiations with the INA had been ongoing since August. He said that a representative of the law firm of Stickler and Nelson was representing the University at these negotiations. He noted that the University was trying to freeze salaries and salary steps and to reduce the number of nurses at the hospital and clinics. He added that there were also proposals for dealing with the State Universities Civil Service System rules regarding definitions of "a separate place of employment." He said that staffing and salaries in the hospital are largely responsible for the budget problems there. Mr. Engelbrecht asked for a summary of these problems and Dr. Bazzani replied that the salaries for LPNs are too low, and that the nurses' salaries are 30 percent above nurses' salaries in the area.

Acquisition of Property

Dr. Bazzani described a proposal to purchase a building near the Chicago campus in the neighboring Chicago Technology Park. He indicated that this would provide the campus with much needed wet-lab space and also provide space for other needs. He said the price of the building is \$5.1 million and added that this price could be financed internally from monies now being paid for leases in this same building. He said that these leases would be sufficient to pay for the building in five to six years. Dr. Bazzani also told the board that the seller had given the University additional time to respond in order to wait for the board meeting today. He stated that if the board decides to approve this purchase they would need to vote today

rather than wait until tomorrow when the agenda will be considered. He said that he thought this facility would be a viable building for the University for many years to come. President Stukel added that it is near another building in the Chicago Technology Park of which the University is an owner.

Discussion of Litigation

The university counsel presented the following two recommendations.

Authorization for Settlement

(1) The university counsel recommends that the board approve settlement of *Muniz v. Duval, et al.* in the amount of \$750,000. The plaintiff alleges that defendants inappropriately monitored and managed her labor and the delivery of a second twin, resulting in the death of the infant.

The vice president for business and finance concurs.

I recommend approval.

By consensus, the trustees approved of this recommendation as submitted, formal action to be taken subsequently when the board convenes in open meeting.

Authorization for Settlement

(2) The university counsel recommends that the board approve settlement of *Ramirez v. Vajaranant, et al.* on behalf of University defendants in the amount of \$1,300,000. The plaintiff alleges that defendants' failure to ensure that his wife received treatment for pre-cancerous abnormalities allowed the abnormalities to become cancerous, which resulted in her death.

The vice president for business and finance concurs.

I recommend approval.

By consensus, the trustees approved of this recommendation as submitted, formal action to be taken subsequently when the board convenes in open meeting.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned.

REPORT FROM URBANA-CHAMPAIGN SENATE COUNCIL

Professor Robert F. Rich, chair of the Urbana-Champaign Senate Council, reported on activities of that senate for the past year. (Materials are filed with the secretary.) Dr. Rich commented that an Ad Hoc Committee on Tenure Issues had studied the faculty review processes employed by academic units at Urbana and made recommendations. He also noted that the senate had reviewed the Support Services Strategy Report, a plan for administrative services at the University; reviewed policies concerning conflicts of commitment and interest in outside teaching and proposed a new policy on summer teaching for faculty with nine-month appointments; and that they reviewed a statement on institutional governance produced by the Association of Governing Boards of Colleges and Universities along with

the Committee on Institutional Cooperation (CIC). Professor Rich then summarized several other policy issues that the senate considered in the past year. He noted that the faculty is concerned about whether their collective voice is being heard by the board and asked if the board regarded the senate as an effective means for relating the concerns of faculty and students. Mrs. Gravenhorst asked if board members might meet with the Senate Council. Dr. Rich encouraged this.

REPORT FROM UNIVERSITY SENATES CONFERENCE

Dr. Gindorf asked Professor Elliot R. Kaufman, chair of the University Senates Conference, to report. (Materials are filed with the secretary.) Professor Kaufman told the board that he replaced Professor Luther Skelton who died suddenly just before the beginning of the fall semester. He described the composition of the Senates Conference noting that there are nine members from Urbana, eight from Chicago, and three from Springfield. He explained that this body is called for in the University of Illinois *Statutes* and is charged with reviewing all matters acted on by each campus senate. He added that it serves as an advisory body to the board through the president. He then described the work of the conference for the past year and indicated those guests from the University community who had addressed the group this year. Professor Kaufman indicated that the conference had reviewed the suggested changes to the University of Illinois *Statutes* and to *The General Rules Concerning University Organization and Procedure* which the board had approved in the past year. He reported that the conference had also reviewed several policies including the policy calling for sanctions short of dismissal for faculty and had recommended approval; multi-year contracts for faculty; changes in the intellectual property policy; and proposals for improving benefits to faculty and staff. In addition, he said that the group discussed a policy for providing benefits to domestic partners and were currently reviewing policies for non-tenure-track appointments. In closing he said that the conference was planning a retreat for this year for a self-evaluation and to consider part-time faculty appointments and ramifications of these.

GENERAL DISCUSSION OF ITEMS ON THE AGENDA AND OTHER ISSUES

Ms. Reese asked about the number of retail spaces planned for the south campus development in Chicago and cautioned about the problems of empty space for this part of the development. Dr. Stanton Delaney, vice chancellor for administration at Chicago, said that the population planned for this area should be adequate to support the retail space. Ms Reese also asked if parking was sufficient in this area and was assured that it seemed to be.

APPROVAL OF ITEM IN THE REGULAR AGENDA

Dr. Gindorf announced that it was necessary for the board to vote on this agenda item because a response was needed today. He said the rest of the agenda items would be considered tomorrow.

Acquisition of Property, 2242 West Harrison, Chicago

(3) The interim chancellor at Chicago, with the concurrence of the appropriate University officers, recommends the purchase of a one- and partial two-story, 70,000 gross square foot building with an adjoining parking lot at 2242 West Harrison Street, Chicago, at a purchase price of \$5,100,000. The property is located proximate to the west side of campus, within the Chicago Technology Park.

In 1985, the Medical Center Commission (MCC) sold a parcel of land to The Alter Group, Ltd. (Alter), for the development of an office building. Chicago Technology Park (CTP), an Illinois not-for-profit corporation, received a right-of-first-refusal to purchase this property if a bona fide offer to purchase was received by Alter. Alter developed the property which now includes an office building of approximately 70,000 gross square feet, known as the "Tech 2000" Building, and adjacent surface parking, with an address of 2242 West Harrison Street (the "property").

On August 31, 1999, notice was received that a bona fide offer to purchase had been received by Alter and the property was being sold, subject to the 30 day right-of-first-refusal, as part of a portfolio of property under contract to K/B Realty Advisors, Inc. The property had an allocated purchase price of \$5,100,000. This price, approximately \$73.00 per square foot for the building, is well below current replacement cost. CTP has assigned its right-of-first-refusal to the Board of Trustees of the University of Illinois. To accommodate the Board of Trustees' meeting schedule, the University has received a 14-day extension of time in which to exercise its right to purchase the property.

In the weeks subsequent to receiving notice regarding the property, the University conducted physical inspections and secured information on current tenants, rents, and operating costs. The property is in good condition. Rent from current tenants would cover the cost of operating the building as well as paying for a ten-year internal loan from University funds at a 5.8 percent¹ interest rate.

Because of UIC's growth in research, it suffers from a chronic shortage of office and wet lab space. Containing approximately 70,000 gross square feet of office and wet lab uses, the building would be an excellent investment for the long-term needs of the campus. There is an immediate availability of approximately 6,800 square feet of usable space to serve campus needs. Existing tenancies expire in 2000, 2003, and 2005, which would permit the campus to gradually assume occupancy of the building without unduly burdening the campus.

The acquisition costs will be paid initially from institutional fund reserves. The campus will restore these reserves through payments over a period not to exceed ten years, in part from the lease payments collected from the existing tenants or campus tenants with externally funded research.

Due to the need for additional space for campus programs, the excellent price per square foot, and the ability to use tenant revenue to offset acquisition and operating costs, the interim chancellor recommends authorization of the acquisition of the property.

The vice president for business and finance recommends approval.
I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf,

¹The interest rate adjusts based upon the yield on the Lehmann Brothers Intermediate Aggregate Bond Index as of March 31 of each year.

Mrs. Gravenhorst, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mr. Lamont, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

BOARD MEETING RECESSED FOR COMMITTEE MEETING

Dr. Gindorf announced that the board meeting would recess for a meeting of the Committee on the University Hospital and Clinics and would reconvene the following day, October 15, at 8:30 a.m.

MEETING OF THE COMMITTEE ON THE UNIVERSITY HOSPITAL AND CLINICS

Mr. Plummer convened the committee and asked Dr. Charles Rice to report on the budget for the Medical Service Plan, now known as Wolcott, Wood and Taylor (WWT), a University-Related Organization. Dr. Rice stated that the proposed budget was essentially the same as this year's because the trend data showed little change. He noted that an increase in salaries is proposed to support the introduction of an incentive plan for those participating in the plan.

Mr. Cocagne asked about an increase in overhead that occurred last year. Dr. Rice replied that this was due to an increase in administrative costs for the formation of WWT and legal costs necessitated by litigation with an outside vendor whose business failed.

Mr. Shea asked about past failures to bill in a timely manner which has cost the University between \$1.0 and \$2.0 million per year. Dr. Rice explained that these losses were caused by problems within the organization of an outside vendor who was responsible for billing for the departments of Surgery, Neurosurgery, and Obstetrics and Gynecology, the three largest services. Mr. Shea then asked if the management of WWT would solve these problems. Dr. Rice responded that he thought it would solve these problems.

Mr. Plummer then introduced Mr. David Coats, interim chief executive officer of the hospital and a member of The Hunter Group, consultants now managing the hospital. Mr. Coats explained that The Hunter Group was trying to get budgetary data in as timely a manner as possible in order to make needed course corrections. He added that the plans look good for moving the hospital in positive directions. He referred to an oversight group for the hospital on which Mr. Plummer, Dr. Gindorf, and Dr. Schmidt serve and that this oversight group is carefully reviewing all changes in the hospital. He then asked Mr. Alan Dzija, the current chief financial officer of the hospital, to report on the budget.

Mr. Dzija summarized eight areas targeted for change. He indicated that at the end of the first two months of the consulting visit by The Hunter Group there were 594 recommendations for change, and that 110 are currently being implemented. He stated that the areas of management, cleanliness, quality of care, and relationships with patients were under review at

present and that increasing the volume of patients and marketing efforts would be reviewed next.

In reviewing the budget (materials are filed with the secretary), Mr. Dzija emphasized that receiving information about the budget in a timely way was crucial. His projections for this year are that admissions would be flat and that revenue growth would be a moderate 3 percent. He also stressed that late billing of patients was a major cause of lost revenue. He reviewed the operating expenses and stated that the payroll and the census must be normalized. He said that a census of 292 patients is an assumption for the budget.

There was discussion among the trustees about the need for better financial reporting systems and the weaknesses of the current systems, the definition of bad debt when a bill is written off, and current plans for these matters.

Mr. Dzija also stated that purchases of equipment might be negotiated in a way to save on costs.

President Stukel then shared that he receives regular reports about the hospital's financial status and summed up his concerns by stating that the data suggest that draconian measures are needed for all academic health centers in the country to remain viable.

Dr. Gindorf added that hospital revenues and reimbursements are declining and that there is currently little hope of changing this.

BOARD MEETING, OCTOBER 15, 1999

When the board reconvened in regular session at 8:30 a.m. on Friday, October 15, 1999, the members and officers of the board and officers of the University as recorded as present on the previous day were still in attendance and Mr. Lamont was also present.

PUBLIC COMMENT

Dr. Gindorf opened the meeting and said that there were four individuals scheduled to make public comment. He reminded the speakers of the time limit of five minutes per speaker.

The first speaker was Mr. Bill Lavicka who presented information in opposition to the development plans for the south campus in Chicago. He described an alternate plan which provided for saving more buildings in the area, he also proposed ways that costs might be saved by renovation of existing buildings. He shared several newspaper articles on this subject that were supportive of his recommendations.

The second speaker was Dr. Steve Balkin of Roosevelt University. Professor Balkin stated that the traditions of Maxwell Street were important to preserve and he criticized staff at the Chicago campus for opposing more renovation of existing buildings.

The third speaker was Ms. Lori Grove who also spoke on preserving buildings on Maxwell Street in the area of the south campus development in Chicago. She described her work as a docent for the Chicago Architec-

tural Foundation, specifically a tour she gives of this area. She said that preservation is important since there are some buildings in this area that pre-date the Chicago fire of 1873.

The fourth speaker was Mr. Storm Heter. He criticized the board's procedures for receiving public comment and complained that the time that graduate employees can talk to the board is too brief. He went on the state that the University's graduate employees need the right to bargain collectively with the University administration for health care insurance. He stated that the group formed by the Urbana campus for addressing graduate employees' concerns, the graduate student advisory committee, was not effective. He further objected to the limited number of avenues open to graduate employees to talk with decision-makers.

REPORT FROM PRESIDENT, UNIVERSITY OF ILLINOIS FOUNDATION

Dr. B. A. Nugent made his annual report to the board on the overall picture for private support for the University (materials are filed with the secretary). He reviewed the sources of gifts to the Foundation and noted that there were 200 new endowed chairs and professorships for the University since the capital campaign had begun several years ago. Dr. Nugent then told the board that there is a new capital campaign under way for the Springfield campus. He stressed the importance of private support and said that it is redefining the definition of public universities in that most public universities are now dependent on private support. He commented on the importance of endowed chairs and professorships and explained that these will make it possible to bring outstanding professors from elsewhere to the University of Illinois for a while. In closing Dr. Nugent described the various donor groups and the distribution of giving by the states.

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

The board recessed for two meetings of the board as a Committee of the Whole.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE (Review of Administrative Systems)

This first committee meeting was for presentations on the University's preparedness for making the transition to the year 2000 and the systems to be recommended when the Enterprise Resource Planning (ERP) effort is concluded.

Dr. Bazzani explained that the plan for the transition to the year 2000 was about 80 percent complete at this time. (Materials are filed with the secretary.) He assured the board that the power plants would be functioning properly due to centralized controls, but that he had some concerns about individual faculty member's laboratories and whether they would be ready for the change. He noted that there would be help available for students should they need it for any kind of a change-over.

He concluded by saying that the risks are largely known and that preventative steps had been taken. He added that the plan is to pre-process as much work as possible before the end of 1999. He stated that the costs for this transition are in the millions of dollars.

Next, Dr. Bazzani reported on the progress made on projects related to the ERP effort. (Materials are filed with the secretary.) He began his remarks by saying that this effort stems from President Stukel's mandate that the University run like a business in those areas related to business-type systems. He said that the goal is to make the business areas of the University as excellent as the academic areas. Dr. Bazzani then stated that the ERP effort was to make all systems in the University coordinated and current with contemporary technological approaches.

He indicated that old systems dominate the University's business affairs areas and the need for new systems provides an opportunity to review how systems had been replaced in the past and how to do this now for future needs. He stated that the "best of breed" method of selecting individual systems had been followed in the past but that now he believes that an enterprise-wide system that will accommodate the needs of all systems is preferred. He told the board that the University now has 120 systems and that all are on old main frame computers.

Dr. Bazzani then introduced Mr. Richard King who is coordinating the ERP effort and asked him to describe the process for changing systems and technology (materials are filed with the secretary).

Mr. King explained that 1,500 of the 3,800 higher education institutions are implementing similar procedures and will eventually have enterprise-wide systems. He stressed that new systems are very much needed at this time since most systems are antiquated.

Mr. King asked Mr. Thomas Glenn to describe the efforts being made to implement a general student information system as a part of this. Mr. Glenn indicated that there are currently 44 different systems in the student affairs areas within the University and that much of the data entry for these is manual. He said that the plan devised in the ERP effort would provide for one general system for all of these purposes that would help all of the functions by sharing information more efficiently and provide better service to students.

Mr. King then explained that the University has chosen not to be one of the institutions to adopt an enterprise-wide system early, but to wait and see how various systems perform then make a decision on which product to choose. He said that the products being considered come from seasoned vendors in this area and that at this time some of the early difficulties have been worked out of the systems. He said that People Soft is one vendor that is under consideration.

Discussion on the process for selecting the vendor followed. Mr. Lamont asked if an enterprise-wide approach was really prudent. Dr. Richard Mendola, associate vice president for administrative information systems

and services replied that the consultants employed to recommend directions to the University concluded that the enterprise-wide approach was superior. He also stressed that the University intended to see the products and have them tested before making any decision to purchase. He added that about 200 staff members within the University had been involved in the ERP effort. Dr. Bazzani reinforced the idea that this process had been very inclusive within the University.

Dr. Bazzani then discussed the process followed to winnow the list of possible vendors to two. This involved many people within the University and that many proposals had been reviewed. He stated that the University's main criterion for selection was the strength of the student systems in the enterprise-wide systems. He added that the review process was the most comprehensive process ever undertaken by the University.

Mr. Plummer asked about reliability testing and suggested that perhaps a site somewhere might be available for such a test. Dr. Mendola responded by saying that a benchmark study was needed and that a simulation of the University's needs would be provided and a test executed.

Dr. Bazzani concluded this presentation by reviewing the final steps and stressing that he did not want to underestimate the time or number of people required to launch this new approach to business systems. Mr. Plummer asked about the management needed to develop the business processes for this and Dr. Bazzani responded that this had been completed as a part of the Systems Support Services effort but that ultimately a management team would design the process. Mr. Plummer stated that an internal customer who would indicate when the system was successful was needed, and Dr. Bazzani said that this would be the task of the business team. Dr. Schmidt asked about how this would be paid for and Dr. Bazzani replied that he was trying to pay for this at the corporate level as much as possible. He added that eventually there would be savings to the University in terms of staff time.

President Stukel said that this presentation underscored a profound change that must occur within the University and he commended Dr. Bazzani for his good efforts on this project.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE (Review of Tuition and Fees to Be Proposed for Fiscal Year 2001)

Dr. Gindorf introduced this session by telling the board that there would be several presenters including Dr. Chester Gardner, interim vice president for academic affairs, Mr. Stephen Rugg, associate vice president for planning and budgeting, and the three provosts from the campuses. Dr. Gardner began the presentation saying that providing affordable tuition and fees was an important consideration in these recommendations. Then he asked Mr. Rugg to make detailed comments on the recommendations for tuition (materials are filed with the secretary). Mr. Rugg pointed out that the financial aid available to students makes it possible for the most needy students to pay very little for tuition at the University. He then reviewed the

various changes in tuition and commented on the differences in tuition by campus and by program. In conclusion he said that the administration is recommending a 3 percent tuition increase at Chicago and Springfield and a 5 percent increase in tuition at Urbana which will result in the following tuition charges for fiscal year 2001: Chicago, \$3,232; Springfield \$2,873 (based on per credit hour charges at 15 credit hours per term); and Urbana, \$3,724.

Provost Elizabeth Hoffman from the Chicago campus then described the planned uses of the tuition increases recommended, \$2.5 to \$3.0 million (materials are filed with the secretary). She added that students were able to get the courses they needed this semester which has been a problem in past years. She also said that the campus will invest other discretionary funds in order to accomplish all of the things students need in the academic areas. Mr. Reddy commented on the need for training for teaching assistants and for expanded hours at the campus library. Provost Hoffman responded by describing training that is offered to teaching assistants and by referring to limitations of the budget. Discussion followed regarding stipends paid teaching assistants. She concluded her remarks with an explanation for the differences in tuition by program.

Provost Wayne Penn from Springfield then spoke about the tuition increases recommended at Springfield (materials are filed with the secretary). He explained a campus plan for differentiating between undergraduate and graduate tuition. He also emphasized the need for more student services given that more undergraduates will be enrolling now that the Capital Scholars Program has been approved by the Illinois Board of Higher Education. He concluded by saying that the campus would propose a tuition of \$15.00 per credit hour for the newly introduced on-line courses.

Provost Richard Herman from Urbana reported on plans that campus has for tuition increases (materials are filed with the secretary) and said that the library was an area of emphasis in the planned uses for tuition monies because the library needs to provide more services for clients. He also described a new capstone course for undergraduates that is being planned and will receive some of the new tuition funds. He said that a campus goal is to increase graduate student stipends. He noted that one area in which more teaching assistants are needed is in computer science. Further, Provost Herman reminded the board that the Urbana campus is down 250 faculty from earlier years and now needs funds to recruit more faculty. In addition he discussed the tuition for the College of Law and stated that this is the final year of a plan for increasing tuition in order to provide for much needed changes, such as an increase in the number of faculty and smaller size classes. Next, he referred to a need to raise the tuition for students in the Certified Public Accountant program, given additional requirements mandated by State legislation which changed this from a four-year to a five-year program. This generated discussion among the trustees about why the increase was needed since the additional courses are to be liberal arts courses.

Dr. Bazzani then addressed the subject of student fees (materials are filed with the secretary). He defined the general fee as one that all students need to pay for the fixed costs of maintaining certain services. Next, he defined the service fee as one that varies from year to year depending on what the students agree to fund. He indicated that student fees at Springfield are to be increased notably due to the increased number of students on campus. He also explained that housing costs at Chicago are significantly higher because of the fact that most of the student housing on that campus has been built recently and the costs of construction have been greater. Further, he said that recommendations for the cost of health insurance for students will be announced later, based on the bids received. In closing, Dr. Bazzani told the board that when all the costs are totaled the percentage increase at each campus for FY 2001 would be: 3.3 percent at Chicago; 3.9 percent at Springfield; and 5.0 percent at Urbana, or in total dollar amounts: \$10,346 at Chicago; \$5,601 at Springfield, and \$10,176 at Urbana.

Mr. Engelbrecht asked for assurance that students had been consulted on the recommendations for tuition and fee increases. The vice chancellors for student affairs at each campus stated that this consultation had taken place and described the methods.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

The president then asked Chancellor Lynn to comment on the approval of the Capital Scholars Program at the Springfield campus. She said she was pleased that the campus would now be able to become a first-class liberal arts institution with the approval of this program and all that that entails. She thanked Governor Ryan, the trustees, especially Trustee Lamont, and President Stukel as individuals who were particularly helpful in gaining support for this program.

President Stukel also thanked Governor Ryan for his support of the Capital Scholars Program.

The president also asked for comments from the other chancellors. Interim Chancellor Manning reported that a search for an associate chancellor for development at Chicago was progressing. Chancellor Aiken mentioned that there were three administrative searches underway at Urbana.

President Stukel thanked Trustees Gravenhorst and Reese for accompanying him on a recent outreach visit to two communities in the south suburbs of Chicago.

¹University Senates Conference: James Gary Eden, professor of electrical and computer engineering, Urbana-Champaign campus; Chicago Senate: John F. Fitzloff, associate professor of medicinal chemistry and pharmacognosy; Springfield Senate: Paula Garrott, associate professor, clinical laboratory science; Urbana-Champaign Senate Council: Robert F. Rich, professor in the Institute of Government and Public Affairs and in the College of Law.

Good News from the Campuses

The president reported to the board several items of good news that had occurred on the campuses since the last meeting of the board.

He announced that UIC and UCLA had been chosen by the National Institutes of Health as sites for new research centers to advance the scientific base on the medicinal use of botanicals, including issues of their safety, effectiveness, and biological action. He said one center will be established at UIC and another at UCLA.

President Stukel then announced that the Urbana campus was to receive the Centennial Medallion from the American Society of Landscape Architects in celebration of the centennial year of the group's founding. The Urbana campus was one of approximately 300 significant projects to be honored nationally by this group. Among these, very few universities were cited. The president recognized representatives of the society who were present at the board meeting, Mr. Scott Mehaffey, president of the Illinois chapter, and Mr. Gary Kesler, trustee of the Illinois chapter, who were to present the award to Chancellor Aiken later that day.

Other Comments

President Stukel informed the board that Dr. Donald H. Riddle who served as chancellor of the Chicago Circle campus from 1976 to 1983 had died earlier in the week in New Jersey. He added that Dr. Riddle was a political scientist who specialized in criminology and was president of John Jay University in New York City before coming to Chicago.

He also noted that Dr. Mary Kelly Mullane, former dean of the College of Nursing at the Chicago campus, had died recently in Florida. The president added that in 1997 the American Academy of Nurses designated Dean Mullane as a "Living Treasure." He said that she served as dean of the College of Nursing from 1962-1991.

OLD BUSINESS

Dr. Gindorf asked if there was any old business to be presented. Mrs. Gravenhorst reported that she attended a meeting of the Alumni Association Board, which was very well conducted. She mentioned that Ms. Carol Keiser, chair of the board, and Mr. Loren Taylor, president of the Alumni Association, make a good team. She also noted that she had attended a meeting of the Merit Board of the State Universities Civil Service System and reported that that board approved a proposal to conduct some meetings by conference call, rather than require all persons involved to meet in one place. Mr. Lamont reported on his attendance at the meeting of the board of the Illinois Board of Higher Education and said that the approval of the Capital Scholars Program was the major outcome of that meeting. Ms. Reese stated that she, along with Trustees Schmidt and Shea, had attended the seminar on "Critical Issues Facing Illinois" earlier in the month. She praised the seminar and commended future seminars to her colleagues.

NEW BUSINESS

Dr. Schmidt reminded his colleagues of the dedication of the Daley Library at the Chicago campus on October 21, 1999.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 4 through 9 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Interim Vice President for Academic Affairs

(4) I recommend the appointment of Chester S. Gardner, currently associate dean for administration and director of the Engineering Experiment Station in the College of Engineering at Urbana-Champaign, as interim vice president for academic affairs, beginning September 20, 1999, on a twelve-month service basis at an annual salary of \$205,000, plus an administrative increment of \$10,000, for a total annual salary of \$215,000.

Dr. Gardner will continue to hold the titles of associate dean for administration and director of the Engineering Experiment Station in the College of Engineering and to hold the rank of professor of electrical and computer engineering on indefinite tenure on an academic year service basis on zero percent time. He succeeds Sylvia Manning who is being recommended to serve as interim chancellor of the Chicago campus.

I recommend approval.

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

Interim Chancellor, Chicago

(5) I recommend the appointment of Sylvia Manning, currently vice president for academic affairs, as interim chancellor, beginning September 21, 1999, on a twelve-month service basis at an annual salary of \$204,550, plus an administrative increment of \$30,000, for a total annual salary of \$234,550.

Dr. Manning will continue to hold the title of vice president for academic affairs and to hold the rank of professor of English on indefinite tenure on an academic year service basis on zero percent time in the Colleges of Liberal Arts and Sciences at Chicago and at Urbana-Champaign. She succeeds David C. Broski who resigned as chancellor on September 9, 1999.

I recommend approval.

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

Leave of Absence, David C. Broski

(6) On September 9, 1999, David C. Broski resigned as chancellor of the Chicago campus. I recommend that the Board of Trustees approve a leave of absence for Dr. Broski for the period of September 10, 1999, through August 31, 2000, at his current rate of pay. The granting of the leave will be contingent upon arriving at a written agreement with Dr. Broski. The purpose of this leave will be to allow for Dr. Broski's transition to future activities. Dr. Broski will also be available during this period for consultation and special services, as needed and required, by the campus and the University.

I recommend approval.

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

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(7) Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

- A—Indefinite tenure
- B—Ten months' service paid over twelve months
- K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term
- 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).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

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 and are now presented for your confirmation.

Chicago

GREGOR W. ANDERSON, assistant professor of history, on 51 percent time, and assistant professor of classics, on 49 percent time, beginning September 1, 1999 (1), at an annual salary of \$40,005.

*JAMES L. COOK, professor of medicine, on 51 percent time, and physician surgeon, at 49 percent time, College of Medicine at Chicago, beginning August 16, 1999 (AY51; NY49). Dr. Cook was also appointed to serve as chief, Infectious Diseases, Department of Medicine, College of Medicine at Chicago, on zero percent time on a twelve-month service basis with an administrative increment of \$30,000 (N), for a total annual salary of \$210,000.

AMMAR ELOUEINI, assistant professor, School of Architecture, beginning August 21, 1999 (1), at an annual salary of \$40,000.

HERBERT H. ENGELHARD, III, associate professor of neurosurgery, College of Medicine at Chicago, on 51 percent time for three years beginning September 1, 1999, and physician surgeon, on 49 percent time, College of Medicine at Chicago, beginning September 1, 1999 (QY51; NY49), at an annual salary of \$200,000.

MELISSA LYNN GILLIAM, assistant professor of obstetrics and gynecology, on 51 percent time, physician surgeon, on 12 percent time, College of Medicine at Chicago, and physician surgeon, on 37 percent time, University of Illinois Hospital and Clinics, beginning August 1, 1999 (1Y51; NY12; NY37), at an annual salary of \$110,000.

JIE LIANG, assistant professor of bioengineering, July 1-August 20, 1999 (N), \$12,037, and continuing August 21, 1999 (1), at an annual salary of \$65,000.

LAN LIANG, assistant professor of economics, beginning August 21, 1999 (1), at an annual salary of \$60,000.

MALCOLM J. McLELLAND, assistant professor of accounting, beginning August 21, 1999 (1), at an annual salary of \$85,000.

TORJVRN E. TVRNQVIST, assistant professor of earth and environmental sciences, beginning August 21, 1999 (1), at an annual salary of \$53,000.

- XAVIER VENDRELL, associate professor of architecture, for three years beginning August 21, 1999 (Q), at an annual salary of \$47,500.
- FRANKLIN C. WAGNER, JR., professor of neurosurgery, College of Medicine at Chicago, on 25 percent time, for three years beginning September 1, 1999, and physician surgeon in neurosurgery, on 75 percent time, College of Medicine at Chicago, beginning September 1, 1999 (QY25;NY75), at an annual salary of \$300,000.
- SHU-FEN WUNG, assistant professor of medical-surgical nursing, beginning August 21, 1999 (1), at an annual salary of \$45,000.

Urbana-Champaign

- *SARITA V. ADVE, associate professor of computer science, beginning August 21, 1999 (A), at an annual salary of \$84,000.
- VIKRAM SADANAND ADVE, assistant professor of computer science, beginning August 21, 1999 (1), at an annual salary of \$70,000.
- MATTHEW A. ANDO, assistant professor of mathematics, beginning August 21, 1999 (3), at an annual salary of \$52,000.
- PAUL V. BRAUN, assistant professor of materials science and engineering, August 6-20, 1999 (N), \$3,222, and continuing August 21, 1999 (1), at an annual salary of \$58,000.
- JOSEPH PAUL BROSHAK, assistant professor of business administration, beginning August 21, 1999 (1), at an annual salary of \$78,000.
- LORI A. DuBOIS, assistant undergraduate librarian, coordinator of library instruction, and assistant professor of library administration, University Library, beginning August 21, 1999 (1), at an annual salary of \$35,000.
- ZSUZSANNA FAGYAL, assistant professor of French, beginning August 21, 1999 (1), at an annual salary of \$42,000.
- MICHAEL J. GARLAND, assistant professor of computer science, beginning August 21, 1999 (1), at an annual salary of \$64,500.
- PATRICIA A. GILL, associate professor, Institute of Communications Research, for three years beginning August 21, 1999 (Q), at an annual salary of \$52,500.
- ZSUZSA GILLE, assistant professor of sociology, beginning August 21, 1999 (1), at an annual salary of \$48,500.
- RICHARD W. GORVETT, assistant professor of mathematics, beginning August 21, 1999 (2), at an annual salary of \$60,000.
- *STEPHEN A. GREENE, associate professor of veterinary clinical medicine, beginning August 10, 1999 (AY), at an annual salary of \$85,000.
- CHRISTOFOROS NIKOS HADJICOSTIS, 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, 1999 (1;N), at an annual salary of \$60,000.
- MARK ALLAN HESEGAWA-JOHNSON, assistant professor of electrical and computer engineering, on 100 percent time, and assistant professor, Beckman Institute for Advanced Science and Technology, on zero percent time, beginning August 21, 1999 (1;N), at an annual salary of \$62,000.
- KRISTIN LEE HOGANSON, assistant professor of history, beginning August 21, 1999 (1), at an annual salary of \$45,000.
- JOHN HENRY JOHNSON, assistant professor, Institute of Labor and Industrial Relations, on 75 percent time, and assistant professor of economics, on 25 percent time, beginning August 21, 1999 (1;1), at an annual salary of \$66,000.
- *JANIS L. JOHNSTON, director of the Law Library, and associate professor of library administration, University Library, on 75 percent time, and in the College of Law, on 25 percent time, beginning August 16, 1999 (AY75;AY25), at an annual salary of \$115,000.
- MARIUS JUNGE, assistant professor of mathematics, beginning August 21, 1999 (3), at an annual salary of \$52,000.

- DIEGO KLABJAN, assistant professor of mechanical and industrial engineering, beginning August 21, 1999 (1), at an annual salary of \$59,000.
- ROBIN HILLARY KRAVETS, assistant professor of computer science, beginning August 21, 1999 (1), at an annual salary of \$65,000.
- JUSTIN STEWART KRUGER, assistant professor of psychology, beginning August 21, 1999 (1), at an annual salary of \$48,500.
- MARY S. LASKOWSKI, assistant undergraduate librarian, cataloging coordinator and assistant professor of library administration, University Library, beginning September 1, 1999 (1Y), at an annual salary of \$34,000.
- HONG LI, assistant professor, School of Social Work, beginning August 21, 1999 (1), at an annual salary of \$44,500.
- NADA I. NASR, assistant professor of business administration, beginning August 21, 1999 (1), at an annual salary of \$80,000.
- JAMES E. PAINTER, assistant professor of food science and human nutrition, beginning August 21, 1999 (1), at an annual salary of \$55,000.
- YOON KYUNG PAK, assistant professor of educational policy studies, beginning August 21, 1999 (1), at an annual salary of \$48,000.
- SANJAY JERAM PATEL, assistant professor of electrical and computer engineering, August 1-20, 1999 (N), \$4,556, and continuing August 21, 1999, on 100 percent time, and research assistant professor, Coordinated Science Laboratory, on zero percent time, beginning August 21, 1999 (1;N), at an annual salary of \$61,500.
- CYNTHIA L. PICKETT, assistant professor of psychology, beginning August 21, 1999 (1), at an annual salary of \$48,500.
- ANDREAS A. POLYCARPOU, assistant professor of mechanical and industrial engineering, beginning August 21, 1999 (1), at an annual salary of \$62,000.
- DEAN EDWARD RIECHERS, assistant professor of weed physiology in the Department of Crop Sciences, August 16-20, 1999 (N), \$963, and continuing August 21, 1999 (1), at an annual salary of \$52,000.
- BRENT W. ROBERTS, assistant professor of psychology, beginning August 21, 1999 (3), at an annual salary of \$51,000.
- ADAM DAVID SUTCLIFFE, assistant professor of history, on 12 percent time, assistant professor, Drobny Program for Jewish Culture and Society, on 88 percent time, and Lopata Endowed Assistant Professor in Jewish History, Drobny Program for Jewish Culture and Society, on zero percent time, beginning August 21, 1999 (1;1;N), at an annual salary of \$42,500.
- ELLEN D. SWAIN, archivist for student life and culture and assistant professor of library administration, University Library, beginning September 1, 1999 (1), at an annual salary of \$35,000.
- MARK F. TESTA, associate professor, School of Social Work, for four years beginning August 21, 1999 (Q), at an annual salary of \$92,000.
- RANXIAO WANG, assistant professor of psychology, on 100 percent time, and assistant professor, Beckman Institute for Advanced Science and Technology, on zero percent time, beginning August 21, 1999 (1;N), at an annual salary of \$48,500.
- BRENDA ANNE WILSON, associate professor of microbiology, for four years beginning August 21, 1999 (Q), at an annual salary of \$51,000.
- XUDONG ZHANG, assistant professor of mechanical and industrial engineering, August 9-20, 1999 (N), \$2,711, and continuing August 21, 1999 (1), at an annual salary of \$61,000.
- WEN ZHAO, assistant professor of mechanical and industrial engineering, beginning August 21, 1999 (1), at an annual salary of \$59,000.
- WEIMO ZHU, associate professor of kinesiology, for four years beginning August 21, 1999 (Q), at an annual salary of \$65,000.

Promotion in Academic Rank and Change in Tenure

- *ELABBAS BENMAMOUN, from assistant professor of linguistics, College of Liberal Arts and Sciences, to the rank of associate professor of linguistics on indefinite tenure, effective August 21, 1999

Sabbatical Leave of Absence

LYNN NORINE WILEY, assistant professor, University Library; sabbatical leave of absence for three months from June 21-September 20, 2000, at full pay. Professor Wiley will research the volume of interlibrary requests and the search mechanisms used by patrons when accessing Illinet Online Records and available linked catalogs.

Emeriti Appointments

CRISTINO CUSANO, professor emeritus of mechanical engineering in the Department of Mechanical and Industrial Engineering, August 21, 1999

BARRY J. DEMPSEY, professor emeritus of civil and environmental engineering, July 21, 1999

CHARLES L. HULIN, professor emeritus of psychology, August 21, 1999

ARNOLD R. SMITH, associate professor emeritus of veterinary pathology, and associate professor emeritus in the Laboratories of Veterinary Diagnostic Medicine, August 21, 1999

ROBERT J. TURNBULL, professor emeritus of electrical and computer engineering, August 21, 1999

Administrative/Professional Staff

FARHAD ANSARI, head of the Department of Civil and Materials Engineering, College of Engineering, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$11,500, beginning October 18, 1999 (K). Dr. Ansari was appointed to serve as acting head under the same conditions and salary arrangement beginning September 1, 1999. He will continue to hold the rank of professor of civil engineering on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$115,360 (A100), for a total annual salary of \$126,860.

ROGER P. CARLSON, director of managed care, Office of the Vice Chancellor for Health Services, Chicago, beginning October 18, 1999 (NY), at an annual salary of \$110,000.

JOSEPH CHERIAN, associate dean for the Masters of Business Administration and Continuing Education Programs, College of Business Administration, Chicago, on 100 percent time, on a twelve-month service basis, at an annual salary of \$80,242, plus an administrative increment of \$10,000, for a total annual salary of \$90,242, beginning October 18, 1999 (NY100;N). Dr. Cherian was appointed to serve as acting associate dean under the same conditions and salary arrangement, beginning September 1, 1999. He will continue to hold the rank of associate professor of marketing on indefinite tenure on an academic year service basis, on zero percent time (A).

*ROBERT FOLBERG, head of the Department of Pathology, College of Medicine at Chicago, on zero percent time on a twelve-month service basis with an administrative increment of \$39,630, beginning January 1, 2000 (KY). Dr. Folberg will also be appointed to serve as chief of service for pathology, University of Illinois Hospital and Clinics, on zero percent time on a twelve-month service basis with an administrative increment of \$35,370, beginning January 1, 2000 (NY). In addition, he will be appointed to the rank of professor of pathology, on indefinite tenure on a twelve-month service basis on 36 percent time, will be appointed as Frances B. Geever Professor of Pathology, non-tenured, on 9 percent time, as professor of ophthalmology and visual sciences, non-tenured, on zero percent time, and will serve as physician surgeon in pathology, on 55 percent time, on a twelve-month service basis, College of Medicine at Chicago, beginning January 1, 2000 (AY36;NY9;N;NY55), for a total annual salary of \$300,000.

*GERALD GRAFF, associate dean, College of Liberal Arts and Sciences, Chicago, on zero percent time August 21, 1999-January 5, 2000, and on 50 percent time, on an academic year service basis, beginning January 6, 2000 (N50), at an annual salary of \$72,500. Dr. Graff will also be appointed to the rank of professor of English on 25 percent time and professor of education on 25 percent time, both on indefinite

tenure on an academic year service basis, beginning January 6, 2000 (A25:A25), at an annual salary of \$72,500, for a total annual salary of \$145,000.

ALLAN WILLIAM LERNER, associate provost for external affairs, Chicago, on 20 percent time on a twelve-month service basis, beginning September 1, 1999 (NY20), at an annual salary of \$22,473. Dr. Lerner will continue to serve as director of the Office of External Education, on 80 percent time on a twelve-month service basis (NY80), at an annual salary of \$89,893. He will also continue to hold the rank of professor, Graduate Programs in Public Administration, College of Urban Planning and Public Administration, on indefinite tenure on an academic year service basis on zero percent time (A), for a total annual salary of \$112,366.

JOHN F. McDONALD, senior associate dean for academic affairs and research, College of Business Administration, Chicago, on 100 percent time on an academic year service basis, beginning October 18, 1999 (N100), at an annual salary of \$110,668, plus an administrative increment of \$25,000 (N), for a total annual salary of \$135,668. Dr. McDonald will continue to hold the rank of professor of finance and professor of economics, both on indefinite tenure on an academic year service basis on zero percent time (A:A).

GEORGE E. MONAHAN, co-director of the joint College of Engineering and College of Commerce and Business Administration Technology and Management Program, Urbana-Champaign, on zero percent time on an academic year service basis with an administrative increment of \$12,500, beginning August 21, 1999 (N). Dr. Monahan will continue to hold the rank of professor of business administration on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$110,000, for a total annual salary of \$122,500.

BRENDA R. RUSSELL, executive associate vice chancellor for research, Chicago, on 50 percent time on an academic year service basis, beginning October 18, 1999 (N50), at an annual salary of \$71,278, plus an administrative increment of \$8,000 (N). Dr. Russell will also receive an amount equal to two-ninths of her total academic year salary for two months' service during each summer of her appointment as executive associate vice chancellor for research (\$29,902 for 1999-2000). She was appointed to serve as interim executive associate vice chancellor for research under the same conditions and salary arrangement, beginning August 1, 1999. Dr. Russell will continue to hold the rank of professor of physiology and biophysics, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 50 percent time (A50), at an annual salary of \$55,279. She will also continue as professor of physiology in the Department of Medicine, College of Medicine at Chicago, non-tenured, on zero percent time (N), for a total annual salary of \$164,459.

S. ATEZAZ SAEED, chair of the Department of Psychiatry and Behavioral Medicine, College of Medicine at Peoria, on zero percent time on a twelve-month service basis with an administrative increment of \$20,600, beginning October 18, 1999 (NY). Dr. Saeed was appointed to serve as clinical director of the Comprehensive Community Mental Health Service Network of North Central Illinois, funded through the Department of Psychiatry and Behavioral Medicine, on 45 percent time, beginning September 1, 1999 (NY45), at an annual salary of \$78,693. He will continue to hold the rank of associate professor of clinical psychiatry, non-tenured, on 55 percent time (WY55), at an annual salary of \$70,484, and will continue as physician surgeon in psychiatry, on zero percent time, College of Medicine at Peoria. In addition, Dr. Saeed will continue as associate professor of clinical psychiatry, non-tenured, on zero percent time, in the Department of Public Health, Mental Health and Administrative Nursing, College of Nursing, Chicago, for a total annual salary of \$169,777.

LAURIAN J. UNNEVEHR, assistant dean for research, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on zero percent time on a twelve-month service basis with an administrative increment of \$10,000, beginning August 21, 1999 (N). Dr. Unnevehr will continue to hold the rank of professor of agricultural and consumer economics on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$82,300 (A100), for a total annual salary of \$92,300.

J.C. VAN ES, assistant dean for extension program coordination, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on 100 percent time, on an academic year service basis, beginning August 21, 1999 (N100), at an annual salary of \$106,400. In addition, Dr. van Es will receive an amount equal to two-ninths of his total academic year salary for two months' service during each summer of his appointment as assistant dean (\$23,644 for 1999-2000). He will continue to hold the rank of professor of rural sociology in the Department of Human and Community Development on indefinite tenure on an academic year service basis on zero percent time (A) and the rank of professor of sociology, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis on zero percent time (A), for a total annual salary of \$130,044.

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

Redesignate the College of Health and Human Services, Springfield

(8) The chancellor at Springfield, with the recommendation of the Springfield Senate, recommends the redesignation of the College of Health and Human Services to the College of Education and Human Services.

The college is seeking to change its name to reflect its current academic focus. During recent campus planning activities the college relinquished its Nursing Program and its Master of Public Health Program. The Nursing Program was transferred from the college to SIU-Edwardsville and the Master of Public Health was relocated to the College of Public Affairs and Administration at Springfield. The removal of these two programs from the college's offerings eliminated all degrees in health education.

The remaining programs in the college are those addressing education (Teacher Education Program, Educational Administration) and human services (human development counseling, social work, human services). The redesignation would reflect these two foci.

The dean of the College of Health and Human Services supports this request. The interim vice president for academic affairs concurs. The University Senates Conference has indicated that no further senate jurisdiction is involved.

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

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

Restore Name of Soccer Field, Springfield

(9) The chancellor at Springfield, with the concurrence of the appropriate University officers, recommends that the September 2, 1999, board action to rename the UIS soccer stadium as Prairie Star Stadium be rescinded and that the name of the soccer field be restored to Kiwanis Field. This action was part of an item presented at the September 1999 Board of Trustees Meeting recommending redesignation of building names on the Springfield campus.

Restoring the name Kiwanis Field will recognize the past support of the Springfield Kiwanis.

I concur.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 10 through 21 inclusive. The recommendations were individually discussed but acted upon at one time.

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

**Redevelopment Agreement and Amended and Restated
Intergovernmental Agreement with the City of Chicago
for Implementing the South Campus Tax Increment
Financing District and Plan, Chicago**

(10) On May 12, 1999, the City of Chicago approved the Roosevelt-Union Tax Increment Financing (TIF) District for the south campus project area, designating the University as its developer. Under this designation, the real estate tax base of the project area is frozen, and incremental tax revenues from newly developed/redeveloped properties are pledged towards the repayment of certain allowable University costs for a period of 23 years. The net present value of TIF revenue anticipated from the south campus project is estimated at approximately \$50 million, of which 95 percent, or \$47.5 million would be paid to the University.¹

The right to the incremental stream of TIF revenues will be governed by a redevelopment agreement (RDA) to be entered into with the City of Chicago, with additional terms and conditions on the use of University property in the project area governed by an amended and restated intergovernmental agreement (IGA). The interim chancellor at Chicago, with the concurrence of appropriate University officers, recommends authorization for the execution of an RDA and an amended and restated IGA with the city to include the following major provisions:

Redevelopment Agreement (RDA). The redevelopment agreement extends for 23 years and sets forth technical provisions of the TIF, including but not limited to the city's obligation to issue a "note" to the University guaranteeing payment of the TIF proceeds. The RDA also includes certain performance provisions that would limit or preclude the University's ability to receive available TIF proceeds if the University does not comply with its standards. These provisions include:

- For the following project components, the annual increment otherwise payable to the University would be permanently foregone every year until such time as the University meets the stated completion requirements.

<i>Project Component</i>	<i>Penalty</i>	<i>Completion</i>
Pre-development activities (acquisition, relocation, infrastructure, etc.)	10%	12/31/05
Adaptive reuse/Campus town retail center	20%	12/31/05
Housing Benchmark 1, 21% of sales meet affordable housing standards	10%	12/31/03
Housing Benchmark 2, 21% of sales meet affordable housing standards	10%	12/31/05
Housing Benchmark 3, completion of for-sale housing and 21% of sales meet affordable housing standards	10%	12/31/08
1st student housing complex	10%	12/31/03
2nd student housing complex	10%	12/31/03
Academic superblock #1 ²	20%	12/31/05

- Compliance with city Minority Business Enterprise/Women Business Enterprise (MBE/WBE) Program requires 25 percent MBE and 5 percent WBE contract participation in construction contracts, with deferral of 10 percent of TIF revenues until subsequent annual review indicates MBE/WBE standards have been achieved.

¹The amount of TIF revenue has been estimated assuming the sale of 850 units of private housing at an average sales price of \$198,000 per unit and the development of 116,000 square feet of retail space, assessed at current real estate tax rate, and projecting normal escalation. Actual amounts may vary depending upon changes in these factors.

²For the academic superblock #1 only, TIF proceeds would be withheld, but not permanently forfeited, until such time as construction of the superblock has been completed.

- Compliance with city residency ordinance requires 50 percent of total worker hours on each construction contract in the south campus project to be performed by city residents, with a penalty of .0005 of the dollar contract value for each point city residency is short of 50 percent (i.e., \$50,000 for a \$100 million contract for 1 point miss).

Additional provisions of the RDA include the establishment of certain public benefit programs and community initiatives and an obligation for the private housing development program to include financial assistance in order to make at least 21 percent of the housing sales meet affordable housing standards. The south campus development team has agreed to administer this program, which will be included in an amendment to MDA II.

Amended and Restated Intergovernmental Agreement (IGA). In 1994, the City of Chicago approved a planned development ordinance for the south campus project area, and subsequently entered into an intergovernmental agreement with the University that, among other things, conveyed certain properties to the University and set forth agreements between the parties as to how property in the project area was to be redeveloped. Due to changes in the master plan for the south campus and the designation of the area as a TIF district and amendment to the planned development ordinance, the IGA must be amended to meet current requirements and standards.

The amended and restated IGA has the same 23-year term as the RDA and includes provisions for the conveyance of additional city property to the University, the vacation and dedication of certain public rights-of-way, design standards for both infrastructure and building, and limitations on the use of property.

The projects included in the RDA and the IGA will be funded from a variety of sources. Completion of the acquisition and infrastructure improvements in the south campus will be funded from bond proceeds, which will then be repaid from a combination of TIF revenues, land sale revenues, and University resources as needed. Auxiliary projects in the south campus will be funded through bond issuance at the appropriate time in project chronology. Anticipated sources of funding for academic buildings are a combination of private fundraising and a capital appropriation from the State of Illinois.

The vice president for business and finance recommends approval.

I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Auxiliary Facilities System Revenue Bonds, Series 1999 A and B

(11) The board, at its meeting on July 8, 1999, approved Auxiliary Facilities System projects totaling \$119.25 million and a number of actions leading toward the issuance of revenue bonds to fund those projects. In the interim, University staff, financial advisor, University bond counsel, underwriters' counsel, and the underwriters have:

1. Identified the need for a modification to the project budgets.
2. Prepared a Preliminary Official Statement, a Sixth Supplemental System Revenue Bond Resolution, and other pertinent documents.
3. Received approval from the Illinois Board of Higher Education for certain of the projects.
4. Developed a recommended structure for the issue.
5. Met with rating agencies to pursue underlying ratings for the issue.

As a result of these actions, it is requested that the board authorize the issuance of Auxiliary Facilities System Revenue Bonds, Series 1999 A and B to finance projects in an

approximate amount of \$112.8 million, as approved on July 8, 1999, and as amended as shown in Table 1 below:

Table 1
Auxiliary Facilities System Proposed Projects
(\$ Millions)

	<i>Approved July 8, 1999</i>	<i>Amended October 15, 1999</i>
Chicago campus		
Campus Union Remodeling	\$ 14.00	\$ 14.00
Polk Street Residence Remodeling (SSR and SRH)	4.00	4.00
Pavilion Infrastructure Improvement	2.00	2.00
South Campus Student Apartments and Commercial Space	60.00	60.00
Renovation of South Campus Buildings ¹	7.00	-0-
Halsted, Harrison, and Paulina Street Parking Structure Repairs	<u>6.75</u>	<u>5.00</u>
<i>Sub-Total</i>	<u>\$ 93.75</u>	<u>\$ 85.00</u>
Urbana-Champaign campus		
Indoor Football Practice Facility ²	\$ 12.50	\$ 8.80
Parking Structure/Fire Station ³	13.00	12.00
Daniels Hall Remodeling ⁴	-0-	6.54
Misc. Remodeling	<u>-0-</u>	<u>.46</u>
<i>Sub-Total</i>	<u>\$ 25.50</u>	<u>\$ 27.80</u>
<i>Grand Total</i>	<u>\$119.25</u>	<u>\$112.80</u>

¹To be done from Auxiliary Facilities System Repair and Renovation Reserves.

²Project still \$12.5 million, initial \$3.7 million funded by gifts.

³\$1.0 million for Fire Station portion funded by campus.

⁴This supplements original \$5.56 million funded by 1996 AFS bonds.

Because of the intended private use of some of the facilities being financed, the Series 1999 Bonds will be issued simultaneously as Series 1999 A (tax-exempt) and Series 1999 B (taxable) in amounts to finance approximately \$106.8 million in tax-exempt projects and \$6.0 million in taxable projects.

The Series 1999 A and B bonds will have final maturities no later than April 1, 2030, and will be issued in an aggregate principal amount (net of original issue discount) not to exceed \$120 million to fund the projects, capitalized interest, plus any necessary reserves and issuance costs, including bond insurance. The vice president for business and finance recommends:

1. Approval of the amended project budgets to be funded from bond proceeds as shown in Table 1.
2. Approval of the Official Statement for the bonds.¹
3. Adoption of the Sixth Supplemental System Revenue Bond Resolution.¹
4. Approval to add co-managers to supplement the senior underwriter, Lehman Brothers, Inc., and co-senior underwriter Bear Stearns & Co., Inc., in the marketing of the bonds.

¹A copy is filed with the secretary of the board for the record and the appropriate officers of the board are hereby authorized and directed to execute the same in the name and on behalf of the board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the board executing the same, his/her or their execution thereof to constitute conclusive evidence of the board's approval of all changes from the form thereof presented to this meeting; *provided, however*, that if any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the Executive Committee of the board to which authority for such approval is delegated by the board.

5. Approval of the Bond Purchase Agreement with Lehman Brothers, Inc., as representative of itself, Bear Stearns & Co., Inc., and the other purchasers (the "Underwriters"), wherein the underwriters, jointly and severally, agree to purchase from the board and the board agrees to sell to the underwriters all (but not less than all) of the Series 1999 A and 1999 B Bonds for the projects in aggregate original principal amount not exceeding \$120 million (net of original issue discount, if any). The price at which the bonds will be purchased from the University by the underwriters will not be less than 99 percent of the price at which the bonds will be offered to the public for Series A and 99 percent for Series B, and the all-in-cost of borrowing for the issue will not exceed 7.00 percent for Series A and 8.50 percent for Series B.¹
6. Approval to purchase bond insurance if such purchase is deemed economically beneficial following consultation with the financial advisor and the underwriters.
7. Approval of the form of the Continuing Disclosure Undertaking by the board with respect to the bonds.¹
8. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the bonds to the purchasers; and
9. That the comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate to provisions of the Official Statement, the Sixth Supplemental Resolution, the Bond Purchase Agreement, the Continuing Disclosure Undertaking, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

I concur.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Contracts for Job Order Contracting, Chicago

(12) The interim chancellor at Chicago recommends award of job order contracts for minor building alterations, repairs, new construction, and site work at the Chicago campus to Meccor Industries Limited, Skokie² (the lowest bidder), and G. F. Structures Corp., Chicago (the second lowest bidder). Competitive bidding procedures in accordance with the Illinois Procurement Code were followed.

The contracts will be awarded for an initial term of November 1, 1999-June 30, 2000, for an amount not to exceed \$2.5 million and will include three one-year option periods, at an amount not to exceed \$4.0 million per option period.

Bids were based on price adjustment factors that will be applied to pre-established unit prices to determine the value of each work order. The adjustment factors will be

¹A copy is filed with the secretary of the board for the record and the appropriate officers of the board are hereby authorized and directed to execute the same in the name and on behalf of the board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the board executing the same, his/her or their execution thereof to constitute conclusive evidence of the board's approval of all changes from the form thereof presented to this meeting; *provided, however*, that if any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the Executive Committee of the board to which authority for such approval is delegated by the board.

²MBE/Asian American/Male-Female.

applicable to work performed in non-patient care facilities with and without design and patient care facilities with and without design, during normal business hours, and other than normal business hours. The adjustment factors bid by the two contractors are:

	<i>Meccor Industries Limited, Skokie</i>	<i>G. F. Structures Corp., Chicago</i>
<i>Non-Patient Care Facility w/No Design</i>		
Normal Working Hours Multiplier	0.7184	0.8100
Weighted Adjustment Factor	0.2047	0.2309
Other Than Normal Working Hours Multiplier	0.7190	0.8300
Weighted Adjustment Factor	0.0108	0.0124
<i>Non-Patient Care Facility w/Design</i>		
Normal Working Hours Multiplier	0.7197	0.8350
Weighted Adjustment Factor	0.3077	0.3570
Other Than Normal Working Hours Multiplier	0.7200	0.8460
Weighted Adjustment Factor	0.0162	0.0190
<i>Patient Care Facility w/No Design</i>		
Normal Working Hours Multiplier	0.7184	0.8200
Weighted Adjustment Factor	0.0539	0.0615
Other Than Normal Working Hours Multiplier	0.7190	0.8250
Weighted Adjustment Factor	0.0180	0.0206
<i>Patient Care Facility w/Design</i>		
Normal Working Hours Multiplier	0.7197	0.8200
Weighted Adjustment Factor	0.0810	0.0923
Other Than Normal Working Hours Multiplier	0.7200	0.8450
Weighted Adjustment Factor	0.0270	0.0317
Combined Adjustment Factor	0.7193	0.8254

Funds as required will be authorized by job order contract work orders which will be charged against funds allocated for each project. It is also recommended that the comptroller be authorized to approve work orders under this contract that would not exceed the limits established by the Illinois Procurement Code. A minimum of \$50,000 for work will be guaranteed to each contractor. No individual work order will exceed \$250,000.

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

Funds for this contract are available from State Appropriated, Institutional, or Restricted Funds as designated on a project-by-project basis.

The vice president for business and finance concurs.

I recommend approval.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Employment of Construction Manager for Remodeling the Eye and Ear Infirmary, Chicago

(13) The proposed project estimated at \$32.0 million is for remodeling approximately 150,000 gsf in the Eye and Ear Infirmary at the Chicago campus. This remodeling will convert the building for outpatient services and provide the University with additional conference and dining facilities. The construction will be scheduled in multiple phases since activities in the building must continue in that location.

In order for the project to proceed, it is necessary to employ a construction manager for the required professional services. The selection of the construction manager for this

project was in accordance with the requirements and provisions of the Illinois Procurement Code.¹

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that Turner Construction Company, Chicago, be employed for the professional services required. The firm's fee through the bidding phase is \$127,019, including reimbursables.

Funds for the project are available initially from the Health Services Facilities System Funds and the Institutional Funds Operating Budget of the Chicago campus, with anticipated reimbursement from the proceeds of a subsequent Health Services Facilities System bond sale.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Employment of Architect/Engineer for Remodeling Chicago Circle Center, Chicago

(14) This project estimated at \$11.0 million consists of general remodeling and renovation of the Chicago Circle Center buildings including areas for student services, food service, administration, public spaces, retail operations, and site development. Remodeling of the first floor recreation areas, including an enclosed access from the Hull House Complex, may also be required to accommodate relocated administrative functions. Mechanical, electrical, telecommunication and data communication systems and other building systems will also be modified as necessary.

All remodeling and renovation will be in accordance with the previously completed master plan for this building.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of the Illinois Procurement Code.²

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that Harry Weese Associates, Chicago, be employed for the professional services required. The firm's fee for the project is \$842,000 including reimbursables.

Funds for the project are available initially from the Restricted Funds Budget of Campus Auxiliary Services (Student Unions) with anticipated reimbursement from the proceeds of a subsequent Auxiliary Facilities System bond sale.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf,

¹A selection committee consisting of B. Black, and D. Mohiuddin (Chicago Capital Programs), K. Rose and M. R. Schwartz (Ambulatory Services), and B. Nedwin and M. Donovan (Facilities Management) interviewed the following firms: Bovis Construction Corp., Chicago, and Turner Construction Company, Chicago. The committee recommends the employment of Turner Construction Company, Chicago, as best meeting the criteria.

²A selection committee consisting of B. Appier and R. Giles (Chicago Capital Programs), S. Tarnoki (Facility Planning and Space Analysis), A. Cassidy (Facilities Management), M. Landek (Student Affairs), A. McMahon (Planning and Research), M. Poe (Campus Unions), and D. Mathews (Chicago Circle Center) interviewed the following firms: Harry Weese Associates, Chicago; Loeb Schlossman & Hackl, Chicago; Dahlquist & Lutzow Architects, Ltd., Elgin; Graham Anderson Probst & White, Chicago; and Legat Architects, Chicago. The committee recommends the employment of Harry Weese Associates, Chicago, as best meeting the criteria.

Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Employment of Architect/Engineer for Redesign of Polk Street Residence Hall, Chicago

(15) This project estimated at \$3.3 million consists of preliminary planning, design, development of construction documents, and remodeling necessary for the reconfiguration of the Polk Street Residence Hall. Redesign is required to remodel the existing double loaded corridor with common restrooms, which is the model for student housing. Further, there are plans to generally update the existing student residence hall in order to be competitive with housing available in the community and to accommodate short-term conference use.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of the Illinois Procurement Code.¹

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that Mekus Studios, Chicago, be employed for the professional services required. The firm's fee through the bidding phase of the project is \$237,699, including reimbursables.

Funds for the project are available initially from the Restricted Funds Budget of Campus Auxiliary Services (Housing) with anticipated reimbursement from the proceeds of a subsequent Auxiliary Facilities System bond sale.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Delegation of Authority to Award Construction Contracts and Amendment to Professional Services Agreement for Parking Structure/Fire Station, Urbana

(16) On June 11, 1998, the board approved the \$13,540,000 project for the construction of the Parking Structure/Fire Station at the Urbana campus. The project includes a multi-level parking facility to accommodate a minimum of 550 parking spaces and maximum of 750 spaces as well as a fire station to provide fire protection coverage both north and south to occupied areas of the University. A feasibility study has indicated that both facilities can be located in one structure and accommodated on lot F-29 on the corner of Dorner and Gregory Avenues.

In order to meet the project construction schedule, it is essential that contracts for the project be awarded before the November 1999 meeting. Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the comptroller be delegated the authority to execute the necessary documents to award contracts to the lowest responsible bidder for each division, including any applicable alternates, provided the total of the bids received does not exceed \$11,260,000. Com-

¹A selection committee consisting of B. Appier and R. Giles (Chicago Capital Programs), A. Cassidy (Facilities Management), S. Deblaze (Facility Planning and Space Analysis), M. Landek (Student Affairs), A. McMahon (Planning and Research), A. Martin (Campus Housing) and R. Pitts (Meetings, Conferences, and Guest Services) interviewed the following firms: Mekus Studios, Chicago; Nagle Hartray Danker Kagan McKay, Chicago; and Cannon, Chicago. The committee recommends the employment of Mekus Studios, Chicago, as best meeting the criteria.

petitive bidding procedures will be followed in accordance with the Illinois Procurement Code.

It is further recommended that the professional services agreement with Desman Associates, Inc., Chicago, be amended to include the professional services for construction administration, on-site observation, and warranty phase of the project. The firm's fee will be a fixed fee of \$127,000 for construction administration; on an hourly basis for on-site observation, the total not to exceed \$202,500; a fixed fee of \$19,050 for warranty phase; plus \$55,000 for reimbursables; for a total increase of \$403,550.

Funds are available initially from the institutional funds budget of the Urbana campus with possible subsequent reimbursement from the proceeds of the sale of Auxiliary Facilities System Revenue Bonds.

A report of the contracts awarded will be made at a subsequent meeting of the board.

A schedule of the firm's hourly rates has been filed with the secretary of the board for record.

On motion of Mrs. Gravenhorst, these recommendations were approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Supplemental Funding for Remodeling Burrill Hall, Urbana (Contract with Capital Development Board)

(17) On October 16, 1998, the Board of Trustees requested the Capital Development Board to employ the firm of LZT Associates, Inc., Peoria, for the Burrill Hall Instructional Labs Remodeling project (\$800,000) at the Urbana campus.

Recently, University funds have been made available for the project to cover program needs identified in the planning phase of the project. The work includes general, mechanical, electrical, and plumbing work in instructional labs; asbestos abatement; and safety showers. The cost for the additional work is \$200,000. Therefore, the campus administration at Urbana recommends that \$200,000 in University funds be added to the original project so that the additional work can be completed.

State statutes provide that the Capital Development Board and the University may contract with each other and other parties on the design and construction of any project to be constructed on University property.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the University now contract with the Capital Development Board in order to finance the work described above at an additional cost of \$200,000 for the Burrill Hall Instructional Lab Remodeling project.

University funds are available from the institutional funds budget of the Urbana campus.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Purchases

(18) 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:

<i>From Appropriated Funds</i>	
Recommended	\$ 262,031
<i>From Institutional Funds</i>	
Recommended	<u>6,229,200</u>
<i>Grand Total</i>	\$6,491,231

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mrs. Gravenhorst, the purchases recommended were authorized by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Authorization for Settlement

(19) The university counsel recommends that the board approve settlement of *Muniz v. Duval, et al.* in the amount of \$750,000. The plaintiff alleges that defendants inappropriately monitored and managed her labor and the delivery of a second twin, resulting in the death of the infant.

The vice president for business and finance concurs.

I recommend approval.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Authorization for Settlement

(20) The university counsel recommends that the board approve settlement of *Ramirez v. Vajaranant, et. al.* on behalf of University defendants in the amount of \$1,300,000. The plaintiff alleges that defendants' failure to ensure that his wife received treatment for pre-cancerous abnormalities allowed the abnormalities to become cancerous, which resulted in her death.

The vice president for business and finance concurs.

I recommend approval.

On motion of Mrs. Gravenhorst, this recommendation was approved by the following vote: Aye, Mr. Cocagne, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Ms. Reese, Dr. Schmidt, Mr. Shea; no, none; absent, Mrs. O'Malley, Governor Ryan.

(The student advisory vote was: Aye, Ms. Neely, Mr. Reddy; no, none.)

Report of Contract Awards for
Remodeling Henry Administration Building, Urbana

(21) This \$1.6 million project consists of remodeling 5,500 gsf of basement space, 6,300 gsf of first floor space, and 1,900 gsf of second floor space for offices in the Henry Administration Building. The project will include new partitions, acoustic ceilings, carpeting, and painting. HVAC units and new lighting will be included.

On April 15, 1999, the board delegated authority to the comptroller to award contracts to the lowest responsible bidder for each division provided the total of the bids received did not exceed \$1,455,792.

On September 2, 1999, bids were received and the following contracts were awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award in each case is to the lowest responsible bidder on the basis of its base bid plus acceptance of the indicated alternates.¹

<i>Division I—General</i>			
Petry-Kuhne Company, Champaign	Base Bid	\$594,400	
	Alt. G-1	<u>12,000</u>	\$ 606,400
<i>Division II—Plumbing</i>			
A & R Mechanical Contractors, Inc., Urbana	Base Bid		\$ 25,520
<i>Division III—Heating, Piping, Refrigeration and Temperature Control Work</i>			
Nogle & Black Mechanical, Inc., Urbana	Base Bid		234,995
<i>Division IV—Ventilation and Air Distribution</i>			
T'nT Mechanical Contractors, Inc., Urbana	Base Bid		190,000
<i>Division V—Electrical</i>			
Glesco Electric, Inc., Urbana	Base Bid	<u>161,839</u>	
Total			\$1,218,754

Funds are available from the institutional funds of the University administration.
A schedule of the bids received has been filed with the secretary of the board for record.
This report was received and confirmed.

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and terminations. 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 October 15, 1999.

Summary

<i>Graduate Degrees</i>		
Doctor of Education	3
Doctor of Philosophy	236
Doctor of Musical Arts	6
Total, Doctors	(245)

¹Description of Alternates: #G-1—Assignment Fees.

Master of Architecture	1
Master of Arts	21
Master of Computer Science	8
Master of Education	7
Master of Landscape Architecture	2
Master of Music	3
Master of Music Education	1
Master of Science	94
Master of Science in Public Health	1
Master of Urban Planning	2
<i>Total, Masters</i>	<i>(140)</i>
Advanced Certificate in Education	1
<i>Total, Certificates</i>	<i>(1)</i>
<i>Total, Graduate Degrees</i>	<i>386</i>
<i>Total, Degrees Conferred October 15, 1999.....</i>	<i>386</i>

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Gindorf called attention to the schedule of meetings for the next few months: November 17-18, 1999, Springfield; January 12-13, 2000 (Annual Meeting), Chicago; March 1-2, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

JEFFREY GINDORF

Chair