

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

September 12, 2002



This meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B and C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, September 12, 2002, beginning at 8:05 a.m.

Chair Gerald W. Shea called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Gerald W. Shea, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf,¹ Mrs. Susan L. Gravenhorst, Mr. Thomas R. Lamont,² Mr. Roger L. Plummer, Dr. Kenneth D. Schmidt, Mrs. Marjorie E. Sodemann, Mr. Robert F. Vickrey. Governor George H. Ryan was absent. Mr. Noah L. Wolfe,³ voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Art Moore, Springfield campus; Mr. Keely J. Stewart, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen

¹Dr. Gindorf joined the meeting at 8:40 a.m.

²Mr. Lamont joined the meeting at 8:20 a.m.

³Mr. Wolfe joined the meeting at 8:25 a.m.

K. Rugg, 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; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

MOTION FOR EXECUTIVE SESSION

Chair Shea stated: "A motion is now in order to hold an executive session to consider the following subjects: University employee matters; collective negotiating matters; the purchase or lease of real property for the use of the University; campus security and plans to augment this in the wake of the September 11, 2001, terrorists' attacks and subsequent threats to security across the country; and pending, probable, or imminent litigation against, affecting, or on behalf of the University."

The motion was made by Mrs. Gravenhorst and approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Mrs. Gravenhorst, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey; no, none; absent, Dr. Gindorf, Mr. Lamont, Governor Ryan, Mr. Wolfe.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

EXECUTIVE SESSION

University Employee Matters

Chancellor Cantor reported on her plan to establish a new administrative position on her staff that would involve the promotion of an individual currently on the staff. She named this individual. The chancellor explained that the new position would address the campus's external relations and community relations essential for scholarly pursuits, including those programs at the Illini Center in Chicago.

Dr. Gindorf noted the recommendation in the agenda for today's meeting for appointment of a chief executive officer (CEO)/managing director, IllinoisVENTURES, LLC. He named the individual recommended. Dr. Gindorf stated that he had served on the search committee for this position, and that he thought that the individual recommended was the best candidate. Mr. Plummer then said that he supported this recommendation for appointment and thanked Dr. Gindorf and other members of the search committee for their work on this search.

Collective Negotiating Matters

Chancellor Manning announced that negotiations with the Illinois Nurses Association for a new contract had been extremely successful. She said that concessions were gained for cost savings and management flexibility. She read an excerpt from a letter from the attorneys who served as negotiators for the campus stating salutary comments about the current management of the hospital.

Purchase or Lease of Real Property for the Use of the University

Mr. Rugg commented on a planned purchase of land at 1259 South Halsted for the south campus development of the Chicago campus. He stated that the purchase price was half way between the University's appraisal and the owner's appraisal. He added that this will be part of the adaptive re-use of land in this area for the south campus. He also informed the board that the property owned by the United Parcel Service was the only remaining property in the south campus development area that had not been acquired, and that negotiations to purchase this were underway.

Campus Security and Plans to Augment This in the Wake of the September 11, 2001, Terrorists' Attacks and Subsequent Threats to Security Across the Country

Chancellor Manning reported to the board information about research initiatives that the faculty at the Chicago campus might undertake with Federal funding. She said that certain opportunities for research have emerged in response to the attacks on the country on September 11, 2001. The chancellor asked Dr. Charles Rice, vice chancellor for health affairs, to describe the initiatives. He described a multifaceted program that would include planning for immunizations for protection against biological weapons and psychological research, and stated that the research would also involve training of first response personnel. Dr. Rice explained that if the program were funded it would be carried out within the new College of Medicine Research Building. In addition he said that another aspect of the program would be the creation of a center for research into immunology that would require construction of a special facility. He said engineering plans for this facility would be required as part of the application for funding for the center. The chancellor then told the board that she thought a construction contract would require approval by the board before the next board meeting, and that she hoped that with the explanation provided here the board would be willing to allow the Executive Committee of the board to approve the contract in the next several weeks so that the proposal for funding would be complete. The board discussed the proposed research plans and agreed by consensus to permit the Executive Committee to act on a recommendation for appointment of a construction contractor before the next board meeting if necessary. Chancellor Manning also told the board that staff in the governor's office were apprised of these plans and were supportive. Mr. Shea suggested that the local legislators be made aware of the plans as well. And, Dr. Schmidt stated that the Illinois Medical District Commission, which he chairs, had experience in building community support and offered their services.

Pending, Probable, or Imminent Litigation Against, Affecting, or on Behalf of the University

Mr. Bearrows presented the facts in a recommendation for settlement that is in the agenda for this meeting, concerning a patient that developed a post-operative infection. He explained the basis for the settlement recom-

mentation, including significant pain, suffering, and inconvenience endured by the patient. He also noted the opinion of an external expert that argued for settlement. Dr. Charles L. Rice, vice chancellor for health affairs, was consulted during the discussion and concurred with the recommendation for settlement.

Next, Mr. Bearrows commented on a case that will be referred to the Executive Committee for consideration because it was not presented to the public in time for consideration at this meeting. This case involves sexual harassment among students at University High School, the University's laboratory school in Urbana. The trustees discussed this and engaged Mr. Bearrows and Chancellor Cantor in further discussion of it. Mr. Bearrows stressed that the settlement amount requested by the plaintiff was much more reasonable than earlier offers, and that the economics of the case suggested settlement as the best way to conclude it since it would be very costly to the University to try it. The board agreed by consensus that the Executive Committee should meet as soon as possible to consider this recommendation. The members of the Executive Committee said that they understood their colleagues' views on the case and that they would be willing to proceed at a later date to vote on this.

Mr. Bearrows then reported that the suit over ticket availability for the Sugar Bowl game in January 2002 had been dismissed.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 9:20 a.m. The board reconvened in regular session at 9:25 a.m.

PUBLIC COMMENT SESSION

Mr. Shea announced that Professor Patricia A. Langley from the Springfield campus had applied for time to address the board and that she would be given five minutes for her remarks.

Professor Langley spoke to the board about the issue of benefits for domestic partners. She gave examples of individuals who are denied health benefits and other types of benefits because their status as domestic partners is not recognized as one of a dependent eligible for benefits, usually provided by employers. She also stated that the University of Illinois does not follow its policy of nondiscrimination presented in the University of Illinois *Statutes* because it does not provide certain benefits to domestic partners that are afforded dependents of married employees. She closed by referring to trends in the nation and asked the board to support benefits for domestic partners.

PRESENTATION AND DISCUSSION: GOVERNING THE UNIVERSITY

At this time Mr. Shea stated that in the last year he had asked three trustees (Mrs. Gravenhorst, Mr. Lamont, and Mr. Plummer) to consider the issues of governance and administration of the University and to make a presentation to the board on the differences and linkages between the two. He said

that it is probably not possible to provide a distinct line between the two activities, but that he hoped discussion of how the two should operate would be helpful to the board. He then asked Mr. Plummer to comment.

Mr. Plummer began by stating that there was a plethora of information about the two activities and that all reveal that processes must be established that are in the best interest of the institution. He said that this was the beginning of a dialogue for the board, and dismissed any notion that the discussion was planned because of any problems in discerning the two areas of activity. He said that this kind of a review is periodic for the board and is recommended. And, then he referred to material he had distributed prior to the meeting and invited discussion of the points presented in this (filed with the secretary of the board). After some discussion of the points enumerated in the material Mr. Plummer turned to Mrs. Gravenhorst and asked her for comments. She concurred with his remarks and said that the board regularly undertakes discussions of governance and administration, and she recalled, for newer board members, that the board had a self-assessment several years ago that was helpful. She suggested that discussion of the topics of governance and administration begin with the orientation sessions provided new trustees. She also stressed that board members need to understand that their role is to make policy for the institution, and she emphasized that she is opposed to trustees being involved in administration of the University.

Next, Mr. Plummer invited Dr. Schmidt to comment. Dr. Schmidt stated that the principle that guides his behavior is the need to leave the institution stronger for his efforts as a trustee. He suggested that a cohesive board is very important. He also commented on the material distributed by Mr. Plummer and focused on the need to communicate delegated authority very carefully and then to respect the delegation. He offered that a code of conduct regarding how trustees relate to administrators was in order and should be shared with board members.

Mr. Shea suggested that public hearings on the subject of governance and administration might be useful. Others suggested a board retreat, and some others opined that the trustee liaisons should meet with the campuses' senate groups to which they are assigned and discuss these issues. Another trustee observed that having a mentor when he joined the board was very helpful and recommended continuation of this.

Mr. Plummer concluded that the comments suggested a strengthened orientation for new trustees was definitely desired, and said that this should probably become routine. He said that he would discuss next steps with his two colleagues who had shared remarks today and report back at a later time.

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

Mr. Shea asked the secretary of the board to call each item to provide the board members opportunity to comment on the items.

On agenda item no. 1, "Resolution to Recognize the 75th Anniversary of the College of Communications, Urbana," Mr. Vickrey stated that he wanted to comment on the reference to Governor Len Small in the resolution. The reference was to Governor Small signing the legislation authorizing the School of Journalism at Urbana in 1927. Mr. Vickrey reminded the board that Governor Small and his family had operated an important newspaper in the State for many decades. This is the *Kankakee Daily Journal*. Mr. Vickrey also recalled that Stephen B. Small, a descendant who was publisher of the paper at the time, met a very sad demise that was related to the prominence of his role with the newspaper when he was kidnapped for ransom, through a lure of a false message that a historic building that he owned had been burglarized and later died at the hands of his captors. Mr. Vickrey said that he wanted to note for the record the contributions of the Small family to journalism in the State and in the nation—from the farsighted action of Governor Small in authorizing the School of Journalism at the University of Illinois to the family's present oversight of an extensive newspaper-publishing corporation.

When agenda item no. 6, "Annual Operating Budget for Fiscal Year 2003," was read Mr. Shea stated he would offer an amendment to that item at the time of the vote to authorize a salary increase of 3.0 percent for faculty and staff. He indicated that he would fully explain the terms of the amendment when the agenda item is called for a vote.

On agenda item no. 11, "Resolution to Acquire and to Condemn Land on the South Campus, Urbana," Mrs. Gravenhorst complimented Chancellor Cantor on the plans for moving ahead with the expansion of the south campus at Urbana.

With regard to agenda item no. 13, "Purchases," Dr. Schmidt asked for funding information about the purchase of large-scale shared memory processors' platforms for the National Center for Supercomputing Applications and the funding sources. Chancellor Cantor provided information regarding the funding for this purchase.

AD HOC COMMITTEE ON EXTERNAL AFFAIRS APPOINTED

Mr. Shea announced that he would appoint an *Ad Hoc* Committee on External Affairs to serve until such committee might be approved officially through an amendment to the *Bylaws* of the Board of Trustees to be presented on the agenda for the November 2002 meeting of the board. He said that Mr. Eppley, Mr. Lamont, and Mr. Vickrey had agreed to serve on this committee.

RECESS FOR COMMITTEE MEETINGS

The board recessed for meetings of the Committee on Finance and Audit, Committee on Buildings and Grounds, and Committee on Academic Affairs. Following a break for luncheon the following committees met: Committee on Economic Development and the board meeting as a Committee of the Whole.

MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Mr. Plummer, chair of this committee, convened the meeting and asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to present the materials for the meeting. Mr. Provenzano reported that the staff, aided by advice and comments from several individual trustees including Mr. Eppley, Dr. Gindorf, Mr. Lamont, and Mr. Plummer, had been extremely helpful in reacting to proposals for a revised investment policy for the University (materials filed with the secretary). He stated that a major goal for the investment strategy is to add to the University's endowment. Then he introduced Steve Voss, a principal with Ennis, Knupp and Associates, financial advisors to the University. Mr. Voss reviewed the performance of all managers of funds for the University and presented a recommendation to make a change in one manager and to hire Franklin Templeton, a value fund investor, instead. He recommended that Zurich Scudder not be reappointed a manager. He also discussed the advisability of identifying a domestic equity whole stock manager to actively manage 20.0 percent of the assets. He noted that the current state of the market suggested that having this portion of the portfolio in active management was prudent. Further, he suggested increasing equity investment by 5.0 percent. Mr. Voss stated that the basic structure for investments is sound. Also, he recommended investment in more international equities. There was discussion of this and the recommendation for appointing Franklin Templeton. Dr. Gindorf suggested that Franklin Templeton would perform well in the long run and Mr. Vickrey argued that international equities have not performed well in recent years.

In summary Mr. Voss suggested: increasing equity exposure by 5.0 percent, searching for a private equity fund-of-funds manager, terminating Zurich Scudder as a manager and hiring Franklin Templeton, adding international equities, and searching for an active domestic equity whole stock manager to manage 20.0 percent of the domestic equity investments.

Next, Dr. Richard Traver, executive director of university audits, presented his annual report to the board (materials filed with the secretary). He also indicated that he served as university ethics officer and described his work on a code of conduct for University employees that he had undertaken and written with the assistance of a university-wide committee (materials on file with the secretary). In describing the kinds of audits that he and his staff perform he stressed that the internal audit function applies to all units within the University. He also stated that he and his staff work with external groups, such as the National Collegiate Athletic Association (NCAA) on reviews such as fund-raising and other activities of booster groups for athletics, and with external auditors employed by the State Auditor General on all matters they review.

Mr. Vickrey then raised a question about the report on the University's endowment farms that was included with materials for this committee meeting. Specifically he asked why there was such disparity among the income per acre for three farms located in Piatt County. Mr. Provenzano

promised to investigate this and to report back. Mr. Vickrey also requested copies of soil maps for this area.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Dr. Gindorf, chair of this committee, called the meeting to order and introduced Mr. Robert K. Todd, associate vice president for administration and human resources, who presented the agenda for the meeting. Mr. Todd first introduced Wayne Hughes, president, the Hughes Group. The Hughes Group is the architectural design team, working with VOA Associates, to design the Campus Recreation Center East, Urbana. Mr. Hughes presented illustrations of the design and a model of the design and discussed the design characteristics. He stressed that the extant facilities in this center had been preserved and enhanced. He also noted that students had had considerable input in the process of designing the center (materials filed with the secretary). There were favorable comments from the trustees on the design and presentation.

Mr. Lamont reminded the board that this project had been questioned by the Illinois Board of Higher Education (IBHE) earlier in the year due to the budget of \$70.0 million, but that after explanation the IBHE understood that the students were providing the funding for the facility, and that a referendum had been conducted in order to approve the increased fees to students to provide for this then IBHE supported it.

On motion of Mrs. Gravenhorst, this proposed design was approved unanimously by members of the committee.

In conclusion, Mr. Todd then called attention to the reports provided the board in their packets for this meeting that included: a capital projects status report and a capital projects approvals report. He also noted that in the agenda for this meeting is a recommendation for a campus recreation expansion and renovation project at the Chicago campus.

MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

Dr. Schmidt, chair of this committee, convened the meeting and indicated that there would be three annual reports presented by representatives of the campus senates at Chicago and at Springfield and a report from the University Senates Conference. He then asked Associate Professor William G. Jones, secretary of the UIC Senate, to report. Professor Jones described the composition of the senate at Chicago stating that 250 of the members are faculty and 50 members are students. He referred to a report sent to the board before the meeting (filed with the secretary). Professor Jones stated that the principles of shared governance are realized through the regular exchanges between the chancellor and the senate. He noted that among the activities of the senate for the past year had been the collective effort to craft language for dealing with unprofessional conduct of faculty. He also cited a seminar sponsored last year by the provost's office at Chicago to explore avenues for public engagement for faculty through partnerships with other organizations in Chicago. In closing he said that the

faculty are looking for more coordination among programs in urban research that are also central to the campus.

Next, Professor Thomas F. Conry, chair of the University Senates Conference, summarized the work of this body for the past year. He noted that the membership of the conference numbers 20; nine faculty from Urbana, eight from Chicago, and three from Springfield. He explained that each member is elected for a three-year term and may serve for two consecutive terms. He also explained that the conference meets monthly and includes time with the president and vice president for academic affairs at each meeting. As for issues discussed for the past year he included a proposal for multi-year contracts for part-time faculty that originated in the College of Medicine where there are many clinical faculty appointments. He reported that the Chicago Senate approved this and the Springfield Senate rejected it and that now the conference has a taskforce of members and faculty from all three campuses addressing this with the goal of working out an agreement. Next, he said that the conference is considering a policy regarding fitness to work for faculty and the matter of non-tenure track faculty appointments. He also reported that the conference advocates that the board have one seat for a faculty member without official vote. He noted that the assignment of liaisons from the Board of Trustees to the three campus senates has been very successful and thanked the board for this interaction. Then Professor Conry stated that another task for the conference will be to review the job descriptions of the vice presidents with the president. Further, he told the board that all three senates and the senates conference support health benefits for domestic partners of University employees.

Professor Conry then commented on the budget for FY 2003 and stated that although the lack of a salary program for this year was a problem for faculty, the faculty were pleased with the involvement of so many in the budgeting process which involves close participation from the department level and beyond. He commented on the characteristic of the Urbana campus as a major research campus and said that such strong research programs contribute to economic development for the University and the State, and noted that the very best faculty are attracted to the Urbana campus because of the support for research and the autonomy they have in the administration of research. He cited the deliberative process of the budget building process as a positive one for faculty and an asset to recruiting and retaining able faculty.

Following this Professor Patricia A. Langley addressed the board and reported that at Springfield the main activities of the senate for the past year were the involvement of the senate in the acclimation of a new chancellor and a new provost; development of new academic programs; greater attention to articulation with community colleges for transfer of students; and exploiting new academic technology for such things as security of computers. She noted that the campus awarded an honorary degree to former Governor James R. Thompson, and that the Institute for Public Affairs was renamed the Abraham Lincoln Presidential Center for Governmental Studies.

She also noted other pursuits of the Springfield Senate this past year including: reviewing a proposed policy for sanctions short of dismissal for faculty; a review of the procedures leading to tenure decisions; discussions of the University's and campus's budget; and receiving three trustees as liaisons to the Springfield Senate and discussion of various actions with them.

RECESS FOR LUNCHEON

At this time the board recessed for luncheon. The board's guest at luncheon was Father Brian Paulson, president of St. Ignatius College Prep, a neighboring institution of the Chicago campus. He addressed the board briefly about his work and St. Ignatius.

BOARD MEETING RECONVENED

At 2:30 p.m., the board reconvened briefly in regular session to hear from Mr. Lamont who had asked to comment on recent news reports that were critical of possible plans for the Abraham Lincoln Presidential Library and Museum in Springfield. He referred to recent newspaper articles concerning the role of the Springfield campus in the configuration of units to be associated with the Lincoln Presidential Library and Museum and invited Chancellor Ringeisen to speak to these issues. Chancellor Ringeisen stated that from the inception of planning for the library and museum there had been a plan to have an academic partner that would provide academic programs for the library and museum, and that the Springfield campus was designated as this partner. He said that the campus has proposed a number of programs related to Lincoln that might be offered in time, such as a visiting scholars program and topical offerings related to Lincoln's legacy. He noted that the campus had received funding that was reduced when the State budget was constrained, as was funding for the library and museum. He explained that misunderstandings seem to have developed at that time because some now think that the funding for the library and museum was given to the Springfield campus. He stated that this is false, as are comments about how appointments of staff will be made to the presidential center at the Springfield campus. Chancellor Ringeisen assured the board that any searches for staff would be conducted competitively and openly. Mr. Lamont concluded by stating that he thought the recent newspaper articles were misleading, and he hoped this explanation was helpful.

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

The board recessed for meetings of the Committee on Economic Development and the board meeting as a Committee of the Whole.

MEETING OF THE COMMITTEE ON ECONOMIC DEVELOPMENT

Mr. Eppley, chair of this committee, convened the meeting and commented that much work had been done in the past year on the subjects within the purview of this committee, and he stated that economic development is crucial for the future progress of the University, the State, and the region (report on file with the secretary). He added that the University of

Illinois is clearly an economic engine for the State and the region, and that it is driven by faculty research initiatives. He then asked Dr. Chicoine, vice president for economic development and corporate relations, to comment further.

Dr. Chicoine thanked the board and the administration for all he had learned in the past year. He then stated that he wanted to introduce the vice chancellors for research at Chicago and at Urbana, Eric A. Gislason and Charles F. Zukoski, respectively. He praised the work of these two individuals in the arena of economic development and then introduced the directors of the Offices of Technology Management at Chicago and at Urbana, Jill A. Tarzian Sorensen and Michael H. Fritz, respectively. He stated that the efforts of these two individuals are crucial and have been exemplary.

Dr. Chicoine stressed the importance of teamwork and of building relationships to accomplish the goal of bringing faculty discoveries to commercialization. He then elaborated on the processes and pathways that need to be charted to bring research to commercialized technology.

He also reviewed the characteristics of new facilities expected at the Urbana campus, including the National Center for Supercomputing Applications Building, Post-Genomic Institute, the Siebel Building, and at Chicago, the Tesla MRI, and the College of Medicine Research Building.

Dr. Chicoine noted that both the Chicago and Urbana campuses are very competitive among their peers in terms of attracting research funding by faculty. He reported that the Chicago campus ranks third in its peer group of 49 institutions and that Urbana ranks first in its peer group of 16 institutions and he stressed that faculty, research funding, and facilities are the keys to accomplishment in this area.

Next he stated that there have been 35 new start-up businesses based on University of Illinois licensed technology, and that 18 of these have begun in the last two years. He indicated that the organization, IllinoisVENTURES, LLC, is the entity that works on these matters, and reported that the search for a chief executive officer for IllinoisVENTURES was proceeding well. He added that an activity of IllinoisVENTURES would be initiating technology enterprise centers in Champaign, Chicago, and in Peoria. He added that at present there are 14 companies in the IllinoisVENTURES portfolio.

Dr. Chicoine then turned to a discussion of the research parks at Chicago and at Urbana. He noted that a third building was under construction in the research park at Urbana and that at Chicago, the Technology Park needed more space. He added that the office for IllinoisVENTURES, LLC, would be located in the Chicago Technology Park.

In closing he announced the next conference to present research of selected Urbana faculty that is ready for commercialization for October 10, 2002, at Urbana.

President Stukel then complimented Trustee Eppley for his efforts to focus this committee on certain subjects, and making it a vehicle for assisting economic development.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Shea convened the meeting and stated that he wanted to thank President Stukel and Vice Presidents Gardner and Rugg, Senior Associate Vice President Provenzano, and others for their work on the budget for operations for FY 2003, and especially for the introduction of new quarterly and annual reports to the board for expenditures at the campus and University levels. He also thanked Michael B. Bass, assistant vice president for business and financial services, for his work as a liaison to the board. He said that he hoped the administration's management of the FY 2003 budget, with trustee oversight, will demonstrate accountability in budget matters, including those funds held locally. He said that the delegation of authority to the president to make programmatic adjustments in the budget up to \$2.0 million, according to the University's needs is an example of this accountability. He commended the president for taking steps to ensure quarterly reporting of budget adjustments between \$1.0 and \$2.0 million to the board as another example. In addition he thanked Dr. Gindorf and Mr. Plummer for the great deal of time they had given to gaining an understanding of the budget and then interpreting it to the board over the past several months in their roles as chair and vice chair of the Committee on Finance and Audit.

President Stukel thanked Chairman Shea for these comments and also thanked Dr. Gindorf and Mr. Plummer for their time and effort in working with the administration on the analysis and presentation of the budget for operations for FY 2003. He then commented on the aspects of this budget stating that in the past year the University had received the largest budget reduction since the Great Depression of the 1930s. He thanked the board for their help in dealing with the extraordinary changes this reduction required. President Stukel noted that the budget cut had made recruitment of faculty difficult, but that the faculty had been very productive in attracting grants and contracts for research this past year. He added that the University's ability to remain competitive was due to the quality, creativity, and genius of the faculty. Also, he said that the budget for FY 2003 preserves the University's greatness while responding to these cuts. Further, he added that in future board approval on budget transfers above the cumulative total of \$2.0 million would be sought, and that transfers between \$1.0 million and under \$2.0 million would be reported to the board. He stated that he fully supports this change and wanted to ensure transparency in all budget matters. He also thanked the entire board, especially Chairman Shea and Trustees Gindorf and Plummer, the three chancellors, and all others who participated in the difficult process of cutting and recommending an operating budget for 2003. He said that he particularly wanted to thank the faculty for their patience. He stated that he would describe this budget as a paradox, in that it has new highs and new lows. He stated that for the first time the University's budget has exceeded \$3.0 billion, yet support from the State is reduced, and the University has the new responsibility of paying for health insurance benefits for faculty and staff hitherto the

responsibility of the Illinois Department of Central Management Services. He said that 55.0 percent of the operating budget is in restricted funds and added that with the budget cut in State funds and the transfer from the State to the University of the responsibility for payments for employee health insurance the total budget decrease over the past year was 8.8 percent. He lauded the research enterprise and the support it generates from external sources for research and stated that the University is definitely an economic development engine for the State and nation. He pointed out that since these funds are designated there is little opportunity for reallocation within the University. He praised the resourcefulness of the faculty, yet cautioned that the academic programs would become fragile if not nurtured with resources which come from State support. He said that efforts must be made to ensure strength and stability for the environment in which the best and brightest faculty and students work, even as economic uncertainty continues.

Next, the president asked Mr. Provenzano to present the facts of the FY 2003 operating budget (materials filed with the secretary). A recommendation for approval of this is in the agenda for this meeting. Mr. Provenzano then reviewed the restricted and unrestricted funds in the budget and payments made to other State agencies on behalf of University employees for benefits. He noted that 25.0 percent of the total operating budget was provided by the State of Illinois, 21.0 percent by tuition and fees, 16.0 percent by departmental activities such as patient care, the Division of Intercollegiate Athletics at Urbana, the Krannert Center for the Performing Arts, and Willard Airport, and 28.0 percent from sponsored projects.

Mr. Provenzano stated that the University's spending is based on standard categories, and that 34.0 percent of the budget is used for student instruction and services, 25.0 percent for public service, 21.0 percent for research, 8.0 percent for academic support, 6.0 percent for institutional support, and 6.0 percent for plant operations. He said that the University of Illinois compares very favorably with peer institutions regarding the percent of budget spent for institutional support.

He then described changes that will be made in future for the Comptroller's Report stating that transfers greater than \$2.0 million will require Board of Trustees approval, transfers greater than \$1.0 million and less than \$2.0 million will require presidential approval and reporting in the quarterly Comptroller's Report (routine accounting transfers are excluded). He also showed the board an example of reports of University expenditures that are presented to the State, and stressed that even though the University has had control of its income fund since 1999 the reporting to the State has included expenditures from the income fund. In addition he showed the board an example of the new format to be used for reporting revenue and budget, and explained that transfers will be reported as variances. He noted that the quarterly Comptroller's Reports will report data by object code.

Mr. Plummer said that he applauded the work products described.

Mr. Shea asked if the total in the academic personnel budget, distributed to the board at this meeting, and the total for personnel services listed in the operating budget, also presented at this meeting, agreed. Mr. Provenzano then explained the categories of academic positions included in the personnel budget report and that reported in the summary of the operating budget and noted that the data differ in some ways.

Next, Dr. Gardner presented information regarding the proposed budget request for FY 2004 (materials filed with the secretary). A recommendation to approve this is also in the agenda for this meeting. He began his remarks reminding the trustees that in past years the board has urged the administration to state the University's needs completely, and that this request attempts to state the needs of the University. He stated that the budget request calls for an increase of 8.47 percent over the FY 2003 budget or an additional \$91.7 million.

Dr. Gardner said that the request includes \$26.3 million for salary competitiveness that he indicated was extremely important because all other Big Ten institutions will have a salary program in the range of 3.0 percent to 5.0 percent and the AAU institutions will have a salary program in the range of 2.0 percent to 5.0 percent for FY 2003, thus each campus's faculty salary standing among its peer group will drop significantly this year.

He said that the next most important component of the budget request for FY 2004 was funding for facility renovation. He explained that \$34.0 million was needed for this program and that \$12.0 million was already set aside for this, leaving a need for \$22.0 million in FY 2004.

For the academic programs he said that the portion of the request for the Chicago campus was \$4.248 million; for Springfield, \$2.297 million, for Urbana, \$4.455 million, and for University Administration (P-16 Program, Institute for Government and Public Affairs, and UI-Online), \$0.9 million.

Dr. Gardner then discussed budget strategies and stressed that since the University has multiple missions that multiple sources for funding are required and listed several that had been pursued in recent years including: the regular capital budget (for the UIS Classroom/Office Building), economic development funds (such as the VentureTECH program), special State initiatives (as in the construction of the College of Medicine Research Building), private gifts (e.g., Siebel Center), federal funds (e.g., the Structural Biology facility, Chicago), internal funds (e.g., Outpatient Care Center and utilities projects), auxiliary funds (e.g., IMPE Building remodeling, Urbana), and the operating budget (renovation projects).

Mr. Shea asked about the effect of the State's budget deficit on the University's budget request, and Dr. Gardner stated that significant reallocation within the University may be required. Mr. Eppley asked about what plans were for tuition for FY 2004. To this query President Stukel said that a report from the Tuition Committee, chaired by Dr. Gardner, would be presented later this fall.

Mr. Rugg then addressed the capital budget for FY 2004 and stated that this will be a transitional year with a new governor and a new executive director of the Illinois Board of Higher Education (IBHE). He stated that

the University would continue to stress its multiple missions responsibilities, especially that of economic development. He also summarized the priority list for capital projects in the budget request, noting the top ten (materials filed with the secretary). He indicated that the University would learn later in the fall what priorities IBHE had set. Mr. Shea commented again on the State's budgetary problems, and reminded all that there were no monies from bond programs left in the State.

BOARD MEETING RECONVENED

When the board reconvened in regular session the members of the board recorded as present earlier were still in attendance.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of May 15 and June 27, 2002, copies of which had previously been sent to the board.

On motion of Dr. Gindorf, these minutes were approved.

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 noted the passing of Ken Menke, an alumnus who had been a member of the "Whiz Kids" in the early 1940s—student athletes at Urbana who achieved national prominence for their prowess—and asked Mr. Eppley for further comments. Mr. Eppley explained that he and Mr. Menke both hailed from Dundee, Illinois, and that Mr. Menke had been an outstanding high school athlete prior to coming to the Urbana campus in 1940, and had been coached by a legendary coach, Eugene Delancey, at Dundee High School who is a neighbor of Mr. Eppley and his family. He summarized Mr. Menke's remarkable achievements on the basketball court, and his service during World War II in Europe, and paid tribute to Mr. Menke's outstanding achievements and those of the "Whiz Kids" in 1942-43 which resulted in Big Ten championships and a remarkable record not since duplicated at Urbana. He noted that Mr. Menke returned to the Urbana campus following the war and again was a starter on the basketball team in 1946-47, and that he later was inducted into the University of Illinois Hall of Fame.

President Stukel then turned to the chancellors for reports.

Chancellor Ringeisen commented on campus programs held on the anniversary of the attacks of September 11, 2001, to commemorate this tragedy. In addition he reported that enrollment at Springfield was up 4.0 percent in head count this fall, and that the on-line enrollment was up too.

¹University Senates Conference: Gerald S. Strom, professor of political science, Chicago campus; Chicago Senate: William G. Jones, assistant university librarian and associate professor, University Library, and secretary of the UIC Senate; Springfield Senate: Ardeshir Lohrasbi, associate professor of business administration; Urbana-Champaign Senate Council: Kenneth E. Andersen, professor emeritus of speech communication, and Robert M. Fossum, professor of mathematics, and chair of the Urbana-Champaign Senate Council

He also announced that Professor Ray Schroeder who has led the movement to add on-line courses to the curriculum at Springfield, was awarded the Sloan Consortium's Achievement Award.

Chancellor Cantor told the board of several developments at the Urbana campus including emphasis on the campus of global crossroads as a theme for one of the living-learning centers and lecture series; the acquisition of an important collection of letters and documents from Carl Sandburg; a celebration of the centenary of Noyes Laboratory, marked by visits from distinguished scientists and special lectures; and awards to faculty in every area within the School of Chemical Sciences. These prizes included: the American Chemical Society Award for Creative Work in Organic Synthesis to Scott E. Denmark; the Repligen Corporation Award in the Chemistry of Biological Processes to John A. Gerlt; the American Chemical Society's Arthur Adamson Award for Distinguished Service to Surface Chemistry to Ralph G. Nuzzo; the Alpha Chi Sigma Award for Chemical Engineering Research from the American Institute of Chemical Engineers to Charles F. Zukoski; the Heinrich-Emanuel-Merck prize for Analytical Chemistry to Jon V. Sweedler. Chancellor Cantor also announced that Charles Forbes Gammie, assistant professor of physics and astronomy, received one of the 201 Presidential Early Career Awards for Scientists and Engineers.

Chancellor Manning introduced Dr. Carol Ann Troutman, an American Council on Education fellow who is spending this year at UIC studying higher education administration. She then announced that the Chicago campus had 700 more freshmen students this fall, presenting benefits as well as problems of accommodation. She also reported that many students and faculty had received recognition of achievement in recent months. She noted that the hospital had ended the fiscal year in the black, and that patient and employee satisfaction was improving. She also said that the south campus development was progressing, and that 46.8 percent of the townhouses being built for the general market were already sold. She told the board that the campus was a recipient of the award of excellence from the University Association of Real Estate Administrators, and she reported on improvements to the Behavioral Science Building in the form of a lounge and better signage. In closing Chancellor Manning reviewed the campus commemorations of the first anniversary of the attacks of September 11, 2001, noting that there were several in various locations of the campus, with one very large convocation in the UIC Pavilion.

OLD BUSINESS

Mr. Lamont reported on a meeting of the Athletic Board, Urbana, since the last board meeting. He indicated that the Athletic Board had received a report of a feasibility study for remodeling the Assembly Hall, and stated that the cost would be between \$65.0 and \$70.0 million. He also said that the changes to Memorial Stadium, Urbana, necessitated by the Chicago Bears playing there this year, were well done.

Mrs. Sodemann stated that she had attended the first meeting of the Tuition Committee and that Dr. Gardner had conducted an effective meeting on the subject.

Dr. Schmidt told the board that he, Mr. Lamont, and Mrs. Sodemann, all liaisons to the Urbana-Champaign Senate Council, had attended a meeting of the Council since the last board meeting where they discussed the budget, the lack of salary raises, diversity in the student population, out-of-state students, parking fees, and faculty benefits. He said that the discourse was informative and helpful.

Next, Dr. Schmidt reported on a meeting of the University of Illinois Research Park, LLC, Board of Managers, Urbana, and told the board that the board of managers is now trying to devise a means for measuring the success of the research park. He added that all consider the functioning of the Offices of Technology Management to be running very smoothly. He also said that he finds that the various units concerned with economic development in the University seem to be working together well. And, he told the board that Edward McMillan was elected chair of the University of Illinois Research Park, LLC, Board of Managers, Urbana, and that the next board meeting would be at Monsanto in St. Louis, Missouri.

REGULAR AGENDA

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

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

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

Resolution to Recognize the 75th Anniversary of the College of Communications, Urbana

(1) This year marks the 75th anniversary of the founding of the College of Communications at the University of Illinois at Urbana-Champaign. In June 1927, Governor Len Small signed the bill to form the School of Journalism. The bill called for "a college of journalism, which would best serve to train and equip persons for service in that profession." There were 52 students ready to enroll as juniors and seniors and 171 others in the pre-journalism curriculum.

From its beginning in University Hall, then later from the basement of David Kinley Hall, and finally in 1940 to Gregory Hall, home to most of the college ever since, the College of Communications has been known for units that were pioneers in their fields, and which today continue that rich heritage by standing among the country's elite in journalism, advertising, media studies, and public broadcasting.

Journalism alumni and faculty have distinguished themselves in every facet of public affairs journalism, and include a host of Pulitzer Prize winners among other honors. The department's watershed work of the 1950s, *Four Theories of the Press*, continues to influence thought about the roles of media and society. Alumni who got their start in media studies at the college have gone on to illustrious careers with major networks and are leaders in a variety of media fields.

The Department of Advertising, founded in the 1940s by Charles Sandage, widely regarded as the "father of advertising education," numbers among its graduates leaders in every aspect of the field, in this country and internationally, including members of the

Advertising Hall of Fame as well as faculty honored by peers for the quality of their research contributions.

The renowned Institute of Communications Research, founded just after World War II by Wilbur Schramm, was singular in bringing interdisciplinary research to bear on communications studies in the broadest sense. Today it remains a touchstone for cross-disciplinary communications research and teaching. Its alumni are among the most significant figures in the field.

The University broadcasting service (the WILL stations) assumed a leadership role in 1916, when the radio station was introduced as one of the first in the country. Of particular significance in its illustrious history the broadcasting service hosted the National Association of Educational Broadcasters in 1949. This seminal event led to the establishment of National Public Radio (NPR) and the Public Broadcasting Service (PBS).

For the past 75 years this college has been led, nurtured, and resolutely sustained by strong deans and faculty. From Murphy and Siebert, to Peterson, Carey, and Rotzoll, the deans of the College of Communications have been joined by gifted and dedicated faculty who have contributed influential innovations to curricula and made significant contributions to knowledge. The faculty's involvement in substantive service to their students, their university, their state, and their country is remarkable; certainly the college's outreach, as exemplified by the daily programming of the WILL stations and the internationally acclaimed Roger Ebert Overlooked Film Festival, sets standards for engaging many audiences and communities.

The Board of Trustees heartily congratulates the students, the faculty, the alumni, the administrators and staff, and all the supporters of the College of Communications on the occasion of the 75th anniversary of its founding. Given its rich history, its exceptional alumni, and talented faculty and staff, we anticipate ongoing achievement reflecting honor on the University of Illinois as the college approaches its centenary.

On motion of Mr. Plummer, this resolution was adopted.

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

(2) 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

1-6—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

- *NATASHA B. BARNES, associate professor of African-American Studies, on 100 percent time, July 23-August 20, 2002 (N), \$7,778, and continuing as associate professor of African-American Studies, on 75 percent time, and associate professor of English, on 25 percent time, effective August 21, 2002 (A;A), at an annual salary of \$75,000.
- *DULAL BHAUMIK, associate professor of biostatistics, Division of Epidemiology and Biostatistics, School of Public Health, on 49 percent time, and associate professor of psychiatry, College of Medicine at Chicago, on 51 percent time, beginning September 1, 2002 (A49;A51), at an annual salary of \$77,000.
- CYNTHIA BLAISE, associate professor of performing arts, on 100 percent time, for three years effective August 21, 2002 (Q), at an annual salary of \$40,000.
- MICHELLE R. BOYD, assistant professor of African-American Studies, on 100 percent time, July 21-August 20, 2002 (N), \$6,111, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$55,000.
- MARK CHIANG, assistant professor of English, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$50,000.
- *ATHAR H. CHISHTI, professor of pharmacology, on 50 percent time, and professor, Cancer Center, College of Medicine at Chicago, on 50 percent time, beginning August 21, 2002 (A;A), at an annual salary of \$110,000.
- EILEEN COLLINS, assistant professor of medical-surgical nursing, on 51 percent time, beginning August 21, 2002 (1), at an annual salary of \$27,540.
- ANDREW L. COUSINS, assistant professor of anthropology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$54,000.
- WENXUAN DING, assistant professor of information and decision sciences, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$95,000.
- *URMILA M. DIWEKAR, professor of chemical engineering, on 100 percent time, beginning August 21, 2002 (A) at an annual salary of \$105,000.
- HAMID REZA DJALILIAN, assistant professor of otolaryngology-head and neck surgery, College of Medicine at Chicago, on 55 percent time, August 5-August 31, 2002 (NY55), and continuing September 1, 2002 (1Y55), at an annual salary of \$90,750. In addition, Dr. Djalilian was appointed as physician surgeon in otolaryngology-head and neck surgery, on 45 percent time, beginning August 5, 2002 (NY45), at an annual salary of \$74,250, for a total salary of \$165,000.
- *DAVID DUBOIS, associate professor, Division of Community Health Sciences, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$69,000.
- LYDIA A. FALCONNIER, assistant professor, Jane Addams College of Social Work, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$46,600.
- KIMBERLEY WILLIAM GOMEZ, assistant professor, College of Education, on 100 percent time, beginning August 21, 2002 (2), at an annual salary of \$59,500.
- ELLEN DINEEN GRIMES, assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.
- *BRIAN HOSMER, associate professor of history, on 50 percent time, and associate professor, Institute for the Humanities, on 50 percent time, beginning August 21, 2002 (A;A), at an annual salary of \$75,000.
- XIAOQING HU, assistant professor of finance, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$115,000.
- STEPHANIE JOE, assistant professor of otolaryngology-head and neck surgery, College of Medicine at Chicago, on 55 percent time, July 1-August 31, 2002 (NY55), and continuing September 1, 2002 (1Y55), at an annual salary of \$88,000. In addition, Dr. Joe was appointed as physician surgeon in otolaryngology-head and neck surgery, on 45 percent time, beginning July 1, 2002 (NY45), at an annual salary of \$72,000, for a total salary of \$160,000.
- HELEN HERAN JUN, assistant professor of English, on 50 percent time, and assistant professor of African-American Studies, on 50 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$56,000.

- *LAURA LEE JUNKER, associate professor of anthropology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$57,000.
- SHRIHARI S. KADKOL, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, beginning August 1, 2002 (NY51), and continuing September 1, 2002 (1Y51), at an annual salary of \$29,000. In addition, Dr. Kadkol was appointed as staff pathologist, University of Illinois Hospital and Clinics, on 49 percent time, beginning August 1, 2002 (NY49), at an annual salary of \$70,000; and physician surgeon in pathology, College of Medicine at Chicago, on zero percent time (non-salaried), beginning August 1, 2002 (NY), for a total salary of \$99,000.
- JU-LEE KIM, assistant professor of mathematics, statistics and computer science, on 100 percent time, beginning August 21, 2002 (3), at an annual salary of \$57,000.
- WICO W. LAI, assistant professor of ophthalmology and visual sciences, College of Medicine at Chicago, on 100 percent time, July 29-August 31, 2002 (NY), and continuing September 1, 2002 (1Y), at an annual salary of \$180,000. In addition, Dr. Lai was appointed as physician surgeon in ophthalmology and visual sciences, College of Medicine at Chicago, on zero percent time (non-salaried), beginning July 29, 2002 (N), for a total salary of \$180,000.
- PETER LEE, assistant professor of medicine, College of Medicine at Chicago, on 51 percent time, July 1-August 31, 2002 (NY51), and continuing September 1, 2002 (1Y51), at an annual salary of \$61,000. In addition, Dr. Lee was appointed as physician surgeon in medicine, College of Medicine at Chicago, on 49 percent time, beginning July 1, 2002 (NY49), at an annual salary of \$59,000. Dr. Lee was also appointed as assistant professor of physiology and biophysics, College of Medicine at Chicago, on zero percent time (non-salaried), beginning July 1, 2002 (N), for a total salary of \$120,000.
- HUI LU, assistant professor of bioengineering, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$80,000.
- DHRUV MUBAYI, assistant professor of mathematics, statistics and computer science, on zero percent time, June 6-August 20, 2002 (N) (non-salaried), and continuing on 100 percent time, August 21, 2002 (3), at an annual salary of \$59,000.
- STEPHANIE MUNSON, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$50,000.
- *KATHRYN NAGY, professor of earth and environmental sciences, on zero percent time, June 21-August 20, 2002 (N) (non-salaried), and continuing on 100 percent time, August 21, 2002 (A), at an annual salary of \$100,000. Dr. Nagy was also appointed as institute affiliate, Institute for Environmental Science and Policy, on zero percent time (non-salaried), beginning June 21, 2002 (N), for a total salary of \$100,000.
- HONGYU NI, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, beginning August 1, 2002 (NY51), and continuing September 1, 2002 (1Y51), at an annual salary of \$25,000. In addition, Dr. Ni was appointed as staff pathologist, University of Illinois Hospital and Clinics, on 49 percent time, beginning August 1, 2002 (NY49), at an annual salary of \$90,000; and physician surgeon of pathology, College of Medicine at Chicago, on zero percent time (non-salaried), beginning August 1, 2002 (NY), for a total salary of \$115,000.
- GUIDO FRANK PAULI, assistant professor of medicinal chemistry and pharmacognosy, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$60,000. Dr. Pauli will continue to hold the title of research associate professor, Institute of Tuberculosis Research, on zero percent time (non-tenured and non-salaried), for a total salary of \$60,000.
- KIMBERLY J. POTOWSKI, assistant professor of Spanish, French, Italian and Portuguese, on 75 percent time, and assistant professor, College of Education, on 25 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$50,000.
- DAVID C. REISMAN, assistant professor of classics and Mediterranean Studies, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$47,500.
- ABRAHAM ROTH, assistant professor of philosophy, on 100 percent time, beginning August 21, 2002 (4), at an annual salary of \$65,000.

- ELVA RUBIO, assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.
- *LAURIE RUGGIERO, professor, Division of Community Health Sciences, on 30 percent time, and professor, Center for Health Services Research, on 70 percent time, beginning August 21, 2002 (A30;A70), at an annual salary of \$85,000.
- NEIL R. SMALHEISER, assistant professor of psychiatry, College of Medicine at Chicago, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$80,000.
- KAREN R. SNAPP, assistant professor of pharmacology, College of Medicine at Chicago, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$60,000.
- *YOLANDA SUAREZ-BALCAZAR, associate professor of occupational therapy, on 100 percent time, August 5-August 20, 2002 (N), \$4,444, and continuing on 100 percent time, August 21, 2002 (A), at an annual salary of \$75,000.
- SANDRA M. SUFIAN, assistant professor of medical education, College of Medicine at Chicago, on 100 percent time, July 1-August 20, 2002 (N), \$10,185, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$55,000.
- DARIA TSOUPIKOVA, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.
- TIBOR VALYI-NAGY, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, beginning July 1, 2002 (1Y51), and continuing September 1, 2002 (2Y51), at an annual salary of \$31,500. In addition, Dr. Valyi-Nagy was appointed as staff pathologist, University of Illinois Hospital and Clinics, on 49 percent time, beginning July 1, 2002 (NY49), at an annual salary of \$90,000; and physician surgeon of pathology, College of Medicine at Chicago, on zero percent time (non-salaried), beginning July 1, 2002 (NY), for a total salary of \$121,500.
- HUIRU WANG, assistant professor of medicine, College of Medicine at Chicago, on 100 percent time, beginning September 1, 2002 (1Y), at an annual salary of \$65,000.
- JUN YU, assistant professor of managerial studies, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$85,000.

Emeriti Appointments

- ANTONIO CAMACHO, professor emeritus of economics, September 1, 2002
- JAMES D. COMPTON, associate professor emeritus of Spanish in the Department of Spanish, French, Italian and Portuguese, May 21, 2002
- MARCIA E. FARR, professor emerita of English, September 1, 2002
- RICHARD F. KOSOBUD, professor emeritus of economics, September 1, 2002
- ROBERT SCAPINO, professor emeritus of oral biology, College of Dentistry, and professor emeritus of anatomy and cell biology, College of Medicine at Chicago, July 1, 2002
- DAVID M. SOKOL, professor emeritus of art history, May 21, 2002

Springfield

- HARSHAVARDHAN D. BAPAT, assistant professor, Chemistry Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$40,800.
- ETHAN MICHAEL BERNICK, assistant professor of public administration, on 67 percent time, and assistant professor, Illinois Legislative Studies Center, on 33 percent time, beginning August 16, 2002 (1;1), at an annual salary of \$50,000.
- MICHAEL JAMES MILLER, assistant professor, Visual Arts Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$42,000.
- AMIR PARSsIAN, assistant professor of management information systems, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$88,000.

Urbana-Champaign

- THOMAS ALBRECHT, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$44,000.
- URSULA Y. ALVARADO, assistant professor of business administration, on 82 percent time, June 21-August 20, 2002 (N), \$20,000, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$110,000.
- BRIAN P. BAILEY, assistant professor of computer science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$75,000.

- ANNA L. BALL, assistant professor of human and community development, on 100 percent time, July 31-August 20, 2002 (N), \$4,044, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$52,000.
- JEFFREY R. BROWN, assistant professor of finance, on 100 percent time, June 21-August 20, 2002 (N), \$31,556, and continuing on 100 percent time, August 21, 2002 (3), at an annual salary of \$142,000.
- ANDREA COLLEEN CAMPBELL, assistant professor of political science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$55,000.
- MURILLO CAMPELLO, assistant professor of finance, on 100 percent time, June 21-August 20, 2002 (N), \$31,111, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$140,000.
- KEVIN G. CORLEY, assistant professor of business administration, on 92 percent time, June 21-August 20, 2002 (N), \$20,000, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$97,000.
- MICHELE D. CROCKETT, assistant professor of curriculum and instruction, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$60,000.
- LYNNE MARIE DEARBORN, assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$45,000.
- BARRINGTON S. EDWARDS, assistant professor of history, on 50 percent time, and assistant professor, Afro-American Studies and Research Program, on 50 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$52,000.
- TODD ERIC ELDER, assistant professor of economics, on 50 percent time, and assistant professor, Institute of Labor and Industrial Relations, on 50 percent time, beginning June 21, 2002 (N50;N50), and continuing August 21, 2002 (1;1), at an annual salary of \$71,000.
- KARA D. FEDERMEIER, assistant professor of psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$57,000.
- ROSS FITZHUGH, assistant professor of plant biology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$55,000.
- ERIC CLIFFORD GRAF, assistant professor of Spanish in the Department of Spanish, Italian and Portuguese, on 100 percent time, beginning August 21, 2002 (3), at an annual salary of \$55,000.
- DENISE O'NEIL GREEN, assistant professor of educational organization and leadership, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$52,000.
- CLAUDIO F. GROSMAN, assistant professor of molecular and integrative physiology, on 100 percent time, August 1-August 20, 2002 (N), \$4,222, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$57,000.
- KRISTINA A. HESBOL, assistant professor of educational organization and leadership, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$52,000.
- *LISA W. HINCHLIFFE, coordinator for information literacy services and instruction and associate professor of library administration, University Library, on 100 percent time, beginning July 17, 2002 (AY), at an annual salary of \$58,000.
- ELIZABETH T. HSIAO-WECKSLER, assistant professor of mechanical and industrial engineering, on 100 percent time, July 21-August 20, 2002 (N), \$7,444, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$67,000.
- BARBARA HUG, assistant professor of curriculum and instruction, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$55,000.
- THEODORE HUGHES, assistant professor, Program in Comparative and World Literature, on 50 percent time, and assistant professor of East Asian languages and cultures, on 50 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$47,000.
- *DAVID L. IKENBERRY, professor of finance, on 100 percent time, June 21-August 20, 2002 (N), \$36,667, and continuing on 100 percent time, August 21, 2002 (A), at an annual salary of \$165,000.
- ATUL JAIN, assistant professor of atmospheric sciences, on 100 percent time, beginning August 21, 2002 (2), at an annual salary of \$66,000.
- JOHN JENNINGS, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$50,000.

- APARNA JOSHI, assistant professor, Institute of Labor and Industrial Relations, on 100 percent time, July 21-August 20, 2002 (N), \$9,444, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$85,000.
- THOMAS A. KAMM, JR., assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$45,000.
- BRETT KAPLAN, assistant professor, Program in Comparative and World Literature, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$47,000.
- *SUSAN KIEFFER, professor of geology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$110,000. In addition, Dr. Kieffer was appointed as Charles R. Walgreen, Jr., Endowed Chair, Department of Geology (non-tenured) with an increment of \$90,000, beginning August 21, 2002 (N), for a total salary of \$200,000.
- *JOHN KILLEFER, associate professor of animal sciences, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$78,000.
- NEIL KNOBLOCH, assistant professor of human and community development, on 100 percent time, July 31-August 20, 2002 (N), \$4,044, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$52,000.
- DONNA L. KOROL, assistant professor of psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$58,000.
- DARREN HOWARD LUBOTSKY, assistant professor of economics, on 51 percent time, July 21-August 20, 2002 (N), \$4,392, and continuing on 51 percent time, August 21, 2002 (1), at an annual salary of \$39,525. Dr. Lubotsky was also appointed as assistant professor, Institute of Labor and Industrial Relations, on 49 percent time, July 21-August 20, 2002 (N), \$4,219, and will continue on 49 percent time, August 21, 2002 (1), at an annual salary of \$37,975, for a total annual salary of \$77,500.
- LINDA H. MASON, assistant professor of special education, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$52,000.
- CHARLES L. MCNEILL, associate professor, School of Music, on 100 percent time, for four years beginning August 21, 2002 (Q), at an annual salary of \$65,000.
- KARLA JEAN MÖLLER, assistant professor of curriculum and instruction, on 100 percent time, July 21-August 20, 2002 (N), \$6,333, and continuing on 100 percent time, August 21, 2002 (2), at an annual salary of \$57,000.
- MICHAEL A. NORMAN, head, serials cataloging and assistant professor of library administration, University Library, on 100 percent time, beginning July 1, 2002 (NY), and continuing August 21, 2002 (1Y), at an annual salary of \$46,000.
- HERNANDO CATEQUISTA OMBAO, assistant professor of statistics, on 100 percent time, beginning August 21, 2002 (3), at an annual salary of \$69,000.
- *DENISE C. PARK, professor of psychology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$150,000.
- ANTHONY POLLOCK, assistant professor of English, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$47,000.
- SARAH PROJANSKY, associate professor of women's studies, on 100 percent time, July 6-August 20, 2002 (N), \$11,000, and continuing August 21, 2002, on 50 percent time, and associate professor, Unit for Cinema Studies, on 50 percent time, August 21, 2002 (N50;N50), at an annual salary of \$66,000. Dr. Projansky will also hold the rank of associate professor, College of Liberal Arts and Sciences, on zero percent time, beginning August 21, 2002 (A) (non-salaried), for a total salary of \$66,000.
- PAUL MILTON RICKER, assistant professor of astronomy, on 51 percent time, and research scientist, National Center for Supercomputing Applications, on 49 percent time, beginning August 21, 2002 (1;N49), at an annual salary of \$55,000.
- *RONALD ROMM, professor, School of Music, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$92,000.
- GRIGORE ROSU, assistant professor of computer science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$77,000.
- DEBORAH RUPP, assistant professor, Institute of Labor and Industrial Relations, on 57 percent time, and assistant professor of psychology, on 43 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$75,000.

- JOSEPH PATRICK RYAN, assistant professor, School of Social Work, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$49,500.
- CARLA A. SANTOS, assistant professor of leisure studies, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$48,000.
- MOONSUB SHIM, assistant professor of materials science and engineering, on 100 percent time, July 1-August 20, 2002 (N), \$12,037, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$65,000.
- VIJAY SINGH, assistant professor of agricultural engineering, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$70,000.
- GABRIEL SOLIS, assistant professor, School of Music, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$45,000.
- *STEVEN A. STAHL, professor of curriculum and instruction, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$120,000.
- JOSEPH E. STRAW, assistant reference librarian and associate professor of library administration, University Library, on 100 percent time, July 21-August 20, 2002 (NY), and continuing on 100 percent time, for four years beginning August 21, 2002 (QY), at an annual salary of \$47,500.
- ANDREW SUAREZ, assistant professor of animal biology, on 50 percent time, and assistant professor of entomology, on 50 percent time, beginning August 21, 2002 (N50;N50), at an annual salary of \$55,000. Dr. Suarez will be granted a leave of absence without pay in order to finish responsibilities as a Fellow of the Miller Institute for Basic Research in Science at the University of California-Berkeley during Academic Year 2002-03. He will begin the tenure track effective August 21, 2003.
- TRACY E. SULKIN, assistant professor of political science, on 75 percent time, and assistant professor of speech communication, on 25 percent time, beginning August 21, 2002 (1;1), at an annual salary of \$57,000.
- GRETCHEN SUNDERMAN, assistant professor of Spanish in the Department of Spanish, Italian and Portuguese, on 50 percent time, July 21-August 20, 2002 (N), \$2,611, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$47,000.
- JOHN M. TOENJES, assistant professor of dance, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.
- JEREMY TYSON, assistant professor of mathematics, on 100 percent time, July 21-August 20, 2002 (N), \$6,222, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$56,000.
- FANON CHE WILKINS, assistant professor, Afro-American Studies and Research Program, on 100 percent time, July 15-July 20, 2002 (N), \$1,200, and continuing on 50 percent time, and assistant professor of history, on 50 percent time, August 21, 2002 (1;1), at an annual salary of \$54,000.
- FREDERICK CHARLES WILLIAMS, assistant professor of business administration, on 92 percent time, June 21-August 20, 2002 (N), \$20,000, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$97,000.
- *MARTIN D.F. WONG, professor of electrical and computer engineering, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$120,000. Dr. Wong will also hold the rank of research professor, Coordinated Science Laboratory, on zero percent time (non-tenured and non-salaried), beginning August 21, 2002 (N), for a total salary of \$120,000.
- ALLISON A. WORSTER, assistant professor of veterinary clinical medicine, on 100 percent time, July 1-August 20, 2002 (NY), and continuing on 100 percent time, August 21, 2002 (1Y), at an annual salary of \$90,000.
- ALI A. YASSINE, assistant professor of general engineering, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$75,000.
- ASSATA ZERAL, associate professor of Afro-American Studies and Research Program, on 50 percent time, June 28-July 27, 2002 (N), \$3,889, and continuing on 50 percent time, August 21, 2002 (A), at an annual salary of \$35,000. Dr. Zeral was also appointed to the rank of associate professor of sociology, on 50 percent time, June 28-July 27, 2002 (N), \$3,889 and will continue on 50 percent time, August 21, 2002 (A), at an annual salary of \$35,000, for a total annual salary of \$70,000.

YUANYUAN ZHOU, assistant professor of computer science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$80,000.

CRAIG ZILLES, assistant professor of computer science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$75,000.

To the Rank of Associate Professor on Indefinite Tenure:

*ZHIIIE XIAO, from assistant professor of economics, to associate professor of economics, College of Commerce and Business Administration, on indefinite tenure, effective August 21, 2002

Emeriti Appointments

RONALD J. ADRIAN, Hoelt Chair Emeritus in the Department of Theoretical and Applied Mechanics, June 21, 2002

ANDREW D. BAILEY, JR., professor emeritus of accountancy, August 21, 2002

GORDON J. BAKER, professor emeritus of veterinary clinical medicine, August 21, 2002

JAMES A. GENTRY, professor emeritus of finance, May 21, 2002

U. HENRY GERLACH, professor emeritus of German in the Department of Germanic Languages and Literatures, May 21, 2003

JOHN POERTNER, professor emeritus, School of Social Work, August 21, 2002

STEPHEN L. PORTNOY, professor emeritus of statistics, June 21, 2002

DEOKI N. TRIPATHY, professor emeritus of veterinary pathobiology, August 21, 2002

JAMES W. WILLIAMS, associate professor emeritus, University Library, August 21, 2002

H. F. WILLIAMSON, JR., associate professor emeritus of economics, August 21, 2002

EUGENE WILLIS, professor emeritus of accountancy, August 21, 2002

Administrative/Professional Staff

VAL RICHARD BEASLEY, assistant head of veterinary biosciences, College of Veterinary Medicine, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$1,000, beginning September 16, 2002 (NY). Dr. Beasley was appointed as interim assistant head of veterinary biosciences under the same conditions and salary arrangement beginning August 1, 2002. He will continue to hold the rank of professor of veterinary biosciences on indefinite tenure on a twelve-month service basis, on 100 percent time (AY), at an annual salary of \$127,940, for a total salary of \$128,940.

FRANK L. GOLD, associate dean for organizational ethics and regulatory compliance, College of Medicine at Peoria, on a twelve-month service basis, on 100 percent time, beginning September 16, 2002 (NY), at an annual salary of \$188,000. In addition, Dr. Gold will continue to hold the rank of clinical assistant professor of internal medicine, College of Medicine at Peoria, on zero percent time (non-tenured and non-salaried), for a total salary of \$188,000.

JAMES F. GRAUMLICH, director of research, Department of Medicine, College of Medicine at Peoria, on a twelve-month service basis, on 30 percent time, beginning September 16, 2002 (NY30), at an annual salary of \$38,000. Dr. Graumlach was appointed to serve as visiting director of research under the same conditions and salary arrangement beginning July 1, 2002. He will continue to hold the rank of associate professor of medicine, College of Medicine at Peoria, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$65,000; and physician surgeon, Department of Medicine, College of Medicine at Peoria, on a twelve-month service basis, on 19 percent time, at an annual salary of \$24,000, effective September 16, 2002 (AY51;NY19). In addition, Dr. Graumlach will continue to hold the title of associate professor of clinical pharmacology, College of Medicine at Peoria, on zero percent time (non-tenured and non-salaried), for a total salary of \$127,000.

LILLYE A. HART, director, Urban Health Program, College of Medicine at Chicago, on a twelve-month service basis, on 40 percent time, beginning September 16, 2002 (NY40), at an annual salary of \$62,800. Ms. Hart will continue to hold the title of associate dean for administration, College of Medicine at Chicago, on a twelve-month service basis, on 60 percent time, effective September 16, 2002 (NY60), at an annual salary of \$64,200, for a total salary of \$127,000.

- ERIC HENLEY, head of the Department of Family and Community Medicine, College of Medicine at Rockford, on a twelve-month service basis with an administrative increment of \$55,000, beginning September 16, 2002 (KY). In addition, Dr. Henley will continue to hold the rank of associate professor on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000; and physician surgeon on a twelve-month service basis, on 49 percent time, at an annual salary of \$65,000, beginning September 16, 2002 (AY51;NY49). He will also hold the rank of adjunct assistant professor, Division of Community Health Sciences, School of Public Health, on zero percent time (non-tenured and non-salaried), for a total salary of \$220,000.
- SHIV GOPAL KAPOOR, associate head for graduate programs in the Department of Mechanical and Industrial Engineering, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$1,500, beginning September 16, 2002 (N). Dr. Kapoor was appointed as interim associate head of graduate programs under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of mechanical and industrial engineering on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$135,700. In addition, Dr. Kapoor will continue to hold the rank of James W. Bayne Professor of Mechanical and Industrial Engineering, non-tenured, on an academic year service basis with an increment of \$5,000 (N), for a total salary of \$142,200.
- WILLIAM P. MARSHALL, head of the Department of Internal Medicine, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment equivalent to an annual rate of \$30,000, beginning September 16, 2002 (KY). Dr. Marshall was appointed as interim head of the Department of Internal Medicine, under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of clinical professor of internal medicine, non-tenured on a twelve-month service basis, on 25 percent time, beginning September 16, 2002 (NY25), at an annual salary of \$26,140, for a total salary of \$56,140.
- TRACY MCCABE, director of external relations (Chicago), College of Commerce and Business Administration, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning September 21, 2002 (NY), at an annual salary of \$100,000.
- SUDIPTA MISRA, section chief of gastroenterology in the Department of Pediatrics, College of Medicine at Peoria, on a twelve-month service basis with an administrative increment of \$22,175, beginning September 16, 2002 (NY). Dr. Misra was appointed as visiting section chief of gastroenterology, under the same conditions and salary arrangement beginning June 1, 2002. He will continue to hold the rank of assistant professor of pediatrics, on a twelve-month service basis, on 55 percent time, at an annual salary of \$51,541; and will continue to serve as physician surgeon in pediatrics, on a twelve-month service basis, on 45 percent time, effective September 16, 2002 (5Y55;NY45), at an annual salary of \$96,284, for a total annual salary of \$170,000.
- ALAN NATHAN, associate head of physics, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$1,500, beginning September 16, 2002 (N). Dr. Nathan was appointed to serve as interim associate head of physics under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of physics, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 21, 2002 (A), at an annual salary of \$105,700, for a total salary of \$107,200.
- RAFAEL M. NUNEZ, director of the Flow Cytometry Laboratory, Cancer Center, College of Medicine at Chicago, on 100 percent time, beginning September 16, 2002 (NY), at an annual salary of \$113,000. Dr. Nunez was appointed to serve as visiting director of the Flow Cytometry Laboratory, under the same conditions and salary arrangement beginning August 5, 2002.
- *JASTI SAMBASIVA RAO, director, Cancer Biology Section in the Department of Biomedical and Therapeutic Sciences, College of Medicine at Peoria, on an academic year service basis, on 49 percent time, beginning September 16, 2002 (N49), at an annual

salary of \$52,500. Dr. Rao will be appointed to the rank of professor of biomedical and therapeutic sciences, on indefinite tenure on an academic year service basis, on 51 percent time, beginning September 16, 2002 (A51), at an annual salary of \$168,000. In addition, he will hold the rank of professor of neurosurgery on indefinite tenure on an academic year service basis, on zero percent time, (non-salaried), for a total salary of \$220,500.

BETH E. RICHIE, head of the Department of African-American Studies, College of Liberal Arts and Sciences, Chicago, on an academic year service basis with an administrative increment of \$7,000, beginning September 16, 2002 (K). Dr. Richie was appointed as acting head of the Department of African American Studies under the same conditions and salary arrangement beginning August 1, 2002. Dr. Richie will receive an amount equal to two-ninths of her total annual salary for two months' service during summer 2003 and 2004 (\$21,555 for 2002-03). In addition, she will continue to hold the rank of associate professor of criminal justice, on indefinite tenure on an academic year service basis, on 100 percent time, effective September 16, 2002 (A), at an annual salary of \$90,000. She will also continue to hold the rank of associate professor of gender and women's studies, on an academic year service basis, on zero percent time (non-tenured and non-salaried), for a total salary of \$118,555.

NEIL COLRICK STURCHIO, head of the Department of Earth and Environmental Sciences, College of Liberal Arts and Sciences, Chicago, on an academic year service basis with an administrative increment of \$7,000, effective September 16, 2002 (K). He was appointed as acting head of the Department of Earth and Environmental Sciences under the same conditions and salary arrangement beginning September 1, 2001. Dr. Sturchio will continue to hold the rank of professor of earth and environmental sciences, on indefinite tenure on an academic year service basis, on 100 percent time, effective September 16, 2002 (A), at an annual salary of \$103,000, for a total salary of \$110,000.

JONATHAN SWEEDLER, director, Biotechnology Center, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning September 16, 2002 (N50), at an annual salary of \$60,000. In addition, for service as director, Dr. Sweedler will receive an administrative increment of \$10,000, on an academic year service basis (N). He will receive an amount equal to one-ninth of his total academic year salary for one month's service during each summer of his appointment as director (\$14,444 for 2002-03). Dr. Sweedler was appointed to serve as interim director under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of chemistry, on indefinite tenure on an academic year service basis, on 50 percent time, effective September 16, 2002 (A50), at an annual salary of \$60,000. He will continue as professor, Bioengineering Program, on zero percent time (non-tenured and non-salaried); professor, Beckman Institute for Advanced Science and Technology, on zero percent time (non-tenured and non-salaried); and William H. and Janet G. Lycan Professor of Chemistry, on zero percent time (non-tenured and non-salaried), for a total 2002-03 salary of \$144,444.

JOSEPH W. YORK, associate dean for undergraduate medical education administration, College of Medicine at Chicago, on a twelve-month service basis, on 20 percent time, beginning September 16, 2002 (NY20), at an annual salary of \$35,780. Dr. York will continue to serve as assistant to the head of the Department of Medical Education, College of Medicine at Chicago, on a twelve-month service basis, on 80 percent time, effective September 16, 2002 (NY80), at an annual salary of \$69,220; and as instructor in medical education, on zero percent time (non-tenured and non-salaried), for a total salary of \$105,000.

ROBERT HUGHES, JR., head of the Department of Human and Community Development, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 1, 2003 (KY), at an annual salary of \$131,000. In addition, for service as head, Dr. Hughes will receive an administrative increment of \$4,000, on a twelve-month service basis (KY). He will also be appointed to the rank of professor of human and community development, on indefinite tenure on an academic year service basis, on

zero percent time, (non-salaried), beginning January 1, 2003 (A), for a total salary of \$135,000.

JOHN E. BANTA, chief executive officer (CEO)/managing director, IllinoisVENTURES, LLC, University Administration, on a twelve-month service basis, on 30 percent time, effective October 1, 2002 (NY30), at an annual salary of \$60,000. In addition, Mr. Banta will be appointed to serve as associate vice president for economic development and corporate relations, Office of the Vice President for Economic Development and Corporate Relations, University Administration, on a twelve-month service basis, on 70 percent time, effective October 1, 2002 (NY70), at an annual salary of \$140,000, for a total salary of \$200,000.

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

**Redesignate the Biomedical Magnetic Resonance Facility
as the Biomedical Imaging Center, Beckman Institute, Urbana**

(3) The chancellor at Urbana recommends that the Biomedical Magnetic Resonance Facility be designated as the Biomedical Imaging Center, Beckman Institute. This change signals the expanding use of imaging into many areas of research and the evolution of a facility that has recently been assigned to the Beckman Institute for Advanced Science and Technology.

The center draws faculty members from across the campus who want access to its sophisticated imaging instruments for their research. When the facility was first established its focus was strictly on magnetic resonance imaging. The new name conveys the expansion into other areas of imaging, such as optical and ultrasonic, and will allow for the possibility of imaging objects such as the entire brain down to the subcellular level. The name change also reflects the new association with the Beckman Institute.

The president of the University concurs.

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

Contract for Investment Manager, Vice President of Administration

(4) The vice president for administration recommends establishment of an investment management contract with Templeton Investment Counsel, LLC, for the international equity component of the endowment pool investment program, and adoption of the following resolution. This recommendation is made with the concurrence of University investment staff and the University's financial consultant, Ennis, Knupp. A request for proposal process was initialized to produce this recommendation. The request for proposal was mailed to 15 investment managers and was listed on the University of Illinois procurement web site. Responses were received from 14 investment firms. The responses were carefully evaluated and interviews were conducted with three finalists. Templeton Investment Counsel, LLC, has an excellent investment performance record, and competitive fee schedules.¹

The president of the University concurs.

Resolution

Be It Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with Templeton Investment Counsel, LLC to provide investment management services.

Be It Further Resolved, that the comptroller is authorized from time to time to designate in writing to Templeton Investment Counsel, LLC those officers, employees, and other agents of the University of Illinois authorized to give written or verbal instructions on behalf of the University of Illinois.

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until notice of rescission or modification is received by Templeton Investment Counsel, LLC.

¹The annual fee is 70 basis points (.0070 percent) or \$175,000 on a \$25.0 million portfolio.

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

**Investment Policy Revision—Endowment Funds,
Vice President For Administration**

(5) The vice president for administration, with advice and counsel of University staff and the University's financial consultant, Ennis, Knupp, recommends the adoption of the following revisions to the University's endowment asset allocation, and the international equity benchmark policies:

1. Further diversify the asset allocation by establishing a 5 percent allocation to private equity. This allocation would be funded from the fixed income allocation.
2. Convert 20 percent of the U.S. equity allocation from passive to active management.
3. Expand the performance benchmark for the international equity allocation to include emerging markets.

The first two items will enhance the asset class and management style diversification of the endowment pool. The third item recognizes most international managers utilize emerging markets within their investment strategies, and consider that the inclusion of emerging markets makes the benchmark more complete. The current and proposed asset allocations follow.

<i>Current Policy</i>	<i>Target Allocation</i>	<i>Allowable Range</i>	<i>Management Mode</i>	
			<i>Active</i>	<i>Passive</i>
<i>Asset Category</i>				
Domestic equity	55%	51-59%	--	55%
Foreign equity	15%	13-17%	15%	--
Real estate*	0%	0-5%	0%	--
Equity total	70%	66-74%	15%	55%
Fixed income	30%	26-34%	30%	--
Total	100%		45%	55%

* The real estate allocation was eliminated from the policy asset allocation in November of 1996. There is one remaining real estate investment that is winding down. This investment has a market value of approximately \$1.0 million at the current time.

<i>Proposed Policy</i>	<i>Target Allocation</i>	<i>Allowable Range</i>	<i>Management Mode</i>	
			<i>Active</i>	<i>Passive</i>
<i>Asset Category</i>				
Domestic equity	55%	51-59%	10%	45%
Foreign equity	15%	13-17%	15%	--
Private Equity	5%	0-7%	5%	--
Equity total	75%	71-79%	30%	45%
Fixed income	25%	21-29%	25%	--
Total	100%		55%	45%

The president of the University concurs.

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

Annual Operating Budget for Fiscal Year 2003

(6) The vice president for administration recommends approval by the Board of Trustees of the University's Fiscal Year 2003 operating budget, covering the allocation of estimated operating income from all sources, as presented in the document titled *Budget Summary for Operations, FY 2003*.

The vice president for academic affairs and the vice president for administration prepared the budget based upon: (1) the policies and institutional priorities established by the Board of Trustees in consultation with senior academic leaders, (2) recommendations of the chancellors, after consultation with deans, directors, and other University officers on the methods and means of best executing the board's policies and institutional priorities, and (3) recommendations from the president. The allocation of restricted funds is in accord with the terms and conditions of the restrictions, and the allocation of unrestricted funds follows the board's policies and institutional priorities.

The vice president for academic affairs and the vice president for administration also recommend that the board authorize the president to make necessary budget adjustments to the approved budget up to \$2.0 million in accordance with the University's needs, the policies and institutional priorities established by the Board of Trustees, and within total income as it accrues. Individual programmatic budget adjustments greater than \$2.0 million, exclusive of routine accounting transactions as defined in the *Budget Summary for Operations* glossary, will require prior board approval. Individual programmatic budget adjustments greater than \$1.0 million and less than \$2.0 million, exclusive of routine accounting transactions, shall be included in quarterly reports to the Board of Trustees. This will ensure appropriate Board of Trustees oversight of the allocation of unrestricted funds while facilitating the effective and efficient operation of the University.

In addition, the University will report quarterly to the Board of Trustees, the State appropriation and University Income Fund budgets and expenditures by object of appropriation categories for the University and the expenditures by object of appropriation for each campus.

The president of the University concurs with this recommendation.

Mr. Shea made a motion to amend this item to include award of a salary increase of 3.0 percent to the faculty and staff of the University with the following limitations: those employees earning \$1.00 through \$100,000 would receive the 3.0 percent increase on their entire salary. Those earning between \$100,000 and \$150,000 would receive this increase on that portion of salary through \$100,000 only. Further, he said that the salary increase would not apply to those employees earning \$150,000 and above. He stated that the funds for the increase were to come from the \$841.0 million noted on page 4 of the book entitled, *Budget Summary for Operations FY 2003*, that is part of this item.

Mr. Lamont seconded the motion and discussion followed.

Mr. Shea explained that since the emphasis is on the need to retain faculty and staff in order to maintain the stature of the University he thought the board owed the faculty and staff this modest increase. He noted that the board had approved \$16.0 million to help students through financial aid when the State budget was cut and that the faculty and staff should be helped too.

President Stukel then commented saying that the administration would like to give this raise to the faculty and staff, as they deserve it; however, after considering this with the chancellors and provosts and Vice President Rugg he was informed that the budget has already been allocated for this year and that funds are not available to invest in this worthy cause. He reminded all that the direct support from the State had been cut for FY 2003 by \$89.0 million, the largest proportional budget cut for the University in 50 years, and that he had been advised that there were no unencumbered funds in the University at this time and that if the University had done this earlier it would have required elimination of positions, possibly as many as 300. He suggested the board approve the budget request for FY 2004 as presented earlier that includes a salary increase. He thanked Mr. Shea for letting him know of this plan two days before the board meeting, but that he thought it too late to implement a salary increase this year.

The president then asked the chancellors and Professor Gerald S. Strom, incoming chair of the University Senates Conference, to comment. Chancellor Cantor agreed that the budget was encumbered at the Urbana campus, and that an order to pull back the funds to grant a 3.0 percent salary increase now would involve taking funds back from approximately 2,500 units on the Urbana campus, and canceling courses.

Chancellor Manning indicated that at the Chicago campus funds are so constrained that layoffs of staff have already occurred. She added that if the salary increase were to proceed then more layoffs would be required or the campus would build a structural deficit that would grow. She stated that it seemed very late to make these changes.

Chancellor Ringeisen expressed worry about how to budget for commitments the Springfield campus must meet now and said that he was sympathetic to the need for salary raises, but that in order to award them many layoffs would occur and that the campus would probably have a deficit for the year.

Professor Strom thanked Mr. Shea for his sentiments in making this motion then said that the process of building the budget for the fiscal year involves faculty and others all through the year, and that input had been sought from many sources. He suggested that introducing a new plan for the budget at this time would not be practicable. He stated that the budget request for FY 2004 included raises, and that it would be better to depend on this rather than change the FY 2003 budget this late.

Discussion followed among the board about how best to protect quality in the faculty and the staff with some stating that this protection seemed ensured in the FY 2003 budget as presented, and that though the board would generally like to give salary increases this year it seemed unfeasible. Some thought the board should participate in setting priorities for FY 2004 then let the administration implement these. There was also discussion of

funds carried over from year to year and how those were utilized on the campuses, with an explanation that these are used mainly to support the research enterprise. Some of the trustees agreed that this was the best management for these funds.

Mr. Lamont shared the concerns of the IBHE regarding salary increases, and urged that the FY 2004 budget should be the focus of the board's concern and cautioned that more budget cuts may be necessary in the year ahead and that significant reallocation seemed likely.

Mr. Shea then commented, stating that he believed the budget allocation for personal services ought to be used for that purpose only and that any carry-over from these funds ought to be used for other personal services.

On motion of Mr. Shea, the recommendation to amend this item was not approved by the following vote: Aye, Mr. Shea; no, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; absent, Governor Ryan.

(The student advisory vote was: Aye, none; no, Mr. Moore, Mr. Stewart.)

On motion of Dr. Gindorf, this recommendation as initially presented was approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 7 through 13 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Academic Personnel Budget for Fiscal Year 2003

(7) In June 2002, the Board of Trustees approved the continuation of the Fiscal Year 2002 budget into FY 2003 until such time as the University appropriation process was completed and could be translated into detailed budget recommendations. With the finalization of the detailed budget, recommendations for academic and administrative appointments beginning August 16, 2002, at Springfield; August 21, 2002, at Urbana-Champaign; and September 1, 2002, at Chicago have been completed within the funds available to the University.

Accordingly, the president of the University recommends approval of the budget document entitled *Academic Personnel, 2002-2003* and requests authorization, in accord with the needs of the University and the equitable interests involved, and within total income as it accrues: (1) to accept resignations; (2) to make such additional appointments as are necessary and to approve the issuance of notices of nonreappointment, subject to the provisions of the University of Illinois *Statutes, The General Rules Concerning*

University Organization and Procedure, and *Policy and Rules*; and (3) to make such other personnel adjustments as needed, such adjustments to be covered in periodic reports to the Board of Trustees (Secretary's Report).

On motion of Dr. Gindorf, this recommendation was approved and authority was given as recommended by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Operating and Capital Appropriations Budget Request for Fiscal Year 2004

(8) Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2003, are presented herewith for action by the Board of Trustees. Following board action, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *FY 2004 Budget Request for Operating and Capital Funds* provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2004 Operating Budget Request is outlined in Table 1. It seeks \$91.7 million in new funds, an increase of 8.47 percent above the current year's budget. The FY 2004 request focuses primarily upon needs for restoration of faculty strength, salary competitiveness for faculty and staff, and a variety of academic program improvements including strengthening the academic base, recovering lost capacity in library materials in both print and electronic forms, and increased links to the State of Illinois. The FY 2004 request expands prior efforts to secure facilities renovation resources in the operating budget. In addition to continuing long-standing efforts to provide facilities repair and renovation support, the FY 2004 request initiates a request for major remodeling support in the operating budget. As has always been the case, the request defines the most urgent funding needs confronting the University while recognizing the overall fiscal condition of the State.

Table 2 identifies the ten regular higher education projects in the FY 2004 Capital Budget Request in priority order. Together these projects represent an investment of \$169.3 million devoted to preserving and extending facilities already in place at the campuses and to critically important new initiatives. Remodeling and renovation projects comprise a large part of the total funds requested, with the highest priority given to repair and renovation projects at the three campuses. Table 2 also identifies five economic development projects for which funds will be sought for FY 2004.

The operating and capital requests summarized here reflect the University's highest priority budget needs that focus upon the University's traditional mission of instruction, research, and public service. Both the operating and capital requests presented here are consistent in context and size with the preliminary requests reviewed in depth with the board in July.

The University's operating and capital requests for FY 2004 have been prepared by the vice president for academic affairs based upon advice from the Academic Affairs Management Team and have been reviewed by the University Policy Council.

The vice president for academic affairs recommends approval.

The president of the University concurs.

Table 1
FY 2004 Operating Budget Request

I. Continuing Components		\$44,991.1
<i>% of FY 2003 Base*</i>		<i>4.16%</i>
A. Compensation Improvements	\$32,070.4	
1. Salary Improvements - 4%	\$ 32,070.4	
B. Other Payroll Costs	\$ 1,201.1	
1. Medicare	\$ 932.8	
2. Workers' Compensation	268.3	
C. Price Increases	\$ 7,276.7	
1. General Price Increases - 3%	\$4,575.3	
2. Utilities Price Increase - 4%	2,145.2	
3. Library Price Increase - 3%	556.2	
D. O & M New Areas	\$ 4,442.9	
1. Chicago Projects	\$ 842.2	
2. Urbana-Champaign Projects	3,600.7	
II. Statewide Initiatives in Higher Education		\$26,261.8
A. Recruitment & Retention of Critical Faculty & Staff - 2%	\$16,035.2	
B. Faculty Salary Improvements - 3%	9,226.6	
C. Facilities Renovation Support	1,000.0	
III. Academic Program Initiatives**		\$11,000.0
A. Strengthening the Academic Base	\$5,827.8	
B. Instructional Technology	1,135.2	
C. Increased Links to the State of Illinois	2,037.0	
D. UIS Academic Program Initiatives	2,000.0	
IV. Academic Program Initiatives (University-wide)		\$9,400.0
A. Major Remodeling	\$6,000.0	
B. Online Instruction	250.0	
C. P-16 Programs	500.0	
D. IGPA	150.0	
E. UI-Integrate	1,000.0	
F. Economic Development	500.0	
G. Liability Insurance	1,000.0	
Total Request		\$91,652.9
<i>% of FY 2003 Base*</i>		<i>8.47%</i>
V. Statewide Programs (IDAL, IVC, ION)	\$ 935.0	
VI. Addenda (DSCC)	\$2,000.0	

All numbers are dollars in thousands.

**FY 2003 Base: \$1,082,640.7*

*** See Addendum II for discussion of funding request for DSCC.*

Table 2
FY 2004 Capital Budget Request Summary by Priority and Campus
(Dollars in Thousands)

<i>Priority</i>	<i>Project</i>	<i>Chicago</i>	<i>Springfield</i>	<i>Urbana</i>	<i>Total</i>	<i>Cumulative</i>
1	Repair and Renovation	\$ 525.0	\$ 495.0	\$ 980.0	\$ 5,000.0	\$ 15,000.0
2	Lincoln Hall Remodeling			52,000.0	52,000.0	67,000.0
3	Roof/Masonry/Window Repairs	16,000.0			16,000.0	83,000.0
4	College of Business Facilities	5,500.0		4,650.0	10,150.0	93,150.0
5	Freer Hall Remodeling			23,200.0	23,200.0	116,350.0
6	Burrill Hall Remodel			30,000.0	30,000.0	146,350.0
7	Performing Arts Center Planning	12,000.0			12,000.0	158,350.0
8	SURS Building			2,482.2	2,482.2	160,832.2
9	Campus Infrastructure		3,368.0		3,368.0	164,200.2
10	Elevator/Escalators Renovation	5,100.0			5,100.0	169,300.2
	Total	\$45,125.0	\$3,863.0	\$120,312.2	\$169,300.2	\$169,300.2

Economic Development

	<i>Chicago</i>		<i>Urbana-Champaign</i>	
Pharmacy Addition	\$50,000	Electrical & Computer Engineering Bldg.		\$81,000
Biomedical Genomics	50,000	South Campus Phase II		36,500
		Food and Nutrition		65,000

On motion of Dr. Gindorf, the requests for operating and capital appropriations for Fiscal Year 2004 were approved as recommended by the following vote: Aye, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan. (Mr. Shea asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Campus Recreation Expansion and Renovation Project, Chicago

(9) The Campus Auxiliary Services/Campus Recreation unit in conjunction with external consultants and University consultants has determined there is a need for construction of a new recreation building on the east side of campus, as well as renovation of the recreation facilities on the west side of campus at Chicago.

The project consists of the following:

- 126,000 square feet of new barrier-free space on the east side of campus consisting of an indoor jogging track, a four-court gymnasium, a two-court multi-purpose gymnasium, a weight training and cardiovascular equipment area, an aquatics area with lap pool and leisure area, racquetball and squash courts, three fitness studios, a climbing wall, lounge areas, and locker rooms.
- At the west side of campus, 80,000 square feet of renovation including a new weight training and cardiovascular equipment area, new fitness/martial arts studios, a renovated gymnasium, a jogging track, locker rooms, and racquetball courts.

The expansion and renovation will be designed to ensure as little interruption of services as possible for campus recreation users. Timelines will be set to ensure that facilities will remain open at all times; at no time will students have less activity space for these activities than is currently available.

A student referendum on this project was held in February 2002; 81 percent of the students voting approved a \$70 per semester fee increase to pay for the improvements and new construction. The fee will become effective for the semester that the new facilities are open for use. Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that the campus recreation building and expansion project be approved at \$45,595,000, and that the project be funded from proceeds of a future sale of Auxiliary Facilities System Revenue Bonds. Any project planning costs incurred prior to the sale of revenue bonds will be funded initially from the operating budget of the Campus Auxiliary Services unit, with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

Approval of the project is subject to further approval of this noninstructional capital improvement by the Illinois Board of Higher Education as required by Illinois statutes.

On motion of Dr. Gindorf, this recommendation was approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Acquire Land for South Campus Development, Chicago

(10) In 1992 and again in 1998, the Board of Trustees authorized the university counsel to take such action as may be necessary to acquire parcels of land for building projects in the south campus development area through acquisition, or the power of eminent domain should negotiations to purchase the property fail. The University has been pursuing eminent domain lawsuits against the remaining properties to be acquired (excepting the UPS property). These properties are needed for the South Campus Master Plan, including areas of development on which the TIF revenue stream is dependent to repay bonds.

A proposed settlement has been reached with the owner of the property at 1259 South Halsted that would enable the University to acquire this property through entry of a judgment order in the condemnation case. Except for the UPS property, this is the last remaining parcel to be acquired in the south campus development area.

The chancellor at Chicago with the concurrence of the appropriate University officers recommends that the comptroller be authorized to settle the lawsuit as he may determine is in the best interest of the University.

Funds to acquire the property are included in the Fiscal Year 1999 and FY 2000 South Campus Development Project Revenue Bonds.

The university counsel and the vice president for administration concur with the chancellor's recommendation.

The president of the University recommends approval.

On motion of Dr. Gindorf, this recommendation was approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Resolution to Acquire and to Condemn Land on the South Campus, Urbana

(11) In May 1999, the Board of Trustees approved the South Campus Master Plan for Urbana. Included within that Master Plan was the acquisition of land to remedy existing deficits, to offset the anticipated losses and reassignments of College of Agricultural, Con-

sumer and Environmental Sciences (ACES) land to meet its growth needs and to provide a land reserve for future ACES research needs.

In September 2000, the Board of Trustees adopted a resolution to authorize the acquisition of properties by negotiation or condemnation within the described project area. The land acquisition project area set forth in the Master Plan is bounded by First Street on the west, Curtis Road on the north, Philo Road (extended) on the east, and Airport Road on the south. The resolution only described part of the land to be acquired.

The University now requests reaffirmation of the authorization to acquire the identified properties that are the subject of this board item, that are now fully identified herein, for the public purpose of advancing the interests of the University as set forth in the Master Plan. The University anticipates acquisition of these properties through negotiation; if negotiations fail, the University will institute eminent domain proceedings.

Accordingly, the chancellor at Urbana with the concurrence of the appropriate University officers recommends that the following resolution be adopted authorizing the university counsel to take such action as may be necessary to acquire the real estate identified therein through acquisition or the power of eminent domain should negotiations to purchase said property fail or if the University is unable to identify and negotiate a purchase agreement with the owner(s).

Funding sources will be designated for each parcel acquisition when the University initiates negotiations with the owner(s). Funding may include: State capital appropriations, unrestricted or restricted funds available in the operating budget of the Urbana campus, or funds available from the anticipated issuance of certificates of participation or similar financing vehicle. The certificates of participation (or similar financing vehicle) will be repaid from unrestricted or restricted funds available in the operating budget of the Urbana campus.

The vice president for administration concurs.

The president of the University recommends approval.

Resolution Authorizing Acquisition of Land, South Farms, Urbana-Champaign

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 Champaign, in the State of Illinois, to-wit:

All land that is privately-owned contained within the boundaries of Sections 31, 32, and 33 in Township 19 North, Range 9 East of the 3rd Principal Meridian and Sections 4, 5, and 6 in Township 18 North, Range 9 East of the 3rd Principal Meridian, situated in Champaign County, Illinois as shown on the attached map (filed with the secretary of the board for record)

is needed by the University of Illinois, an educational institution established and supported by the State of Illinois, for agricultural and for other educational purposes conducted and to be conducted by said University of Illinois and for the further expansion of the educational facilities of 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 or will be available to the University for the purchase of said land for said educational purposes; and this Board of Trustees will negotiate with the owners of said land through their duly authorized representatives for the purchase of said land at a price which this Board of Trustees considers fair and reasonable and which it finds constitutes the present market value of said land.

Be It, And It Is Hereby Further Resolved, Found, And Declared that the vice president for administration, or his designee, of the University of Illinois be and hereby is authorized to negotiate for the acquisition of said land 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 land 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 land 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 all or part of said land 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 therefore 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 all or part of said land and the determination of the compensation to be paid by it therefore, 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.

On motion of Dr. Gindorf, this recommendation was approved and the foregoing resolution was adopted by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Authorization for Settlement

(12) The university counsel recommends that the board approve settlement of *Myers v. White, et al.*, in the amount of \$550,000. The plaintiff alleges that during a tubal ligation her bowel and colon were perforated and that the delay in recognizing this complication caused the need for additional treatment and prolonged hospitalization.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this recommendation was approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; 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 administration.

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 \$10,545,724.

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. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

(The student advisory vote was: Aye, Mr. Moore, Mr. Stewart; no, none.)

Comptroller's Report of Contracts for the Period July 1, 2001 Through June 30, 2002

(14) The comptroller submitted the report of contracts. The report included contractual agreements for payments to the University in amounts of \$50,000 or more and for payments made by the University for subcontracts under sponsored research agreements. A copy of this report is filed with the secretary.

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 August 5, 2002.

Summary

Graduate Degrees

Master of Accounting Science	44
Master of Architecture	11
Master of Arts	39
Master of Business Administration	8
Master of Computer Science	18
Master of Education	86
Master of Fine Arts	2
Master of Landscape Architecture	4
Master of Laws	1
Master of Music	7
Master of Music Education	8
Master of Science	295
Master of Science in Public Health	1
Master of Social Work	26
Master of Urban Planning	10
<i>Total, Masters</i>	<i>(560)</i>
Advanced Certificate in Education	1
<i>Total, Certificates</i>	<i>(1)</i>
<i>Total, Graduate Degrees</i>	<i>561</i>

<i>Professional Degrees</i>	
College of Law	
Juris Doctor	1
<i>Total, Professional Degrees</i>	1
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	38
College of Applied Life Studies	
Bachelor of Science	18
College of Commerce and Business Administration	
Bachelor of Science	82
College of Communications	
Bachelor of Science	13
College of Education	
Bachelor of Science	17
College of Engineering	
Bachelor of Science	79
College of Fine and Applied Arts	
Bachelor of Fine Arts	12
Bachelor of Landscape Architecture	1
Bachelor of Music	5
Bachelor of Music Education	3
Bachelor of Science	7
<i>Total, College of Fine and Applied Arts</i>	(28)
College of Liberal Arts and Sciences	
Bachelor of Arts	189
Bachelor of Science	118
<i>Total, College of Liberal Arts and Sciences</i>	(307)
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	1
<i>Total, Undergraduate Degrees</i>	583
<i>Total, Degrees Conferred August 5, 2002</i>	1,145

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Shea called attention to the schedule of meetings for the next few months: November 13-14, Urbana; January 15-16, 2003, Chicago (Annual Meeting); and February 12-13, Rockford.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

GERALD W. SHEA
Chair