

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

November 8-9, 2000



This meeting of the Board of Trustees of the University of Illinois was held in Foellinger Auditorium, Urbana campus, and in the Pine Lounge, Illini Union, Urbana, Illinois, on Wednesday and Thursday, November 8-9, 2000, beginning at 1:30 p.m. on November 8.

Chair Engelbrecht called the meeting to order in Foellinger Auditorium 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. Thomas R. Lamont, Mrs. Martha R. O'Malley, Mr. Roger L. Plummer, Ms. Judith R. Reese, Dr. Kenneth D. Schmidt, Mr. Gerald W. Shea. Governor George H. Ryan was absent. Mr. Arun K. Reddy, voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Neil Calderon, Springfield campus; Ms. Erin E. Glezen, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, acting vice president for academic affairs and vice president for economic development and corporate relations; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; and the officers of the board, Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, Ms. Marna K. Fuesting, assistant secretary, was present.

REPORT SESSION FOR DIALOGUE ON CHIEF ILLINIWEK

Chair Engelbrecht welcomed those assembled for a report from Judge Louis B. Garippo, who had been selected by the board to review all correspondence, articles, and history of Chief Illiniwek, the symbol of the athletic teams at the Urbana campus for the last seven decades, as part of the Dialogue on Chief Illiniwek initiated by the board in January 2000. Mr. Engelbrecht noted that Judge Garippo had presided in April 2000 at an Intake Hearing for the Dialogue held to provide the board with views of many individuals regarding Chief Illiniwek. Mr. Engelbrecht told the audience that since the Intake Hearing, Judge Garippo and his staff had read all 18,000 pieces of correspondence that were received in response to Mr. Engelbrecht's call for comments about Chief Illiniwek, had revisited all of the commentary made during the Intake Hearing, and had listened to all of the tapes of comments by those who could not personally address the board during the Intake Hearing. Mr. Engelbrecht stated that Judge Garippo had also read many articles about Chief Illiniwek and studies of the history of the controversy that currently surrounds Chief Illiniwek.

Mr. Engelbrecht referred to the report that Judge Garippo would present today: *The Chief Illiniwek Dialogue—Intent and Tradition vs. Reaction and History*.

Mr. Engelbrecht said that the board would first receive a presentation from Judge Garippo from his report, then the judge would take questions from the trustees. He stated that questions from the audience would be accepted by the judge in written form and that there would be a break for individuals to write their questions for his consideration. He then introduced Judge Louis B. Garippo to begin his presentation.

Judge Garippo opened his remarks with a summary of his report and said that he did not take a side on the controversy. He explained that he chose not to use either the term symbol or the term mascot to describe the chief but rather the term performance, since he thought this described the phenomenon of the chief better, and music and dance are so important to the expression of Chief Illiniwek. He noted that the dance performed by the chief is the most troubling aspect about Chief Illiniwek. He said that in carrying out his research he had discussed different kinds of dancing among Native Americans, not all of which were religious as asserted by some critics of the chief. He cited his research at the Newberry Library in Chicago and comments submitted to him by the current Chief Illiniwek, Mr. John Madigan. He also stressed that the 18,000 pieces of correspondence received as a part of the dialogue should not be considered a poll, however the totals of opinions divided into categories resembling a poll, with considerably more correspondence from persons who strongly support the continuation of Chief Illiniwek.

Judge Garippo then summarized sections of his report and emphasized that he read and considered the statements of every group represented in the dialogue. He noted that the heart of his report is the section in which the major arguments regarding the chief are summarized. He said that

those opposed to the presence of the chief cite evidence of racism and a replaying of the country's historical treatment of Native Americans. He said that those who favor the chief view the chief as a tradition that outweighs other considerations. He then discussed his review of the history of Native American stereotypes and reported that not all Native Americans wish to be viewed as a dancing Indian.

The judge said that his definition of racism had been criticized by some and that he planned to provide an addendum to his report that would include a definition that was broader.¹ He also observed that both those in favor of the chief and those opposed at some times suggest that the University will suffer financial consequences if their preference regarding the chief is not upheld, such as boycotts or diminished giving to the University.

He spoke briefly of comments suggesting compromise and cited a letter that is reprinted in the report supporting this. He then thanked the board for selecting him to write the report on the dialogue process and he thanked the faculty and staff for their assistance in providing telephone conversations and letters.

After a break Judge Garippo responded to questions from the board then read questions submitted from the audience and responded to a selection of them.

Mr. Engelbrecht thanked him for his work and report, and also thanked the audience for attending the report session. He said that the board will reflect on all heard today and on the report and other material and plan to make a response concerning Chief Illiniwek in the spring, probably at their meeting in March 2001.

RECESS

The board recessed to move to the Pine Lounge, Illini Union, for the rest of the meeting.

BOARD MEETING RECONVENED

When the board reconvened at 3:50 p.m. in the Pine Lounge, those trustees present at the preceding session were in attendance. Also present were President James J. Stukel; Dr. Chester S. Gardner, acting vice president for academic affairs and vice president for economic development and corporate relations; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; Dr. Naomi B. Lynn, chancellor, University of Illinois at Springfield; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; and the officers of the board, Dr. Craig S. Bazzani, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, 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, assistant secretary.

¹Judge Garippo subsequently provided this addendum that is filed with the secretary of the board for record.

CONSIDERATION OF AN ITEM ON THE AGENDA FOR APPROVAL

Authorization to Acquire Real Estate, Urbana Campus

(1) The chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following resolution be adopted authorizing the university counsel to take such action as may be necessary to acquire twelve tracts of real estate totaling approximately 641 acres in Piatt County adjacent to Robert Allerton Park through acquisition or the power of eminent domain should negotiations to purchase said real estate fail or if the University is unable to identify and negotiate a purchase agreement with the owner.

In the event that a negotiated purchase can be obtained with the owners the controller would have the option, under the authority granted by the Board of Trustees, to request that the Foundation acquire the real estate. If acquired by the Foundation, the properties will be leased by the University from the Foundation at a rate that will cover their carrying costs and the cost of acquisition over a period not to exceed ten years. It is intended that the University eventually would acquire the real estate from the Foundation in accordance with Legislative Audit Commission Guidelines.

Funds to acquire this real estate through eminent domain are available from the Fiscal Year 2001 Institutional Funds Operating Budget of the Urbana-Champaign campus. Funds to lease the properties from the Foundation will be included in the Institutional Funds Operating Budget of the Urbana-Champaign campus for the current fiscal year. For future fiscal years, funds for the lease will be included in the Urbana-Champaign Campus' Institutional funds operating budget authorization request to be submitted to the Board of Trustees. The lease is subject to the Board of Trustees approval of the budget.

I concur.

Resolution Authorizing Acquisition of Land in Piatt County, Illinois

Be It, and It Is Hereby Resolved, Found, and Declared by the Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois, that the following-described property situated in the County of Piatt, in the State of Illinois, to-wit:

Tract 1 in Sections 23 and 14 of Monticello Township, consisting of 43 acres;
 Tract 2 in Sections 23 and 14 of Monticello Township, consisting of 34 acres;
 Tract 3 in Sections 23 and 14 of Monticello Township, consisting of 25 acres;
 Tract 4 in Sections 23 and 14 of Monticello Township, consisting of 50 acres;
 Tract 5 in Section 22 of Willow Branch Township, consisting of 128 acres;
 Tract 6 in Section 22 of Willow Branch Township, consisting of 59 acres;
 Tract 7 in Section 22 of Willow Branch Township, consisting of 22 acres;
 Tract 8 in Section 22 of Willow Branch Township, consisting of 8 acres;
 Tract 9 in Section 22 of Willow Branch Township, consisting of 92 acres;
 Tract 10 in Sections 21 and 22 of Willow Branch Township, consisting of 122 acres;
 Tract 11 in Section 28 of Willow Branch Township, consisting of 20 acres; and
 Tract 12 in Section 28 of Willow Branch Township, consisting of 38 acres; (acreages are approximate and will require determination by a survey) as more fully shown on the following map attached hereto (copy filed with the secretary of the board)

is needed by the University of Illinois, an educational institution established and supported by the State of Illinois, for educational purposes conducted and to be conducted by said University of Illinois and to enable said University of Illinois to discharge its duty to the people of said State and for public use; that funds are available to the University for the purchase of said parcel for said educational purposes; and this Board of Trustees has negotiated with the owners of said land through their duly authorized representatives for the purchase of said parcels at a price which this Board of Trustees considers fair and reasonable and which it finds constitutes the present market value of said parcel.

Be It, and It Is Hereby Further Resolved, Found, and Declared that the vice president for business and finance or his designee of the University of Illinois be and hereby is authorized to continue negotiations for the acquisition of said parcels for and on behalf of the

University of Illinois with the owners of the real estate described above and for the purchase of all or part thereof by the University; and

Be It, and It Is Hereby Further Resolved, Found, and Declared by the Board of Trustees of the University of Illinois that if the compensation to be paid by it for said parcels cannot be agreed upon between this Board of Trustees and the owners of said property and they and it are unable to agree upon the purchase price to be paid to said property owners for the sale and conveyance of all or part of said parcels by said owners thereof to said Board of Trustees of the University of Illinois; that

Therefore, Be It, and It Is Hereby, Further Resolved, Found, and Declared by the Board of Trustees of the University of Illinois that because of said need of the University of Illinois for said parcels for the purposes hereinabove set forth and because the compensation to be paid to the owners thereof for such land cannot be agreed upon between them and this Board of Trustees, it is necessary for the Board of Trustees of the University of Illinois to take said land and acquire title thereto through the exercise by it of the right of eminent domain conferred upon it by law and to have the compensation to be paid by it to the owners thereof and any and all other persons who may have any right, title or interest in and to all or part of said land determined in the manner provided by law for the exercise of said right and power of eminent domain; and

Be It, and It Is Hereby, Further Resolved by the Board of Trustees of the University of Illinois that the necessary and appropriate action be taken for the acquisition of said title to all or part of said property by said Board of Trustees of the University of Illinois and to have the compensation to be paid therefor determined by the institution and prosecution to completion of a proceeding in eminent domain in a court of competent jurisdiction and that the university counsel of the University be, and he is hereby, authorized to proceed accordingly, to institute and prosecute an eminent domain proceeding in the name and on behalf of the Board of Trustees of the University of Illinois for the acquisition of said land and the determination of the compensation to be paid by it therefor, and to employ such special legal counsel, appraisers, and others as he may deem necessary or desirable to assist him in the institution and prosecution of said proceeding.

Chair Engelbrecht asked that this agenda item be considered and discussed immediately, and with the board's concurrence, that a vote be taken today, rather than tomorrow when the rest of the agenda is considered. He explained that this item recommends acquisition of land in Piatt County, Illinois, that is adjacent to Allerton Park and is to be sold at auction. He indicated that the representative of the owner (the Art Institute of Chicago) has informed the University that the board's decision regarding use of the principle of *eminent domain*, with ultimate intent to pursue condemnation if necessary, must be known by close of business today. Mr. Engelbrecht then asked Dr. Steven Schomberg, associate chancellor, Urbana, to present background information for this recommendation (materials are filed with the secretary). Dr. Schomberg explained that it is important for the Urbana campus to acquire the land under discussion in order to protect the boundaries of Allerton Park. He stated that the land in question is currently farmland, but if sold it might be developed for other uses, such as housing, which would present problems for Allerton Park. He said that the land along the Sangamon River on the border of the park is the property that the campus wishes to maintain in its current state, with a refuge for blue heron and a field of exemplary bluebell wildflowers. Thus, on behalf of the campus he asked that the board agree to request the seller to remove the land bordering Allerton Park from the auction parcels, or that the University exercise its rights of eminent domain and condemn the land.

Brief discussion followed.

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

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

REPORT ON SEARCH FOR CHANCELLOR, SPRINGFIELD

Professor Patricia Langley reported that there were many applicants and nominees for this position, and that the committee was working to categorize the prospects and to select those for whom they wish to request references. She indicated that the committee hopes to conduct interviews in early December, as she stated at the last meeting, and that they still intend to have a short list of candidates to refer to the board by early January for possible approval of an appointment at the meeting of the board in January.

Discussion followed about timing for learning the names of those selected by the committee to be candidates, the rationale for soliciting nominees from a large number of community members and others, and the types of institutions with which the prospects are currently associated. Professor Langley responded that the committee hoped to have a list of candidates to the president by the last week of the semester, about December 15, for his review. Further, she said that a large group of friends of the campus who are knowledgeable of aspects of the campus had been asked to nominate individuals for the position. Also, she said that the applicants and nominees are currently associated with all manner of institutions, from large, Research I institutions to small colleges. She indicated that she thought the pool of prospective candidates this committee has received is a very strong one.

INTRODUCTION OF CHAIR OF SEARCH COMMITTEE FOR CHANCELLOR, URBANA

President Stukel introduced Professor Thomas Ulen, Alumni Distinguished Professor of Law; professor, Campus Honors Faculty; and professor, Institute of Government and Public Affairs, who has agreed to chair the search committee for chancellor at Urbana. Professor Ulen addressed the board and said he was pleased to give back to his campus by this form of service. He said that today the committee agreed on the content of the advertisement to be placed in national publications, and they also started work on a position description. He added that they had agreed to ask Korn/Ferry International, a search firm, to assist them. He stated that the committee plans to develop a brochure to describe the position and a package of materials about the campus for candidates to review. He noted that the next meeting for the committee would be in November 2000, and that they planned to move expeditiously with their work until it was complete.

MOTION FOR EXECUTIVE SESSION

Chair Engelbrecht, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider information regarding the appointment, employment, or dismissal of employees or officers, to discuss pending, probable, or imminent litigation, the acquisition of real property, to discuss campus security, and to receive legal advice from counsel."

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

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

EXECUTIVE SESSION

The board, President Stukel, the university officers, and the officers of the board were present, with Professor Patricia Langley attending the first few minutes of the session.

Employment Matters

Ms. Reese asked Professor Langley if there were any internal applicants or nominees in the pool for the position of chancellor at the Springfield campus. Professor Langley said that there were and described each. Mr. Calderon asked if any applicants or nominees had a political background. Again, Professor Langley responded that there were and described them briefly. Professor Langley left the executive session at this time.

Next, Chancellor Aiken reported that one of the officers of the Urbana campus is being recruited by another university and named the individual. He also commented on candidates interviewed for the position of dean of the College of Commerce and Business Administration and described each in terms of past experience.

Real Estate Acquisition

Vice President Bazzani described two real estate matters. First, he reported a proposal to acquire property for the Chicago campus that is outside the campus's master plan. He told the board that the University of Illinois Foundation would purchase this with the plan of the campus purchasing it from the Foundation in time. He also informed the board that it would be useful for the University to sell a building in Chicago, if the General Assembly grants authorization to do so, that would assist the campus in purchasing the first property. Second, he described properties in Urbana that are for sale that would be important to the campus in the near future for expansion. He said that these too are outside the master plan of that campus, thus special authorization from the board is required to propose purchase to the Foundation.

Authorization to Acquire Real Estate

(2) In January 1994, as part of a series of administrative streamlining proposals, the Board of Trustees approved a revision of the dollar limits on purchases, leases, and contracts requiring specific board authorization. Real estate acquisitions were addressed in two ways. The board delegated to the comptroller the authority to acquire real estate located *within* the approved Master Plan boundaries of each campus. Prior board authorization was required for real estate *outside* the Master Plan boundaries.

Real estate acquisitions generally are funded by the Institutional Funds Operating Budget of each campus. If such funds are not immediately available, the University may request that the University of Illinois Foundation purchase the property and hold it for later acquisition by the University in accordance with the Legislative Audit Commission Guidelines. In such cases the property is then leased to the University at a rate that is sufficient to pay the carrying costs until resources are available for acquisition by the University or other appropriate action.

From time to time there are unique opportunities to acquire real estate located *outside* the approved Master Plan boundaries that can fulfill important programmatic objectives of the campuses. The process necessary to acquire this real estate may be sensitive and require immediate action. It therefore would be beneficial for the board to broaden the existing delegation to the comptroller to include real estate *outside* the approved Master Plan boundaries of each campus as well as *within*. To that end, the president of the University with the concurrence of the appropriate University officers recommends that to fulfill important programmatic objectives of the campuses, the comptroller be authorized to: acquire real estate outside the Master Plan boundaries, or, in the alternative, to request that the Foundation acquire such properties. In every instance the identities of the properties and possible terms will be discussed in advance with the board in Executive Session, or in the absence of a regular board meeting then with the Executive Committee of the Board of Trustees, consistent with the Illinois Open Meetings Act. If acquired by the Foundation the properties will be leased by the University from the Foundation at a rate that will cover their carrying costs and the cost of acquisition over a period not to exceed ten years. It is intended that the University eventually would acquire the properties from the Foundation in accordance with Legislative Audit Commission Guidelines.

For the current fiscal year, funds to lease the properties from the Foundation will be included in the Institutional Funds Operating Budget of the appropriate campus. For future fiscal years funds for the lease will be included in the appropriate campus' Institutional funds Operating Budget authorization request to be submitted to the Board of Trustees. The lease is subject to the Board of Trustees approval of the budget.

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

Litigation

Mr. Bearrows informed the board that a motion to dismiss the suit from *The News-Gazette*, concerning allegations related to the Open Meetings Act had been filed and was proceeding.

Report from Secretary

Disclosure of Executive Session Minutes Under Open Meetings Act

(3) Under an amendment to the Open Meetings Act passed by the General Assembly, effective July 1, 1989, public bodies subject to the Act which conduct business under exemptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exemption.

Unreleased items from October 1999 through May-June 2000 are attached and are marked to indicate which items considered in executive session are recommended for continuing confidential status in order to protect the public interest or the privacy of an individual. When the need for confidentiality has passed they will be released. (Attached materials are filed with the secretary of the board for record.)

The university counsel and the secretary of the board, having consulted with appropriate University officers, recommend that the indicated items retain confidential status at this time and that the president of the University be authorized to release those items when appropriate. It is further recommended that all other matters considered in executive session for the period be made available to the public.

I concur.

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.

BOARD MEETING RECESSED

The board recessed to reconvene in regular session at 8:30 a.m. on Thursday, November 9, 2000.

BOARD MEETING, NOVEMBER 9, 2000

When the board reconvened in regular session at 8:50 a.m., the members of the board, officers of the board, and officers of the University as recorded as present on the previous day were present.

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

Chair Engelbrecht asked if there were questions regarding the agenda for this meeting or other matters. No questions were presented.

REPORT FROM PRESIDENT, UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION

Mr. Engelbrecht introduced Mr. Loren R. Taylor, president and chief executive officer of the University of Illinois Alumni Association, and asked him to present an update on activities of the Alumni Association for the last year.

Mr. Taylor summarized the activities for the past year (materials are filed with the secretary) and announced that the Alumni Association is the second largest such organization in the nation. He spoke of benefits and opportunities offered members, especially the provision of an e-mail address, internet access, and a directory of all alumni. He elaborated on the size of the association, noting that there are 80,000 life members, a larger group than some entire alumni associations in the country.

REPORT FROM PRESIDENT, UNIVERSITY OF ILLINOIS FOUNDATION

Next, Mr. Engelbrecht asked Dr. Sidney S. Micek, president of the University of Illinois Foundation, to present information on the activities of that

organization for the length of time that Dr. Micek has been its president—10 months.

Dr. Micek presented the highlights of the Foundation's work for the last 10 months (materials are filed with the secretary). First he spoke of the importance of developing relationships for fundraising; second he stressed the importance of administering the gifts received, and third, he commented on the importance of good stewardship of gifts and of donors noting that major donors tend to give more than once. He also described the different categories of gifts the Foundation receives including cash and securities, planned gifts, and property of various kinds. In addition, he told the board that most gifts received are designated for a specific purpose. He said that gifts that are unrestricted as to purpose are rare and noted that of the \$160.0 million received last year just two percent was in the form of unrestricted gifts. He also reported that in the last decade the amount of money in gifts has doubled from \$80.0 million to \$160.0 million last year.

He briefly discussed Campaign Illinois, and said that 70 percent of potential donors are yet to be contacted. He then discussed plans to build the endowment of the University and the importance of increasing this. He also stated some specific projects on each of the campuses for which special campaigns are underway. He concluded his remarks by stating that the excellence of the University needs to be spread more widely.¹

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

At 9:30 a.m. the board recessed for meetings of the Committee on Academic Affairs, the Committee on Buildings and Grounds, the Committee on the University Hospital and Clinics, and a Meeting of the Board as a Committee of the Whole.

MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

Dr. Gindorf convened this meeting and invited Professor Frank Kopecky, former chair of the Senate at Springfield, for a report of the senate's activities for the past year. Professor Kopecky gave highlights of the work of the senate for this period (materials are filed with the secretary). He mentioned the senate's schedule for meetings, noted that a faculty advisory committee was added to the senate last year which puts the Springfield senate in compliance with the other campus senates, and stated that the senate is concerned about benefits and salary competitiveness for faculty. In closing he urged more interaction between the board and the faculty.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Dr. Schmidt convened this committee and asked Mr. Robert K. Todd to present the items on the agenda for the committee. Mr. Todd then introduced Mr. John Jackson of the architectural firm of LZT, Bohlin, Cywinski, Jackson, for the presentation of the design for the Thomas M. Siebel Cen-

¹Mr. Plummer left the meeting at 9:30 a.m.

ter for Computer Science at Urbana. Mr. Jackson commented on the changes made since the preliminary design was presented to the board in September 2000 and said that Mr. Siebel enthusiastically supports these changes. He then proceeded to describe the design (materials are filed with the secretary). Discussion followed and on motion of Ms. Reese the design was approved.

The next subject presented was a design for the University Hall plaza at Chicago. Professor Peter Hale, Department of Art History, described the setting and the design of the artist, Mr. Vito Acconci. He described the plan of integrating the grid design of University Hall with the area of the plaza by replicating a grid design in the plaza and landscaping the area with various foliage and water features (materials are filed with the secretary). On motion of Dr. Gindorf, the design was approved.

Mr. Todd then presented an update on the development of the south campus in Chicago and Vice Chancellor Stanton Delaney reported to the board that a master plan for this was nearly complete (materials are filed with the secretary). Dr. Delaney described plans for student residence halls, private housing, and the need for additional acquisition of property in this area for the campus. Dr. Bazzani commented on the financing arrangements and plans for repaying the debt incurred.

Dr. Schmidt thanked all involved in the presentations and concluded the meeting.

MEETING OF THE COMMITTEE ON THE UNIVERSITY HOSPITAL AND CLINICS

Dr. Gindorf, serving in Mr. Plummer's stead, convened this meeting and asked Dr. Charles L. Rice, vice chancellor for health affairs at UIC, to present information on the performance of the hospital for the first quarter. Dr. Rice then reviewed several performance measures, noting that revenues were slightly above what was expected and expenditures for salaries were \$500,000 more than the amount budgeted, due to the need to hire agency nurses during this quarter. He added that the number of agency nurses is dropping due to more success in recruiting full-time nurses (materials are filed with the secretary). He concluded his remarks by observing that for the second quarter, clinic visits and the number of patient days in hospital are up.

Dr. Rice also reported that the University of Illinois Health Maintenance Organization (UIHMO) would continue through spring semester 2001 in order to serve students at the Chicago campus who are enrolled in it. Dr. Rice reiterated the plan to discontinue this after that time, when a separate and comparable health insurance is found for students.

Further, he commented on proposals to change the manner in which intergovernmental transfers for reimbursement for Medicaid are calculated. He told the board that this is still undecided and that Representative Dennis Hastert, Speaker of the U.S. House of Representatives, was working on this in order to maintain something similar to the current practice.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Engelbrecht invited Chancellor Manning to present a report on the Chicago campus, and her plans for it (materials are filed with the secretary). Dr. Manning began her remarks with the statement that UIC is the model public research university in the nation. She proceeded to discuss six characteristics of the campus: its excellent academic programs; its world-class research; its commitment to the concept of the Great Cities Program and to the city of Chicago; its engagement with the cultural and economic riches of Chicago; its outstanding health care; and its 21st century diversity represented in all groups at UIC. She then emphasized what she saw as the needs for the next few years: enhancement of undergraduate recruitment and retention; improvement of graduation rates; participation of undergraduates in research; establishment of a post-baccalaureate niche for UIC; and further development of the Great Cities Program objectives. In closing she stressed that public outreach exemplified in teaching, research, and service is important to all parts of the campus.

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 commented on the extraordinary changes that will occur within the University in the next five years, including the introduction of the major new information systems and changes regarding the transfer of the University's research to commercialized forms and spoke of the need for the board's support in these endeavors.

Good News from the Campuses

President Stukel announced that three Urbana campus faculty members were among the 59 young researchers President Clinton recently named as recipients of the fifth annual Presidential Early Career Awards for Scientists and Engineers, the highest honor bestowed by the United States government on young professionals at the outset of their independent research careers. These faculty members are: Youssef Hashash, assistant professor, civil and environmental engineering; Barbara Minsker, assistant professor, civil and environmental engineering; and Randall Singer, assistant professor, veterinary pathobiology.

Next he reported that Christiana Rastellini, assistant professor of surgery and director of cell transplantation at Chicago, was included in *Crain's Chicago Business's* annual "40 Under 40" feature. Dr. Rastellini was cited for her research into Type I diabetes, a disease that afflicts nearly 1.5 million Americans, striking most before the age of 30.

¹University Senates Conference: Donald L. Uchtmann, professor of agricultural and consumer economics, Urbana-Champaign campus; Chicago Senate: William G. Jones, assistant university librarian and associate professor, University Library, and secretary of the faculty senate; Springfield Senate: Katharine Dehen, financial aid adviser II; Urbana-Champaign Senate Council: Joseph W. Stucki, professor of soil science.

Comments from the Chancellors

The president then invited comments from the chancellors and asked Chancellor Lynn to speak first. She introduced Mr. John Conner, newly appointed vice chancellor for administration at Springfield.

Chancellor Manning reported on the planned visit to the campus next week of Prime Minister Ehud Barak of Israel. She said he is coming to speak to the United Jewish Communities annual meeting. She noted that security concerns were paramount and that the campus was planning to address these.

OLD BUSINESS

Mr. Engelbrecht asked for any reports from the board. Dr. Gindorf commented on a meeting of the Board of Managers of IllinoisVENTURES, LLC, on which he serves with Mr. Shea as the two trustee members. He indicated that this was for the purpose of discussing the job description and compensation for the executive director of IllinoisVENTURES.

Mr. Shea then reported on a meeting of the Board of Managers of the Research Park at Urbana, on which he serves with Dr. Schmidt as the two trustee members. He stated that this board discussed tenants for the research park.

Mrs. Gravenhorst brought remarks about the meeting she attended of the Council of Board Chairs of the Association of Governing Boards in Washington, D.C. She stated that of the topics discussed by these current and former board chairs one of interest to all was a discussion of relations among students of diverse backgrounds and the challenge of bringing about more interaction and less separatism. She went on to say that the group also discussed communication between board members and faculty as an extremely important matter and one that is difficult to perfect. She concluded by stating that other topics touched on were the building of endowments and issues concerning distance learning.

NEW BUSINESS

Mr. Engelbrecht asked for comments under this aegis. Mrs. O'Malley announced that the third and last hearing on the status of women on campus would be held at the Springfield campus on December 6, 2000. She added that information from this hearing would be added to the report that is being prepared for the board on this subject.

Mr. Engelbrecht then asked the student trustees for any comments they wished to make. Ms. Glezen noted that the voter registration effort on the Urbana campus had been very successful, and that many students registered and voted in the recent presidential election.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees special meeting of June 8-9, 2000, copies of which had previously been sent to the board.

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

REGULAR AGENDA

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

Revision of the *Bylaws* of the Board of Trustees

(4) A working group of the Trusteeship Committee¹ has reviewed the *Bylaws* of the Board of Trustees and suggested changes to those *Bylaws*. The chair of the board and the group responsible for these revisions now recommend revision of the *Bylaws* as indicated.

This represents a general editing and updating of the *Bylaws*.

(The *Bylaws* of the Board of Trustees is printed as an appendix to these minutes.)

In considering this item, there was discussion and a motion was made by Dr. Schmidt to amend Article VIII, Section 2, of this document as follows. (Deleted language is lined-through; new language is in italics.)

These *Bylaws* may be amended or repealed at any regular meeting of the board by a majority vote of record of ~~all the voting members of the board constituting it by law,~~ provided that copies of such amendments shall be submitted in writing and furnished each member ~~at the beginning of such meeting~~ *at least 30 days prior to such meeting.*

Dr. Schmidt explained that this is intended to provide ample time for the board to review future revisions to the *Bylaws*.

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

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 5 through 7 inclusive. The recommendations were individually discussed but acted upon at one time.

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

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

(5) 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).

¹Working group: Susan L. Gravenhorst, chair, Trusteeship Committee; Roger L. Plummer; Gerald W. Shea.

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

*ALEXANDER S. ARUIN, associate professor of physical therapy, beginning October 2, 2000 (A), at an annual salary of \$82,500.

HUAN J. CHANG, assistant professor of medicine, College of Medicine at Chicago, on 100 percent time, beginning September 1, 2000 (1Y100), at an annual salary of \$90,000. Dr. Chang will continue as physician surgeon in medicine on zero percent time, non-salaried (N), for a total salary of \$90,000.

*SANDER L. GILMAN, Liberal Arts and Sciences Distinguished Professor of Humanities, non-tenured and non-salaried, on zero percent time; professor of history, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 35 percent time; professor of German, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 35 percent time; professor of medical education, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 15 percent time; professor of psychiatry, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 15 percent time; and professor of art history, College of Architecture and the Arts, non-tenured and non-salaried, on zero percent time, beginning August 21, 2000 (N;A35;A35;A15;A15;N), at a total annual salary of \$200,000.

MIGUEL ANGEL GONZALEZ-MELER, assistant professor of biological sciences, beginning September 13, 2000 (1), at an annual salary of \$53,000.

PRASAD V.K. KANTETI, associate professor of microbiology and immunology, College of Medicine at Chicago, August 1-August 20, 2000 (N), \$5,185, and for three years beginning August 21, 2000 (Q), at an annual salary of \$70,000.

*EDWARD DOUGLAS LEWANDOWSKI, professor of physiology and biophysics, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, beginning August 21, 2000 (A100), at an annual salary of \$120,000. Dr. Lewandowski was also appointed to serve as director, Program in Integrative Cardiac Metabolism, College of Medicine at Chicago, on zero percent time on an academic year service basis with an administrative increment of \$29,910, beginning August 21, 2000 (N), for a total salary of \$149,910.

JOHN W. LONG, assistant professor, College of Education, beginning August 21, 2000 (1), at an annual salary of \$57,365.

ANDREW JAMES MANIOTIS, assistant professor of pathology, College of Medicine at Chicago, beginning September 15, 2000 (3), at an annual salary of \$76,100.

RAMANI S. PILLA, assistant professor of biostatistics, Division of Epidemiology and Biostatistics, School of Public Health, beginning August 28, 2000 (1), at an annual salary of \$57,273.

YOGENTHIRAN SAUNTHARARAJAH, assistant professor of medicine, on 51 percent time, and physician surgeon in medicine, on 49 percent time, College of Medicine at Chicago, beginning September 1, 2000 (1Y51;NY49), at an annual salary of \$100,000.

INA ZWEINIGER-BARGIELOWSKA, assistant professor of history, beginning August 28, 2000 (3), at an annual salary of \$48,000.

Emeriti Appointments

GERALD A. DANZER, professor emeritus of history, August 1, 2000

DARIO GIACOMONI, associate professor emeritus of microbiology and immunology, College of Medicine at Chicago, September 1, 2000

RIAZ-UL HAQUE, associate professor emeritus of microbiology and immunology, College of Medicine at Chicago, September 1, 2000

WILLIAM A. HOISINGTON, professor emeritus of history, June 21, 2000

WAYNE A. KERSTETTER, associate professor emeritus of criminal justice, December 9, 2000

EMANUEL MARGOLIASH, professor emeritus of biological sciences, September 1, 2000

GORDON E. MISNER, professor emeritus of criminal justice, January 1, 2001

W. KENT WILSON, associate professor emeritus of philosophy, July 1, 2000

Urbana-Champaign

Emeriti Appointments

GREGORY J. CONNOR, associate professor emeritus, Police Training Institute, June 1, 2000

ALAN J. PARKER, professor emeritus of veterinary clinical medicine, January 1, 2001

LOIS M. PAUSCH, associate professor emerita of library administration, University Library, March 1, 2000

RICHARD MERRITT, professor emeritus of political science, and research professor emeritus, Institute of Communications Research, May 21, 2000

Administrative/Professional Staff

FRED DELCOMYN, director, School of Integrative Biology, College of Liberal Arts and Sciences, Urbana-Champaign, on 100 percent time on an academic year basis, at an annual salary of \$100,000 plus an administrative increment, on an academic year service basis, of \$6,000, beginning November 13, 2000 (N100;N). Dr. Delcomyn was appointed to serve as interim director, School of Integrative Biology, under the same conditions and salary arrangement beginning October 2, 2000. He will continue to hold the rank of professor of entomology, on indefinite tenure on an academic year service basis, on zero percent time, and professor of physiology in the Department of Molecular and Integrative Physiology, non-tenured, on zero percent time (A;N), for a total salary of \$106,000.

HOWARD S. JEON, director, Advanced Prosthodontics Fellowship Program, College of Dentistry, Chicago, on zero percent time on a twelve-month service basis with an administrative increment of \$26,250, beginning November 13, 2000 (NY). Dr. Jeon was appointed to serve as visiting director, Advanced Prosthodontics Fellowship Program, under the same conditions and salary arrangement beginning September 1, 2000. He will continue to hold the title of clinical assistant professor of restorative dentistry, non-tenured, on a twelve-month service basis, on 100 percent time (NY100), at an annual salary of \$75,830, for a total salary of \$102,080.

CHARLES G. MILLER, director, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, Urbana-Champaign, on 89 percent time, on an academic year service basis, at an annual salary of \$134,243 plus an administrative increment, on an academic year service basis, of \$10,000, beginning November 13, 2000 (N89;N). Dr. Miller was appointed to serve as interim director, School of Molecular and Cellular Biology, under the same conditions and salary arrangement beginning August 21, 2000. He will continue to hold the rank of professor of microbiology, on indefinite tenure on an academic year service basis, on zero percent time, and will continue to serve as interim director, School of Life Sciences Support, Department of Basic Sciences, College of Medicine at Urbana-Champaign, on an academic year service basis, on 11 percent time (A;N11), at an annual salary of \$16,592, for a total salary of \$160,835.

*J. REGAN THOMAS, head of the Department of Otolaryngology-Head and Neck Surgery, College of Medicine at Chicago, on zero percent time on a twelve-month service basis with an administrative increment of \$50,000, beginning January 8, 2001 (KY). Dr. Thomas will be appointed to the rank of professor of otolaryngology on indefinite tenure on a twelve-month service basis, on 50 percent time, at an annual salary of \$100,000, Lederer Professor of Otolaryngology (non-tenured and non-salaried), on zero percent time, and will serve as physician surgeon in otolaryngology, on 50 percent time, at an annual salary of \$200,000, College of Medicine at Chicago, beginning January 8, 2001 (AY50;NY50). In addition, he will hold the title of chief of service, Otolaryngology, University of Illinois Hospital and Clinics, on zero percent time on a twelve-month service basis with an administrative increment of \$50,000, beginning January 8, 2001 (NY), for a total salary of \$400,000.

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

Change in Departmental Organization, Department of Anthropology, College of Liberal Arts and Sciences, Chicago

(6) The dean of the College of Liberal Arts and Sciences at Chicago has recommended that the governance of the Department of Anthropology be changed from its present arrangement of having a chair to that of a department head.

In accordance with Article IV, Section 4, of the University of Illinois *Statutes*, the dean received a petition from at least one-fourth of the faculty of the Department of Anthropology requesting that the form of organization be changed. The dean met with the faculty of the department and conducted a poll of the departmental faculty by secret written ballot. A majority of the faculty (87 percent) favored the change to the headship form of organization.

It is the judgment of the department that a headship form of governance will give the department greater stability, focus, and strength of leadership during a period of reorganization and projected growth.

The interim provost and vice chancellor for academic affairs, the chancellor at Chicago, as well as the acting vice president for academic affairs, concur in this recommendation.

I recommend approval.

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

Revision of "Procedures Governing Appearances Before the Board of Trustees"

(7) In 1969, the Board of Trustees adopted procedures to govern the receipt of comments from various individuals and groups at its meetings on matters within the purview of the board. Those procedures were amended in March 1996 and are in effect today.

Public Act 91-715, signed by Governor Ryan on June 2, 2000, amends the enabling statute for each public university in Illinois by requiring each to allow public comment and questions at open meetings. The Act adds the following sentence at the end of a section of the University of Illinois Act (110 ILCS 305/11):

At each regular and special meeting that is open to the public, members of the public and employees of the University shall be afforded time, subject to reasonable constraints, to make comments to or ask questions of the board.

While the University already allots time for public comment, its procedures should be revised to be consistent with the language of Public Act 91-715. A copy of the proposed new procedures follows. The proposed changes reflect the language of the new law, contain some refinements in the procedure, and include some editing. The revised procedure is similar to procedures being implemented by other public universities in Illinois. Since the Act takes effect on January 1, 2001, any such revisions should be made before the next meeting of the board, which is scheduled for January 17-18, 2001.

I recommend approval of the revision of the "Procedures Governing Appearances Before the Board of Trustees."

Procedures Governing Appearances Before the Board of Trustees

1. Requests to address the Board: Requests to appear before the Board to make comments to or ask questions of the Board must be received by the Secretary in writing no later than three business days before the Board meeting at which the individual wishes to speak. The Secretary will review this request and notify the person making the request whether he/she may give public comment at the next meeting. The request should set out clearly the nature of the subject matter to be presented and must relate to matters within the jurisdiction of the Board of Trustees. In making a request to appear before the Board, individuals must give their names and any relevant title or affiliation. Substitute speakers will not be permitted.
2. Time allocation: The Board will allow up to thirty minutes for public comment/questions per meeting. An individual speaker will be permitted five minutes for a presentation. This will be strictly adhered to with assistance of a timekeeper. Thus,

a maximum of six speakers will be recognized for each Board meeting. Copies of speakers' comments, questions, and/or other written materials for distribution to the Board of Trustees will be accepted. Responses to questions will be provided within a reasonable amount of time.

3. Scheduling of speakers: When the number of requests to address the Board at a given session exceeds the time available, requests will be approved based on the date the written request was received by the Secretary of the Board. In addition, preference will be given to subject matters that relate to the agenda for the relevant Board meeting and to avoid repetitiveness. Finally, the Board will not hear presentations or entertain questions on the following topics: issues under negotiation as part of the University's collective bargaining process; statements concerning the private activities, lifestyles, or beliefs of individuals employed by or associated with the University; grievances of individual students or employees; proposals or bids for contracts; or litigation involving the University.
4. Scheduling of sessions: The Chair will preside during Board of Trustees' sessions to receive public comment/questions. The Secretary is responsible for scheduling such sessions, which normally will occur after the committee meetings of the Board and before the regular agenda.

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. 8 through 15 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Authorize Appointments to the Board of the University of Illinois Research Park, LLC, Urbana

(8) At the January 13, 2000, Board of Trustees meeting, the board authorized formation of the University of Illinois Research Park, LLC, a limited liability company, to assist the University in developing and operating the UIUC research park. At its April 13, 2000, meeting, the Board of Trustees approved a Board of Managers of the LLC composed of the following voting members:

1. Two members of the Board of Trustees (Trustee Gerald W. Shea, three-year initial term; Trustee Kenneth D. Schmidt, two-year initial term);
2. The vice chancellor for research of the University of Illinois at Urbana-Champaign (Tony Waldrop, one-year initial term);
3. Two deans of colleges of the University of Illinois at Urbana-Champaign (William Schowalter, dean, College of Engineering, three-year initial term; David Chicoine, dean, College of Agricultural, Consumer and Environmental Sciences, one-year initial term);
4. One State of Illinois government official (name, affiliation, two-year initial term); and
5. Three external business leaders who will be nominated by the president and submitted to the Board of Trustees for approval at a subsequent board meeting for initial one-, two-, and three-year terms.

I am now in a position to recommend two of the three business leaders and the government official (mentioned above) to serve on the Board of Managers. They are: Edwin A. Scharlau II, chairman of the board, Busey Bank, First Busey Securities, Inc., and First Busey Trust and Investment Co. (three-year initial term); Edward L. McMillan, chairman of the board, AEI Environmental Inc. (two-year initial term); and Pamela M. McDonough, director, Illinois Department of Commerce and Community Affairs (two-year initial term).

This action will complete the appointment of eight of the nine voting members approved last April. I ask that the Board of Managers be delegated authority to name and

appoint the ninth voting member (business leader). At its October 12, 2000, meeting, the board increased the voting members to eleven by adding two more members to be selected from outside the University, with the understanding that the Board of Managers would be delegated authority to name and approve these additional members. This change will be reflected in the Research Park Operating Agreement and the managers will approve these three additional members (for a total of 11) at their next meeting.

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

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

Amendment to Master Developer Agreement for the South Campus Project, Chicago

(9) In April 1999, the University entered into a master development agreement (MDA) with South Campus Development Team, LLC (SCDT) for the implementation of the South Campus Master Development Plan.

The MDA specified three service delivery components:

1. Administrative and management services for the overall project development including multi-project development, community organization interface liaison with governmental entities, and maintenance of a South Campus development office in the project area;
2. South Campus project management services for individual project developments including the planning, administration, coordination, and program management from project initiation through completion of the construction;
3. Development of private housing on South Campus land purchased from the University.

In addition, the MDA provides that if the University requires related services (i.e., retail leasing, post construction operation and management, etc.) for a completed project development, SCDT may provide those services pursuant to negotiated amendments to the MDA.

The chancellor at Chicago, with the concurrence of appropriate administrative officers, recommends an amendment to the MDA for SCDT to provide leasing services (retail services) for the retail areas to be developed along Halsted and Maxwell Streets as part of the South Campus Master Development Plan. Preliminary estimates of the size of the retail areas total approximately 120,000 square feet of space.

Retail services shall include the development of a comprehensive leasing plan satisfactory to the University including coordinating the production of marketing materials, interviewing prospective tenants, negotiating the terms of lease agreements with prospective tenants selected by the University, and such other services as may be reasonably required to implement the retail leasing element of the South Campus Master Development Plan, at the direction of the University Administration.

Compensation for the retail services shall consist of a planning fee of \$50,000, for the costs associated with preparing the comprehensive leasing plan, and a leasing administration fee equal to \$10.00 multiplied by the number of rentable square feet comprising each retail space for which a lease is executed. SCDT shall pay the commissions due any brokers or cooperating broker(s) that have been retained by tenants who have executed such lease agreement(s). SCDT shall not be responsible to pay any brokerage commission due any person or entity who has been retained by the University, nor shall it earn a fee for any retail spaces operated as auxiliary services by the University.

Funds are available from the Campus Auxiliary Services Operating funds.

The vice president for administration recommends approval.

I concur.

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

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

Lease of Space for University Administration

(10) The president of the University with the concurrence of the appropriate University officers recommends, subject to the availability of funds and the resolution of final lease terms satisfactory to the University, that the comptroller be authorized to execute an agreement with JSM Apartments to lease approximately 26,940 square feet on the second floor, and up to 7,000 square feet on the first floor of the Technology Plaza building at 616 East Green Street, Champaign. The space will provide offices and conference space for units of the University Administration.

The proposed agreement constitutes the lease of the entire rentable area of the second floor, and the option to lease additional space on the first floor of the mixed-use building now under construction and scheduled for completion in the summer of 2001. If authorized, the agreement will commence on or about June 1, 2001, for a five year term. The first lease year annual gross base rent for the second floor space will be \$410,835 (\$15.25 per square foot). If the University executes the option to lease the first floor space, the first year annual gross rental will be at a rate of \$21.25 per square foot. These rental rates will escalate annually at \$.25 per square foot (1.64 percent).

The University will be responsible for reimbursing the landlord for the costs for space planning, and also for space fit-up to meet the University's plans and specifications to the extent the final specifications exceed the standard office fit-up allowance for the building. The reimbursable costs may be paid in a lump sum amount or as additional rent as determined by the University. Furthermore, the University will have the option to renew the lease for five additional single-year periods upon the same terms and conditions but at a rental determined by the parties to be consistent with the market at the time of renewal.

The proposed lease is in compliance with the provisions of the Illinois Procurement Code. The rental costs are competitive with the cost of comparable rental space in the community.

For the current fiscal year, funds are available from the Fiscal Year 2001 Institutional Funds Operating Budget of the University Administration. For future fiscal years, funds for the agreement will be included in the University Administration's institutional funds operating budget authorization requests to be submitted to the Board of Trustees. The agreement is subject to the Board of Trustees approval of the annual budget.

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

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

Lease of Space, 2445 South Rockwell, Chicago

(11) The chancellor at Chicago recommends that the University contract with Jameson Realty Group to lease 45,000 square feet of industrial warehouse space at 2445 South Rockwell, Chicago, Illinois, for the period December 1, 2000, through November 30, 2005. The leased space is necessary to provide secure storage and protection from damage and weathering for the twelve building facades dismantled in the South Campus area. These facades will be reused as architectural elements along Maxwell Street when buildings are reconstructed there.

The lease would provide for an initial occupancy of 10,000 square feet, stepping up to 25,000 square feet by April 2001 and to full occupancy of 45,000 square feet by September 2001. The starting rental rate is \$3.83 per square foot, escalating at 2 percent per year thereafter. Annual rental costs in year 1 are estimated at \$95,750, and would range from \$175,000-\$185,000 each year thereafter. There would be no additional tax or operating costs passed through from the landlord.

Should storage not be necessary for the full term, the lease would include a cancellation provision at the end of the third and fourth lease years. The University would be required to provide six months advance notice of its intent to terminate and pay a cancellation penalty of \$14,000 (end of year 3) or \$8,000 (end of year 4).

The search for space was conducted in accordance with the requirements of the Illinois Procurement Code. Lease costs will be paid from UIC South Campus Development Project Revenue Bonds, Series 1999 and 2000.

I concur.

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

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

Lease of Space, National Center for Supercomputing Applications, Urbana

(12) The chancellor at Urbana with the concurrence of the appropriate University officers recommends, subject to satisfactory resolution of final lease terms, that the comptroller be authorized to execute an agreement with Fox/Atkins Development, LLC, to lease approximately 30,000 square feet in the South Research Park. Further, he recommends termination of two leases with Par 3 Development, LLC, entered into in 1997 and 1998 for properties on Fox Drive, Champaign, totaling approximately 31,000 square feet of space.

The user of the existing and proposed space is NCSA. The proposed change of location in leased properties reflects the commitment of the University to local economic development. Negotiations for a new lease arrangement are currently underway and it is contemplated that the relocation will occur soon after January 1, 2001, or whenever the Research Park Building is available, whichever is later.

When the proposed NCSA building is constructed on the north campus, the terms of the lease will be evaluated to fit the NCSA program needs. The base annual rental rate is anticipated at \$15.00 per gross square foot, with the landlord responsible for the build-out space. The landlord will also pay for the relocation of NCSA from Fox Drive to the South Research Park with the expense levels to be included in the lease agreement. The rental costs are competitive with the cost of comparable rental space in the community. The comptroller will report the final costs to the board should they exceed the above estimates.

Funds for Fiscal Year 2001 are included in the Institutional Funds Operating Budget of the NCSA at the Urbana-Champaign campus.

I concur.

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

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

Purchases

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

The purchases were presented in one category—purchases from institutional funds. The 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 amount of these purchases from institutional funds was \$23,119,313.

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

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

Authorization to Acquire Real Estate

(14) In January 1994, as part of a series of administrative streamlining proposals, the Board of Trustees approved a revision of the dollar limits on purchases, leases, and contracts requiring specific board authorization. Real estate acquisitions were addressed in two ways. The board delegated to the comptroller the authority to acquire real estate located *within* the approved Master Plan boundaries of each campus. Prior board authorization was required for real estate *outside* the Master Plan boundaries.

Real estate acquisitions generally are funded by the Institutional Funds Operating Budget of each campus. If such funds are not immediately available, the University may request that the University of Illinois Foundation purchase the property and hold it for later acquisition by the University in accordance with the Legislative Audit Commission Guidelines. In such cases the property is then leased to the University at a rate that is sufficient to pay the carrying costs until resources are available for acquisition by the University or other appropriate action.

From time to time there are unique opportunities to acquire real estate located *outside* the approved Master Plan boundaries that can fulfill important programmatic objectives of the campuses. The process necessary to acquire this real estate may be sensitive and require immediate action. It therefore would be beneficial for the board to broaden the existing delegation to the comptroller to include real estate *outside* the approved Master Plan boundaries of each campus as well as *within*. To that end, the president of the University with the concurrence of the appropriate University officers recommends that to fulfill important programmatic objectives of the campuses, the comptroller be authorized to: acquire real estate outside the Master Plan boundaries, or, in the alternative, to request that the Foundation acquire such properties. In every instance the identities of the properties and possible terms will be discussed in advance with the board in Executive Session, or in the absence of a regular board meeting then with the Executive Committee of the Board of Trustees, consistent with the Illinois Open Meetings Act. If acquired by the Foundation the properties will be leased by the University from the Foundation at a rate that will cover their carrying costs and the cost of acquisition over a period not to exceed ten years. It is intended that the University eventually would acquire the properties from the Foundation in accordance with Legislative Audit Commission Guidelines.

For the current fiscal year, funds to lease the properties from the Foundation will be included in the Institutional Funds Operating Budget of the appropriate campus. For future fiscal years funds for the lease will be included in the appropriate campus' Institu-

tional Funds Operating Budget authorization request to be submitted to the Board of Trustees. The lease is subject to the Board of Trustees approval of the budget.

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

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

Disclosure of Executive Session Minutes Under Open Meetings Act

(15) Under an amendment to the Open Meetings Act passed by the General Assembly, effective July 1, 1989, public bodies subject to the Act which conduct business under exemptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exemption.

Unreleased items from October 1999 through May-June 2000 are attached and are marked to indicate which items considered in executive session are recommended for continuing confidential status in order to protect the public interest or the privacy of an individual. When the need for confidentiality has passed they will be released. (Attached materials are filed with the secretary of the board for record.)

The university counsel and the secretary of the board, having consulted with appropriate University officers, recommend that the indicated items retain confidential status at this time and that the president of the University be authorized to release those items when appropriate. It is further recommended that all other matters considered in executive session for the period be made available to the public.

I concur.

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

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

Additional Motion

(16) Mr. Shea made a motion to ask the secretary to compile the policies of the board that are not collected in other publications. He added that this would serve as an appendix to the *Bylaws* of the Board of Trustees.

By consensus, this motion was approved.

Comptroller's Financial Report Quarter Ended September 30, 2000

(17) The comptroller presented his quarterly report as of September 30, 2000. A copy has been filed with the secretary of the board.

This report was received for record.

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, 2000.

Summary

Degrees Conferred October 15, 2000

Graduate Degrees

| | |
|---|-------|
| Doctor of Education | 4 |
| Doctor of Musical Arts | 6 |
| Doctor of Philosophy | 274 |
| <i>Total, Doctors</i> | (284) |
| Master of Arts | 17 |
| Master of Computer Science | 4 |
| Master of Education | 5 |
| Master of Fine Arts | 2 |
| Master of Landscape Architecture | 2 |
| Master of Music | 3 |
| Master of Science | 63 |
| Master of Urban Planning | 4 |
| <i>Total, Masters</i> | (100) |
| Advanced Certificate in Education | 1 |
| <i>Total, Certificates</i> | (1) |
| <i>Total, Graduate Degrees</i> | 385 |

Professional Degrees

| | |
|--|---|
| College of Law | |
| Juris Doctor.. . . . | 1 |
| <i>Total, Professional Degrees</i> | 1 |

Undergraduate Degrees

| | |
|---|---|
| Bachelor of Science | 1 |
| <i>Total, Undergraduate Degrees</i> | 1 |

| | |
|--|-----|
| <i>Total, Degrees Conferred October 15, 2000</i> | 387 |
|--|-----|

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Engelbrecht called attention to the schedule of meetings for the next few months: January 17-18, 2001, Chicago (Annual Meeting); March 7-8, Urbana; April 11-12, Springfield. There is no meeting scheduled for December.

There being no further business, the board adjourned.

| | |
|---------------------|------------------------|
| MICHELE M. THOMPSON | WILLIAM D. ENGELBRECHT |
| Secretary | Chair |