

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

November 13, 2003



This meeting of the Board of Trustees of the University of Illinois was held in Illini Rooms A, B, C and in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, November 13, 2003, beginning at 8:50 a.m. in Illini Rooms A, B, C.

Chair Lawrence C. Eppley called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Frances G. Carroll, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah,¹ Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Nate H. Allen, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingsead, Springfield campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; 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 K. Rugg, comptroller (and vice president for administration); Mr. Thomas

¹Mr. Shah joined the meeting at 9:30 a.m.

R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; 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.

Mr. Eppley told the audience that in order to respond to the interest of the large number of people gathered to hear consideration of the agenda item concerning Chief Illiniwek, this item would be presented and dealt with immediately following the public comment session, and that the board would adjourn to the Pine Lounge for the rest of the board meeting.

PUBLIC COMMENT SESSION

Mr. Eppley then announced that the board would hear public comment and that five individuals had applied to address the board and had been scheduled. He asked Ms. Christina Carr to speak first.

Ms. Carr introduced herself as a student studying psychology and a member of the Progressive Resource Action Cooperative. She noted that the controversy over Chief Illiniwek had been before the board for thirteen years and thanked Trustee Carroll for placing the item to retire Chief Illiniwek on the agenda for today's meeting, which she said she found encouraging. She also recommended eliminating the name "Fighting Illini" for the athletic teams at the Urbana campus. In addition, she urged the board to strike the words "honorably retire" from the language in the agenda item recommending that Chief Illiniwek be retired, because she found Chief Illiniwek to be a racist symbol, and not honorable. She asked the board to move forward and vote to approve the agenda item to retire Chief Illiniwek today, and not to table the motion or vote to reject it. She stated that as a Hispanic, a Mexican American, she was offended by the representation of Chief Illiniwek.

Next, Mr. Eppley called on Mr. Dan Bolin to speak. Mr. Bolin stated that he was a senior in the College of Liberal Arts and Sciences, a member of the Marching Illini, and that he was proud to have Chief Illiniwek as a symbol. He noted that 600 people gathered the night before to attend a vigil on the quadrangle to show support for Chief Illiniwek. He said that the symbol is widely accepted as a dignified symbol and that many support the tradition of Chief Illiniwek, and that in fact many are passionate about the tradition. He added that as a member of the Marching Illini he feels this tradition of more than 75 years every time the Chief appears for four minutes at games. He encouraged all the trustees to keep Chief Illiniwek. Then he stated that he especially encouraged Mr. Nate Allen, the student trustee from the Urbana-Champaign campus, to vote to keep Chief Illiniwek and not to misrepresent the students, but to recognize the will of the students. In closing he said, "Honor the University, Illinois, and Chief Illiniwek. Go Illini."

Mr. Eppley then introduced the third speaker, Professor Stephen J. Kaufman. Professor Kaufman began his remarks stating, "there is never a good time to make a difficult decision, but always a right time, and that time is now." He asked the trustees to end the racial stereotyping and the injustice in Chief Illiniwek. He stated that for some a vote to end the Illiniwek tradition might be a difficult personal decision, but that such a decision would be in the best interest of the University. He said that the controversy about Chief Illiniwek is being monitored around the country and that this issue defines the University, in spite of two faculty members at the Urbana campus having been chosen to receive Nobel Prizes recently. He praised the vitality and direction of the campus under the leadership of Chancellor Nancy Cantor and urged resolution of the issue of Chief Illiniwek to advance diversity on the campus. He also referred to the vote of the senate at Urbana to retire the Chief and to several units on the campus and to external civil rights groups and religious groups that had urged that the symbol of the Chief be discontinued. He said that there is no honorable racial stereotype, adding that Native Americans had asked that Chief Illiniwek be discontinued. He quoted former Trustee Roger Plummer's report on Chief Illiniwek stating that "the University of Illinois and its Board of Trustees are at a crossroad and leadership is required. ...if the Board of Trustees acts in a way that unifies the University of Illinois family during this process, it can establish a new beginning." He concluded by telling the board that they had an opportunity to unify the campus with their vote today.

The next speaker introduced by Mr. Eppley was Mr. Imran Rashid who spoke for the need to eliminate Chief Illiniwek. He thanked the board for the opportunity to speak and thanked Dr. Carroll for putting the Chief issue on the agenda for today's meeting. He said he planned to graduate in May with degrees in computer science and chemistry. Then he described his background that included growing up in Champaign and loving athletics and the Chief, and how his perception of the Chief was transformed. He referred to his religion as a Muslim and observed that he would not condone a caricature of his religious leader dancing at halftime at games, and realized that having the Chief dance at games does not honor Native Americans. He maintained that the Chief hurts the campus' athletic programs and school spirit and divides the constituent groups on campus, and he said that it would be best for the sake of the teams to do away with Chief Illiniwek. He noted that if the board did not vote to retire the Chief today the issue would not die, and that he and others would continue the struggle to retire Chief Illiniwek. He said he knew it would be difficult to part with Chief Illiniwek as a symbol, but that it was the right decision to make and asked the board to make that decision.

Lastly, Mr. Eppley introduced Mr. Roger Huddleston to speak. Mr. Huddleston thanked the board for allowing him to speak and referred to the resolution on the agenda for today's meeting regarding Chief Illiniwek and

noted that it says the Chief represented dignity. He said that something characterized by dignity cannot be racist, and that the Chief is the antithesis of racism. He then commented on demonstrations by those opposed to the Chief and said that the groups were quite small. He also stated that he wanted to correct a story by *The News-Gazette* regarding the NCAA's review of the symbol of Chief Illiniwek, and stated that the National Collegiate Athletic Association (NCAA) had no problem with respectful symbols such as Chief Illiniwek. He also criticized the section of the resolution on the agenda that states that the native Illinois people, the Peoria Tribe, requested the University discontinue the Chief Illiniwek tradition and stated that there are no Peoria in Illinois any longer and that the remaining Peoria live in Oklahoma, and that a seven-member business council of the Oklahoma descendants voted to ask that Chief Illiniwek be discontinued. He added that the feelings of the Peoria should not be taken as a proxy for those of all Native Americans on this issue. He then stated that the only valid study of the feelings of Native Americans on the issue was that conducted by the Peter Harris Research Group for *Sports Illustrated* magazine two years ago that reported that 83 percent of Native Americans support Native American symbols and mascots. He stated that those opposed to the Chief are small in number, and mostly not Native Americans. He said they try by threat to control the board, and that the board must be courageous and defeat the resolution offered. He said that to do otherwise would create great disunity at the campus, and if Chief Illiniwek were eliminated unity would be destroyed. He concluded by saying that a Native American symbol is right for the University, and that it is not a mascot. He then stated, "Long live the Chief."

DISCUSSION OF AGENDA ITEM
Resolution Concerning Chief Illiniwek, the Symbol
of the Athletic Teams at the Urbana Campus

Mr. Eppley asked Dr. Carroll to discuss this agenda item that she had requested be placed on the agenda for today's meeting.

Dr. Carroll stated that at this time and in consideration of the lateness of adding the item to the agenda she would withdraw it for now and submit it again for the July 2004 meeting of the Board of Trustees. She said that she did this in order to maintain the integrity of the University and the respect it has among higher education institutions nationally.

Mr. Eppley then asked if any other member of the board wished to speak to this. No board member responded. At that time Mr. Eppley said he would not force a vote today and that it is unfortunate that the board could not vote today. He noted that the people assembled in the room should know that no vote today is also a decision to not retire the Chief today. He stated that there is one resolution of the board in existence that is in support of the Chief, and that until it is overturned it remains the position of the board. He said that for those who are concerned about whether the

board will take action on this today, tomorrow, in July, or ever, they should understand that there is a standing resolution in support of the Chief.

He observed that today in the public comment session the board heard again the same statements that it has heard for years, and he noted that people who continue to speak in support of the Chief continue to talk of the tradition involved and seldom seem to address issues about the Chief as an insensitive symbol; the position of those opposed to the Chief, and those who protest the chief and the performance, continue to bring racial charges to the conversation. He indicated he finds neither position very helpful and that today the members of the board, particularly the new members, one of whom is absent, see the disparity of positions. He noted that people are seldom in the middle on this issue, but rather on one end or the other, and he opined that Trustee Carroll in her earnest attempt to put the issue to a vote of the board found out that there is a great divide in thinking about this matter that is extremely difficult to deal with in any form of due process. He said that given her request to withdraw her motion, noting the short notice to consider it at this meeting, he accepted that. No other board members commented.

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider the following subjects: University employee matters; collective negotiating matters; pending, probable, or imminent litigation against, affecting, or on behalf of the University; and discussion of minutes of meetings lawfully closed under the Open Meetings Act."

The motion was made by Mr. Bruce and approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

ADJOURN TO PINE LOUNGE, ILLINI UNION

The board adjourned to the Pine Lounge for the rest of the board meeting.

<p>A CONTINUING NEED FOR CONFIDENTIALITY EXISTS FOR THIS SECTION.</p>

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EXECUTIVE SESSION

For this portion of the executive session, the following joined the meeting: President Stukel, Mr. McKeever, Chancellor Cantor, Chancellor Manning, Chancellor Ringeisen, Vice President Gardner, Vice President Chicoine, Vice President Rugg, Mr. Schoell, Mr. Hardy, and Ms. Sindelar. In addition, Ms. Fuesting was present.

Collective Negotiating Matters

Chancellor Ringeisen briefed the board on the status of negotiations with the University Professionals of Illinois union at Springfield. He said that the main issue was salary parity with employees in the same job classification at Urbana. He stated that the campus administration did not think that the negotiations had reached impasse at this time.

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Mr. Bearrows reported a favorable decision following the bench trial in the Levenstein case in which Joseph Levenstein, M.D., sued the University on several bases related to his employment. Mr. Bearrows offered positive comments about the outside counsel, Jenner and Block.

Also, he reported that the plaintiff had dismissed the Ramirez case reported to the board at an earlier meeting.

At this time, Mr. Bruce was excused due to the nature of the material to be discussed in order to eliminate the potential for any conflict of interest.

Mr. Bearrows then reported on two medical malpractice cases for which he and Dr. Rice recommended settlement. The first was the case of *Samuels v. Jackson, et al.*, that involved the death of a newborn during delivery. He described the mother of the infant as a 26-year-old woman who was given an inappropriate drug during labor and that this was not discovered until it was too late to adequately correct for the mistake. He stated that a Caesarian section was performed on the patient and corrective measures were taken with regard to the wrong drug the patient was given; however, the infant was delivered in poor physical condition. The child is now four years old and suffers from cerebral palsy. He said that the plaintiff's attorney is emphasizing the poor care the mother received at the University of Illinois Hospital, including the delay in performing the Caesarian section.

He told the board that two outside experts had reviewed the case and had urged settlement. He indicated that the current demand was for \$25.0 million. He stated that he would plan to return to the board at its January 15, 2004, meeting for approval of the University's self-insured retention (\$3.0 million) with the insurer, St. Paul Insurance Company, providing whatever is the remainder. Dr. Gindorf and Dr. Schmidt discussed the case further with Dr. Rice.

Next Mr. Bearrows described the case of *Coney v. Yoo, et al.*, that involved misdiagnosis of diabetic ketoacidosis (DKA) in 30-year-old Maurice Coney who expired due to failure to properly treat this condition. Mr. Bearrows said that upon arrival at UIH's emergency room the patient reported he had not taken his insulin that day, and his glucose level was elevated. He said that the physician reviewed blood test results and noted that the patient was acidotic and ordered sodium bicarbonate for the patient. After this the patient exhibited rapid heart action and the physician prescribed lidocaine in response. The patient then went into heart arrest. Resuscitation was attempted unsuccessfully, and the patient was pronounced dead a little over two hours after he was seen in the emergency room. Mr. Bearrows reported that the test results were delayed due to technical difficulties and were delivered after the man died. These showed an elevated potassium level that is an indicator of DKA. He said that the plaintiff's attorney alleges failure to timely diagnosis DKA. Mr. Bearrows stated that two outside experts were consulted and they noted that some aspects of the treatment should have occurred sooner. Mr. Bearrows recommended pursuing possible settlement of the case for an amount not to exceed \$750,000.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned. The board reconvened in regular session at 11:30 a.m.

BOARD MEETING RECONVENED

When the board reconvened in regular session, all the board members and Mr. McKeever were present. The university officers and others noted earlier were also present.

PRESIDENT STUKEL'S COMMENTS ON CONTRIBUTIONS OF SENATOR STANLEY B. WEAVER

President Stukel announced that the University had lost a very good friend with the passing of Senator Stanley B. Weaver. The president said we are grateful for his life, which truly was a life of public service. He stated that Senator Weaver had been mayor of Urbana for 12 years, a member of the Illinois House of Representatives for one term, and a State senator for more than three decades. He said Senator Weaver was known as the senator for the University of Illinois, and in fact he was the University's great friend, advocate, and protector in Springfield. President Stukel went on to state that next to his family, his wife Mary, daughter Sherry, and son Blake, Stan

Weaver took meaning from and added enormous value to the University. The president said that for those who did not know him, Senator Weaver was unassuming and modest both publicly and privately. President Stukel told of the gathering at the president's house last month to honor the senator and of Senator Weaver's surprise at the announcement of the Stanley B. Weaver scholarship for undergraduates at Urbana. The president said that in typical fashion, the senator was modest in his response saying "I am honored by the University's establishment of these scholarships," and went on to say: "While I am not sure I am deserving of this honor, I am sure there is no shortage of students who will benefit—and that makes me very happy." The president then said: "Well Stan Weaver made us very happy countless times, so today, the University of Illinois family grieves with the Weaver family." He then asked for a moment of silence in the senator's honor and thanked Chair Eppley for the time to make these remarks.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

Mr. Eppley asked President Stukel to introduce the university officers and the senate observers¹ who were present. President Stukel stated that many of these individuals would participate in today's meeting by making presentations and by responding to questions.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Each item on the agenda was presented to the board and questions and discussion followed some. Mr. Eppley presented three items, which were resolutions in honor of Professors Carl R. Woese, to recognize his receipt of the Crafoord Prize from the King of Sweden; Professor Paul C. Lauterbur, on his nomination for the Nobel Prize in Medicine; and Professor Anthony J. Leggett, to note his nomination for the Nobel Prize in Physics. Mr. Eppley expressed the great pride of the board in the accomplishments of these faculty members.

Chancellor Cantor presented agenda item no. 5, "Honorary Degrees, Urbana"—the recommendations of the Urbana campus for individuals to receive honorary degrees at the commencement ceremonies in May 2004. She said all are exceptional individuals, and as always are recommended by the senate. Mr. Eppley commended the campus for the list of distinguished people recommended for this honor. Next, she presented agenda item no. 10, "Redesignate Expanded Child Development Laboratory as the Early Child Development Laboratory, Urbana." There was no discussion of this item.

Next, Chancellor Manning presented agenda item no. 7, "Establish Liautaud Graduate School of Business, College of Business Administration,

¹University Senates Conference: Priscilla Chang Yu, professor and librarian, City Planning and Landscape Architecture Library, Urbana-Champaign campus; Chicago Senate: Gerald S. Strom, professor of political science and secretary of the UIC Senate; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate Council: Mary Mallory, head of Government Documents Library and associate professor of library administration, University Library

Chicago,” and stated that this was excellent news and that it would provide for better coordination of the programs, enhancement of quality, and provide for a small savings in administrative costs. She expressed appreciation for this generous gift of \$5.0 million from the Liautaud family. Then she presented agenda item no. 1, “Redesignate Center for Rural Health Professions Education, Evaluation and Research as the National Center for Rural Health Professions, UIC College of Medicine at Rockford, Chicago campus.” She thanked Dean Bernard Salafsky for his extraordinary work to develop this program to include multiple health professions aimed at providing health care for rural areas in Illinois that had become a model in other parts of the world. She also thanked Trustee Vickrey for his efforts in assisting the college to move this program forward. She then turned to Mr. Vickrey who spoke of the significance of this recommendation and of the immense investment of time by so many at the College of Medicine at Rockford, especially by Dean Salafsky, in advancing this program. He noted that he had had the opportunity to work with Dean Salafsky for the last few years in attempting to identify resources for construction of a new facility at Rockford. He said he had never met a more dedicated and focused person working for a cause. He also observed that there are many in this complex and wonderful University that toil quietly and contribute much, and that today he wanted to thank Dean Salafsky who is one of those toilers. He commended Dean Salafsky for what he has accomplished as dean of the College of Medicine at Rockford, since 1982. Mr. Vickrey said that Dean Salafsky has clearly made an impact on the programs at Rockford and has developed strong relationships with the local medical community and the leadership of Rockford. Mr. Vickrey said that Dean Salafsky’s advocacy for the rural medical program is particularly exemplary, not only as a model for underserved areas of Illinois but for the world. Mr. Vickrey stated that it is particularly important in these last few months of Dean Salafsky’s service, prior to his retirement, that the board takes this action to properly name the program that has been a focal point of Dean Salafsky’s work for the last 20 years, the National Center for Rural Health Professions, to reflect the expanded scope that Dean Salafsky has brought to the education of rural health care professionals in the State, the nation, and indeed, the world. In closing, he stated: “Well done, Buzz, we thank you.” Mr. Vickrey then asked if the board would take action on agenda item no. 1 at this time in Dean Salafsky’s presence.

**Redesignate Center for Rural Health Professions
Education, Evaluation and Research
as the National Center for Rural Health Professions,
UIC College of Medicine at Rockford, Chicago**

(1) The chancellor at Chicago with the advice of the dean of the College of Medicine recommends the redesignation of the Center for Rural Health Professions Education, Evaluation and Research as the National Center for Rural Health Professions at the UIC College of Medicine at Rockford.

The proposed name change reflects an expansion of the current center's mission to address the critical health care needs and health professions education in rural areas through the consolidation of the Rural Medical Education Program (RMED) and the Center for Rural Health Professions Education, Evaluation and Research (RPEER). RMED has demonstrated exceptional success over the past 11 years in preparing primary care physicians who have returned to practice in rural Illinois communities. RPEER, a unique collaboration on the Rockford campus between the University of Illinois at Chicago Colleges of Medicine, Nursing, Dentistry, Pharmacy, Social Work, and the School of Public Health, has been successful over the past three years in planning and implementing collaborative projects with these disciplines. RPEER is the first and only program in the nation to adapt the RMED model to train nurses, pharmacists, mental health social workers, and public health administrators to practice in underserved rural areas.

The mission and goals of the National Center for Rural Health Professions will incorporate and expand on the original mission and goals of the RPEER Center. The center seeks to create and implement an interdisciplinary initiative to improve the health and health care delivery of rural communities through education, evaluation, and research. The problem of health care availability in rural areas is acute. Some of the statistics paint a bleak picture. Sixty-one million Americans living in rural communities are severely disadvantaged in terms of health care. Approximately 71 percent of health professions shortage areas as defined by the Department of Health and Human Services are rural. Americans in rural communities have higher death rates for infants, children, and young adults than their counterparts in metropolitan areas. There are six times fewer pediatricians and five times fewer internists serving rural America. Health manpower shortages in rural America extend to nurses, pharmacists, dentists, mental health workers, and others.

The goals of the National Center for Rural Health Professions are to: (1) meet the health care needs and reduce disparities in the health of rural residents through collaborative projects involving multiple health professions; and (2) create and implement recruitment, retention, and health care delivery initiatives that will positively impact the health and well-being of both rural residents and their communities.

Lessons learned from the National Center for Rural Health Professions will be "exported" to other states and regions. A national center will allow for development and piloting of community-based rural medical and health care education models that can be adopted nationwide and internationally. As a World Health Organization collaborating center with terms of reference that relate to the National Center for Rural Health Professions, internships, and fellowships will be offered that bring in students and health professionals from around the world to learn about and conduct research related to rural health professions programming. There are currently national programs in rural health research and rural health policy, but none in rural health professions education with an emphasis on interdisciplinary approaches. This would be the first rural health professions center in the United States.

Funding to support the National Center for Rural Health Professions is already in place. Current state funding for the RMED Program totals approximately \$750,000 per year, and smaller grants have been received from state agencies and health professions and health care organizations. RPEER received one-time funding of \$250,000 from the Area Health Educational Consortium and \$50,000 from the Office of the Provost on the Chicago campus. Most recently, the UIC College of Medicine at Rockford was awarded a four-year \$6.0 million grant from the National Institutes of Health's Center for Minority Health and Health Disparities to develop a Project EXPORT Center for Excellence in Rural Health. The college also received \$1.45 million from the United States Congress for a planning grant to expand the current UIC College of Medicine at Rockford facility to house the National Center for Rural Health Professions.

The National Center for Rural Health Professions at the University of Illinois at Chicago College of Medicine at Rockford will serve as a national rural health education resource for the health care needs of rural communities.

The vice president for academic affairs concurs in this recommendation.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

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

Mr. Eppley then invited Dean Salafsky to comment on the program to educate health professionals to serve rural populations. The dean stated that Illinois ranks eighth in the nation among states with counties that have a shortage of physicians and other health professionals. He also said that nationally 61 million Americans are in need of health care. This provides the basis for the program to educate more health professionals to serve these populations. He also told the board that the Rockford program has been a model to many states as well as other countries.

Chancellor Ringeisen then commented on the items related to Springfield. In providing background information for agenda item no. 8, "Redesignate Abraham Lincoln Presidential Center for Governmental Studies as the Center for State Policy and Leadership, Springfield," he said that after much discussion it seemed prudent to make this change to avoid any confusion with the Lincoln Presidential Library and Museum in Springfield. On agenda item no. 9, "Designate Classroom/Office Building as University Hall, Springfield," he stated that this name is recommended as an appropriate designation.

Vice President Gardner announced that agenda item nos. 11, 12, 13, and 14, pertaining to tuition, fees, and housing rates for Fiscal Year 2005 would be discussed in the meeting of the board as a Committee of the Whole. On agenda item no. 18, "Contract for a Review of the University's Commodities Purchases," he said that this is in aid of the administrative review project initiated last spring in an effort to reduce costs in the administrative areas. He said that the University's purchasing processes are one area that is being carefully reviewed and that this contract is to assist the administration in reviewing how commodities are purchased with an eye to saving 10 percent of current expenditures, for a total of \$14.0 million.

Next, Vice President Rugg stated that agenda item no. 11, "Tuition Rates, Fiscal Year 2005," and agenda item no. 14, "Rate Changes for University-Operated Housing Facilities, Chicago, Springfield, and Urbana, Fiscal Year 2005," would be presented and discussed in the meeting of the board as a Committee of the Whole. For agenda item no. 15, "Revise Tax-Deferred Retirement Plan," Vice President Rugg explained that the University had just completed a review of tax-sheltered retirement plans offered employees in order to select a few that would offer the best options for investment and service to employees. He said that currently 5,700 employees participate in these plans. He told the board that a consultant specializing in human resources and benefits was engaged to assist in the evaluation of plans, and that the consultant had three considerations in evaluating the plans that might be offered to University employees. These included the following requirements: the plan must offer a full range of investment choices; the plan must be understandable to participants; and the plan must offer educational materials that are helpful and understandable. Mr.

Rugg stated that after issuing a Request for Proposals, nine responses were received and eight plans were intensively evaluated. Of these, four providers were invited for interviews, and two are recommended for approval. He added that those employees who wish to leave their investments with a plan that will no longer be offered may do so, but future payments would have to be directed to one of the two plans selected. On agenda item no. 16, "Certificates of Participation (UI-Integrate) Series 2003," he reminded all that many steps had been taken toward issuing these financing instruments and that this issuance represented the last set to be issued for financing the UI-Integrate Project. He noted that the board had approved the budget for the project and the issuance of Certificates of Participation as the funding mechanism earlier. For agenda item no. 17, "Contract for Consulting and Interim Management of the UIC Medical Center's Material Management, Chicago," Mr. Rugg stated that this item is related to agenda item no. 18, and that it applies specifically to purchasing commodities for the hospital. He said that the firm recommended for this consultation has extensive experience and the team that would work on the project is well regarded. He said that the anticipated savings in commodities purchases for the hospital after this consultant reviews current practices and recommends changes is \$2.5 million. Mr. Michael B. Provenzano, senior associate vice president for business and financial services, gave more description of the approach the consultant would take to discover ways to find savings. Discussion of the terms of the contract followed with questions from Messrs. Shah and Sperling. Mr. Eppley asked that the Request for Proposals be sent to Mr. Shah for his review. Mr. Rugg then presented agenda item no. 19, "Increase Project Budget for Central Chilled Water System, Chicago." He reminded the board of the master plans they had approved at an earlier time for both the Chicago and Urbana campuses to provide chilled water, and indicated that this recommendation presents an opportunity to centralize chilled water services at Chicago that is consistent with the goals of the plan. He then asked Mr. Provenzano to present agenda item no. 22, "Purchases." Mr. Provenzano described the individual recommendations for purchases. Mr. Shah asked questions about the recommendation in the list of entries concerning a contract for full service maintenance and parts agreement for diagnostic imaging equipment for the period beginning September 1, 2003, through June 20, 2008. He was concerned about the age of the equipment and the cost of maintenance and stated that he thought replacement of the equipment might be preferable to the maintenance contract, since he did not think the University would save on this contract versus purchasing new equipment. Dr. Schmidt commented that he thought the cost for the contract appropriate in light of his experience with diagnostic imaging equipment. He said that this equipment is often out of service about one-half day per week, due to the need to recalibrate it. Mr. Eppley asked Mr. Shah to work with the administration to find the best practice in this area.

Vice President Chicoine spoke to agenda item no. 20, "Intergovernmental Agreement with County of DuPage, Illinois, and DuPage Airport Authority," stating that the Illinois General Assembly appropriated \$34.0 million to the DuPage Airport Authority for the purpose of developing a technology park and required an intergovernmental agreement with the University of Illinois and the County of DuPage to carry out this charge. He indicated that the University of Illinois Research Park Board of Managers reviewed the purposes of the agreement at their meeting on November 3, 2003, and agreed in principle with the general approach to working with the DuPage County Technology Park. He said that the Board of Managers recommended that the Board of Trustees approve this agreement. Further, he stated that this comes with the suggestion that the comptroller be authorized to execute the agreement in final form, due to the fact that one element of the agreement, the liability component, is not final. He indicated the rest of the agreement is in final form. In describing agenda item no. 21, "License of Technology to PRZM Corporation, and Conflict of Interest Management Plans for Founders of PRZM Corporation," Dr. Chicoine recalled the process the board approved at its meeting September 11, 2003, by which licenses of technology would be approved if the president or a relative of the president were involved. This involved having the entire board approve the conflict of interest management plan. He said for the present issue, the University has decided to license PRZM Corporation that is owned by University employees. This act requires that a conflict of interest management plan be developed, and he said that since President Stukel's son, Paul Stukel, has been asked to become the president of this firm, President Stukel will not approve the conflict of interest management plan. Instead, the board will approve this. Mr. Eppley asked Mr. Bearrows to comment on his review of the conflict of interest management plan, and Mr. Bearrows responded that he had reviewed several pertinent documents in this regard, including: the University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, the State of Illinois Procurement Code, the University of Illinois *Policy on Conflict of Interest and Commitment*, and had obtained an outside opinion to get an independent view as well. In addition, he said he reviewed the board item approved on September 11, 2003, and also saw the terms of the licensing agreement for PRZM Corporation, the conflict of interest management plan, and the background information to that and stated that he felt comfortable with the proposed transaction.

Mr. Rugg then asked Mr. Provenzano to present the recommendations in agenda item no. 22, "Purchases." Mr. Provenzano reviewed each of the purchases recommended and provided background information for them. Mr. Shah commented on entry no. 3 in the list of purchases—a full service maintenance and parts agreement for diagnostic imaging equipment. He stated that the current replacement cost for the equipment is \$12.0 million and this contract is for \$6.0 million. Mr. Shah noted that the contract was a

sole source contract and observed that there was little opportunity to save in such a contract. He indicated that he found the contract too expensive, and asked that the administration attempt to obtain a contract for this service for less. No board member objected to this.

REPORT FROM URBANA-CHAMPAIGN SENATE

Mr. Eppley introduced Professor Michael Grossman, chair of the Urbana-Champaign Senate Executive Committee, who presented a review of the activities of the senate for the past year. He commented on several policies the senate had reviewed and approved including a policy on alternatives to dissection for students (with the exception of students in veterinary medicine) and stated that the Urbana campus is one of the few institutions to have such a policy, and thus this policy has become a model to other institutions. He also told the board that the senate had reviewed several other policies, such as the policy regarding sanctions short of dismissal for faculty. Professor Grossman expressed appreciation to the board for the continued interest in the practice of having individual board members serve as liaisons to the senates and stated that the senates would like to enhance this in future. Mr. Eppley responded that the liaison roles are important to the trustees as well.

RECESS FOR COMMITTEE MEETINGS

The board recessed for a meeting of the board as a Committee of the Whole followed by a luncheon. After luncheon the Buildings and Grounds Committee and the Technology and Economic Development Committee met.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley opened this committee meeting and turned to President Stukel to introduce the subject. The president asked Vice Presidents Gardner and Rugg to present the recommendations for tuition and fees that are in the agenda for this meeting.

Mr. Rugg began with a review of the types of student fees and their purposes. He presented the following list of fees charged students: the service fee, for various student activities and programs; the health service fee; and the general fee, for partial support of the auxiliary facilities, since these are independent of the University budget (materials filed with the secretary).

In summing up the changes in fees for the campuses, Mr. Rugg told the board that at the Chicago campus there would be a \$38.00 annual fee increase; at the Springfield campus there would be a \$51.00 annual increase in fees based on the smaller number of students, he also explained that there was not a fee for the planned student recreation center in this list because a recommendation for that would come later; and at the Urbana campus the fees would increase by \$10.00 per year.

Mr. Rugg reported annual increases in campus housing as follows: Chicago, \$32.00; Springfield, \$115.00; and Urbana, \$258.00.

Dr. Gardner then addressed the recommendation for tuition for the next academic year. He said that the components of tuition include funding for: academic programs, student services, increases in faculty; adjustments to the University for changes in State support, and provision for financial aid (materials filed with the secretary).

He spoke to each of these components, noting that in the area of academic programs there is a need to replace some of the 850 course sections that were eliminated in recent years due to budget constraints. He also said that a portion of the tuition money would be used for faculty and staff salaries in order for the University to remain competitive, noting that a 3 percent salary increase next year would cost \$25.0 million. He said that another use for the money from tuition would be operations and maintenance of new buildings, and he said that the cost for this is about \$15.0 million.

Next Dr. Gardner reviewed the sources of revenue for the University. He said that savings from the reduction of the cost of administration was expected to yield \$25.0 million and that \$15.0 million would go to the needs identified above. He indicated that the increase in tuition would increase the total amount of funding available from tuition to \$25.0 million; after setting aside \$4.0 million for financial aid, he stated that the State appropriation would be another source of funds that is unknown at this time, and that the savings from reallocation, also not known at this time, would produce more resources. He told the board that the University required \$52.0 million for Fiscal Year 2005 to meet its needs.

He then reviewed the increases in tuition per year by campus: Chicago, \$196; Springfield, \$198; Urbana, \$223. He stated that these increases total \$25.0 million without financial aid included, and that half of this would go toward academic programs.

Dr. Gardner also reviewed the plans for the guaranteed tuition program that is responsive to the new State statute that requires stable tuition for four years for undergraduate students from the time a student begins at the University.

In addition, he presented information on financial aid for students and explained that setting tuition rates involves planning for financial aid, including Federal and State sources as well as others. He told the board that the University needed to set aside \$4.0 million from the tuition collected for financial aid. He reported that the total financial aid needed for Fiscal Year 2004 was \$15.0 million and that \$19.0 million will be needed for FY 2005. He also stated that there was a need to explore alternatives for funding this need. In closing he complimented the student trustees for their involvement in the process of reaching the recommendation on tuition for FY 2005 and noted that there had been approximately 40 meetings on the three campuses to discuss the tuition recommendation with students. He referred to a summary of these meetings distributed to the board

earlier in the day, and stated that the students had been highly involved in establishing the rates for tuition in the recommendation.

Mr. Eppley commended Dr. Gardner on the modeling he and his staff prepared for the tuition proposal. He said that this shows how a lower average increase than the University has had in the past will suffice. He said that the recommendation provides for predictability that was mandated in legislation requiring a guaranteed tuition for four years and that a lower average annual increase will be possible as well.

Discussion followed about the impact of the guaranteed tuition for transfer students and the effect of the four-year guarantee for those students who do not complete a degree program in four years. The student trustees also requested earlier consultation on tuition next year. Mr. Vickrey asked for a financial aid plan to be presented to the board at their March 11, 2004, meeting.

RECESS FOR LUNCHEON

The board recessed for luncheon¹ and returned for more committee meetings.

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE

Mr. Shah, chair of this committee, called the meeting to order, noted the issues to be covered in the meeting, and introduced Mr. Lyle Wachtel, associate vice president for facilities planning and programs, and asked him to present the agenda for the meeting. Mr. Wachtel stated that there was a scheduled presentation of a design for the planned student recreation facility/east campus at Chicago and introduced the architects who were present to describe the design, Mr. Tom Seymour of Phillips Swager Associates and Mr. Kurt Nolan of Moody Nolan, Inc. (materials filed with the secretary). Mr. Seymour stressed that students were involved in the design process and planning for the center. He described the exterior of the building and its placement along Halsted Street, and said that the facility is designed to give views of the city. Mr. Nolan then discussed the interior space and the functional areas of the facility. He noted that the building is designed to show activity inside the building through the use of glass in 25 percent of the building and also emphasized that the facility was energy efficient. Ms. Garcia corroborated the involvement of students in the design process, and Mr. Shah complimented Dr. Barbara Henley, vice chancellor for student affairs and enrollment management, for her deep knowledge of the design.

On motion of Mr. Eppley, this design was approved unanimously.

Mr. Wachtel reported that the Capital Development Board had approved the architect and engineer for the design of the Advanced Chemical Technology Building at Chicago.

Dr. Schmidt asked Mr. Wachtel to evaluate the condition of the guest rooms at the Illini Union, Urbana, and cited several problems of wear.

¹Guests of the board at luncheon were members of the Urbana-Champaign Senate.

**MEETING OF THE TECHNOLOGY AND
ECONOMIC DEVELOPMENT COMMITTEE**

Mr. Eppley, chair of the committee, introduced Dr. Chicoine for a report on activities in this area (materials filed with the secretary). Dr. Chicoine reported on the data contained in the quarterly report for the first quarter of Fiscal Year 2004 that the board had received earlier. He also called attention to the annual report for FY 2003 that had been distributed to the board, noting that the list of capital facilities approved for the University since the mission of economic development had been embraced was found on pages four and five and that this list may be increased now to include the Advanced Chemical Technology Building at Chicago, and the Micro and Nano Technology Building at Urbana.

BOARD MEETING RESUMED

At this time, the board reconvened in regular session.

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, 2003, copies of which had previously been sent to the board.

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

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. 2 through 14 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Resolution for Professor Carl R. Woese

(2) To Professor Carl R. Woese:

The Board of Trustees wishes to congratulate Professor Carl R. Woese of the Urbana-Champaign campus as the recipient of the 2003 Crafoord Prize in Biosciences given by the Royal Swedish Academy of Sciences. The prize was for his discovery of a third domain of life. In 1977, Professor Woese, collaborating with Ralph S. Wolfe, redefined the accepted biological theory that all life on Earth belonged to one of two primary lineages, the eukaryotes (animals, plants, fungi, and certain unicellular organisms) and the prokaryotes (all remaining microscopic organisms). They provided evidence that there are three primary lineages. Within the prokaryotes are two distinct groups of organisms.

The new group of organisms, the archaea, is very simple in its genetic makeup and tends to exist in "extreme" environments, niches devoid of oxygen whose temperatures can be near or above the normal boiling point of water. Such conditions are reminiscent of what is considered to have been the early environment on Earth.

Because of Professor Woese's work, scientists now recognize three primary divisions of living systems, called eukaryotes, archaea, and bacteria. The method used to identify this "third form of life" involved comparing the sequences of a particular molecule central to cellular function, called ribosomal RNA. This has become the standard approach used to identify and classify all microorganisms. Through his research he concluded that

archaea are more closely related to humans than to bacteria and that life did not begin with one primordial cell, but that there were initially at least three simple types of loosely constructed cellular organizations.

In recognition of Professor Woese's achievements and distinguished service, therefore, be it resolved by the University of Illinois Board of Trustees that this resolution be incorporated in the minutes of this meeting to become a part of the official record and that a suitable copy be forwarded to Professor Woese as a permanent record of the University's gratitude and of the esteem in which he is held.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Resolution for Professor Paul C. Lauterbur

(3) To Professor Paul C. Lauterbur:

The Board of Trustees wishes to congratulate Professor Paul C. Lauterbur of the Urbana-Champaign campus on the award of the 2003 Nobel Prize for Physiology or Medicine, shared with Sir Peter Mansfield of the University of Nottingham. The prize is for their remarkable groundbreaking research on magnetic resonance imaging.

Professor Lauterbur's development of magnetic resonance imaging has revolutionized the way physicians diagnose diseases and other medical problems. It enables a much clearer view inside the body than ever before. The accuracy of this biomedical technology has rendered obsolete other more difficult and tedious forms of diagnosis such as surgery or x-rays. Magnetic resonance imaging, through powerful magnetic fields and radio signals, stimulates hydrogen atoms in the body to reveal themselves and thereby provide images of internal structures. Magnetic resonance imaging is the most effective method of imaging the brain, spinal cord, muscles, joints, and the heart.

In recognition of Professor Lauterbur's achievements and distinguished service, therefore, be it resolved by the University of Illinois Board of Trustees that this resolution be incorporated in the minutes of this meeting to become a part of the official record, and that a suitable copy be forwarded to him as a permanent record of the University's gratitude and of the esteem in which he is held.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Resolution for Professor Anthony J. Leggett

(4) To Professor Anthony J. Leggett:

The Board of Trustees wishes to congratulate Professor Anthony J. Leggett of the Urbana-Champaign campus on the award of the 2003 Nobel Prize for Physics, shared with Alexei Abrikosov of Argonne National Laboratory, and Vitaly Ginzburg of the P.N. Lebedev Physical Institute in Moscow. The prize is for studies in quantum physics in superconductivity and superfluidity. Professor Leggett developed a theory of the behavior of atoms in a superfluid state. This has been applied to studies of the universe and other physical phenomena, and has advanced the field of quantum information.

Professor Leggett's work has had significant influence on quantum mechanics and the understanding of the behavior of subatomic structures. It also helps explain the interface between quantum mechanics and the world in which we live. He demonstrated that helium chilled to near zero flows through microscopic spaces with no friction, a state of superfluidity. The Swedish Academy stated that researchers could use superfluid helium to study how order turns to chaos, which might in turn explain how turbulence arises—a long unsolved problem in classical physics.

In recognition of Professor Leggett's achievements and distinguished service, therefore, be it resolved by the University of Illinois Board of Trustees that this resolution be incorporated in the minutes of this meeting to become a part of the official record, and that a suitable copy be forwarded to him as a permanent record of the University's gratitude and of the esteem in which he is held.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Honorary Degrees, Urbana

(5) The senate of the Urbana-Champaign campus has recommended that honorary degrees be conferred on the following persons at the Commencement Exercises on May 16, 2004:

FRANCES ALLEN, pioneer in the field of compilers—the honorary degree of Doctor of Science.

Dr. Allen is the first woman to achieve the title of IBM Fellow and is the past president of the IBM Academy of Technology. She specializes in compilers, compiler optimization, and high performance computing. She is considered one of the giants in the field of programming language compiler research and development. Dr. Allen established the theoretical framework and methodology for compiler research that has been followed by thousands of researchers and developers over the past 30 years. She contributed to the success of several major IBM computer systems by working with the hardware designers on compiler/architecture interactions.

JOHN HOPE FRANKLIN, writer and historian—the honorary degree of Doctor of Humane Letters.

John Hope Franklin is one of the world's most celebrated historians. He authored the literary landmark *From Slavery to Freedom* which reshaped the way African-American history is understood and taught. Professor Franklin is the James B. Duke Professor emeritus of History at Duke University and also served on the faculties of St. Augustine's College, Howard University, Brooklyn College, and the University of Chicago. He was awarded the Presidential Medal of Freedom in 1995, and was appointed by President Clinton to lead a panel of advisers whose mission was to promote racial understanding in the United States. Professor Franklin has served on many national commissions and delegations, including the National Council on the Humanities and the President's Advisory Commission on Ambassadorial Appointments.

TEMPLE GRANDIN, distinguished scientist in the field of the handling, slaughtering, transporting, and housing of farm animals—the honorary degree of Doctor of Science.

Dr. Grandin's work has had a remarkable influence on the animal production industry in the United States and abroad. A University of Illinois alumna, she is known worldwide for designing unprecedented and humane facilities for cattle and other animals and, in effect, revolutionizing the meat industry. She received the American Meat Institute's (AMI) highest award, the AMI Industry Advancement Award, because of her role in transforming both animal welfare attitudes and practices within the meat industry. Dr. Grandin is considered to be the highest functioning autistic on record and serves as an active role model for autistic children, their families, and friends. She presents 15 to 20 talks per year to gatherings of the autism community in the United States, Canada, England, France, Italy, Australia, Japan, and New Zealand, and has published books on the topic that have been translated into several languages.

LANI GUINIER, professor of law, Harvard Law School—the honorary degree of Doctor of Laws.

In 1998, Dr. Guinier became the first black woman to be appointed to a tenured professorship at Harvard Law School. During the 1980s, she was head of the voting rights project at the NAACP Legal Defense Fund and served in the Civil Rights Division during the Carter Administration as special assistant to then Assistant Attorney General Drew S. Days. She later was nominated by President Clinton in 1993 to head the Civil Rights Division of the Department of Justice, but her name was withdrawn without a confirmation hearing. That experience led Dr. Guinier to write her powerful memoir, *Lift Every Voice: Turning a Civil Rights Setback into a New Vision of Social Justice*. Before joining the Harvard Law School, Dr. Guinier was a tenured professor at the University of Pennsylvania for 10 years.

FREEMAN A. HRABOWSKI, III, president, University of Maryland, Baltimore County—the honorary degree of Doctor of Education.

Dr. Hrabowski, a University of Illinois alumnus, serves as a consultant to the National Science Foundation, the National Institutes of Health, the U.S. Department of Education, and universities and school systems nationally. His research and publications focus on science and math education, with special emphasis on minority participation and performance. He sits on numerous corporate and civic boards (e.g., American Association of Colleges & Universities, Carnegie Institution of Washington, Marguerite Casey Foundation). He has published a number of articles and is coauthor of two books: *Beating the Odds: Raising Academically Successful African American Males*, focusing on parenting and high-achieving African-American males in science; and *Overcoming the Odds: Raising Academically Successful African American Young Women*, focusing on successful African-American females in science.

SHIRLEY ANN JACKSON, president, Rensselaer Polytechnic Institute—the honorary degree of Doctor of University Administration.

Prior to becoming Rensselaer's president in 1999, Dr. Jackson held senior positions in government, as commissioner and chairman of the U.S. Nuclear Regulatory Commission; in industry and research, as a theoretical physicist at the former AT&T Bell Laboratories; and in academia, as a professor of theoretical physics at Rutgers University. Dr. Jackson is the first woman to receive a doctorate from MIT—in any subject. She is one of the first two African-American women to receive a doctorate in physics in the United States, and is also the first African-American woman elected to the National Academy of Engineering. *Discover* magazine named Dr. Jackson one of the Top 50 Women in Science in 2002.

CHRISTINE M. KORSGAARD, leading Kantian moral philosopher—the honorary degree of Doctor of Humane Letters.

Dr. Korsgaard, a University of Illinois alumna, is the Arthur Kingsley Porter Professor of Philosophy at Harvard University where she has been chair of the Department of Philosophy since 1995. She is the first woman to chair this department as well as the first woman to hold the rank of full professor of philosophy alone, rather than by joint appointment. She is considered one of the most prominent, influential, and highly regarded philosophers of her generation. She has two published books, *Creating the Kingdom of Ends*, and *The Sources of Normativity* which have set the agenda for those working in the field. Her ground-breaking work has had wide international influence. She has given the Tanner Lectures in Human Values, and the John Locke Lectures at Oxford, two of the most prestigious lectureships in Anglo-American philosophy.

ROBERT P. MOSES, founder and president, the Algebra Project, Inc.—the honorary degree of Doctor of Science and Letters.

During his young adult life, Mr. Moses was a pivotal organizer for the civil rights movement as a field secretary for the Student Non-Violent Coordinating Committee (SNCC) and was director of SNCC's Mississippi Project. He was recognized as a driving force behind the Mississippi Summer Project of 1964 and in organizing the Mississippi Freedom Democratic Party, which challenged the Mississippi regulars at the 1964 Democratic Convention. A MacArthur Foundation Fellow at Harvard from 1982 to 1987, Mr. Moses used his fellowship to work full-time teaching algebra to seventh and eighth graders as a school volunteer. During that time, Mr. Moses developed the concept for the Algebra Project which uses experiential learning drawn from the work of Dewey, Lewin, Piaget, Quine, and Kolb—and a five-step curricular process Mr. Moses innovated—to help middle school students make the conceptual shift from arithmetic to algebra. These materials formed the backbone of Algebra Project teacher and trainer training, and implementation throughout the United States. The Algebra Project's work has been supported by numerous grants from organizations such as the National Science Foundation, The Open Society Institute, the Lilly Endowment, and The John D. & Catherine T. MacArthur Foundation.

The chancellor at Urbana concurs in these recommendations.

The president of the University recommends approval.

On motion of Dr. Gindorf, these degrees were authorized as recommended.

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

(6) 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

SEPIDEH AMIN-HANJANI, assistant professor of neurosurgery, on 51 percent time, and physician surgeon in neurosurgery, on 49 percent time, College of Medicine at Chicago, beginning September 2, 2003 (1Y51;NY49), at an annual salary of \$150,000.

MATTHIAS ASCHENBRENNER, assistant professor of mathematics, statistics and computer science, on 100 percent time, beginning August 19, 2003 (3), at an annual salary of \$60,000.

PIETRO BORTONE, assistant professor of Classics and Mediterranean Studies, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$50,000.

CATHRYN R. DOOLY, associate professor of movement sciences, on 100 percent time, for five years beginning August 16, 2003 (Q), at an annual salary of \$80,000.

SIDDHARTHA GHOSH, assistant professor of electrical and computer engineering, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$75,000.

PAUL H. GOLDSPIK, assistant professor of physiology in medicine, College of Medicine at Chicago, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$65,760.

CARMEN M. HERNANDEZ, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$70,000.

*LINDA J. KENNEY, associate professor of microbiology and immunology, College of Medicine at Chicago, on 100 percent time, beginning July 28, 2003 (A), at an annual salary of \$81,000.

- MARILYN F. KRAUS, associate professor of psychiatry, College of Medicine at Chicago, on 100 percent time, September 16, 2003-August 15, 2006 (QY), at an annual salary of \$148,000.
- JIE LIN, assistant professor of civil and materials engineering, on 60 percent time, and assistant professor, Institute for Environmental Science and Policy, on 40 percent time, beginning August 16, 2003 (1;N40), at an annual salary of \$70,000. Tenure eligibility of 100 percent is maintained in the Department of Civil and Materials Engineering.
- HEATHER M. MCLAUCHLAN, assistant professor of pediatrics, on 51 percent time, and physician surgeon in pediatrics, on 39 percent time, College of Medicine at Peoria, August 1-31, 2003 (NY51;NY39), at an annual salary of \$100,000, and continuing effective September 1, 2003 (1Y51;NY39), at an annual salary of \$100,000.
- ABOLFAZL MOHAMMADIAN, assistant professor of civil and materials engineering, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$70,000.
- *ERGUN ONAL, professor of medicine, on 51 percent time, and physician surgeon in medicine, on 49 percent time, College of Medicine at Chicago, beginning August 1, 2003 (AY51;NY49), at an annual salary of \$160,000.
- PAVEL A. PETUKHOV, assistant professor of medicinal chemistry and pharmacognosy, College of Pharmacy, on 100 percent time, beginning October 1, 2003 (1), at an annual salary of \$68,000.
- SUMAN SETTY, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time; staff pathologist in urology, University of Illinois Hospital and Clinics, on 49 percent time; and physician surgeon in pathology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), August 18-31, 2003 (NY51;NY49;NY), at an annual salary of \$121,500, and continuing effective September 1, 2003 (1Y51;NY49;NY), at an annual salary of \$121,500.

Emeriti Appointments

- ROBERT A. ABRAMS, professor emeritus of information and decision sciences, May 1, 2004
- SHAHID H. ASHRAFI, associate professor emeritus of oral biology and associate professor emeritus of oral medicine and diagnostic sciences, September 1, 2002
- SANDRA S. BARTKY, professor emerita of philosophy and professor emerita, Gender and Women's Studies Program, January 1, 2004
- BERNARD H. BAUM, professor emeritus of managerial studies, College of Business Administration, June 21, 2002. This is in addition to professor emeritus, Division of Health Policy and Administration, School of Public Health, previously approved by the board on July 17, 2003.
- CALIXTO P. CALDERON, professor emeritus of mathematics, statistics and computer science, September 1, 2003
- MATTHEW W. DICKIE, professor emeritus of Classics and Mediterranean Studies, June 21, 2003
- HARRY H.S. FONG, professor emeritus of pharmacognosy in the Department of Medicinal Chemistry and Pharmacognosy, January 1, 2004
- GEORGE R. HONIG, professor emeritus of pediatrics, College of Medicine at Chicago, January 1, 2004
- F. MARION HULETT, professor emerita of biological sciences, January 1, 2004
- RICHARD A. MURPHY, associate professor emeritus of oral medicine and diagnostic sciences, September 1, 2001
- YORAM SAGHER, professor emeritus of mathematics, statistics and computer science, September 1, 2003
- MARSHA L. SELMER, associate professor emerita, Richard J. Daley Library, December 1, 2003
- RICHARD A. WANG, associate professor emeritus of performing arts, September 1, 2002
- MARY GLENN WILEY, professor emerita of sociology, March 1, 2004
- A. MONEIM E. ZAKI, professor emeritus of oral biology, September 1, 2003

Springfield

- DENNIS J. GAFFNEY, professor of accountancy, on 100 percent time, January 1, 2004-August 15, 2007 (Q), at an annual salary of \$110,000.
- XIAOQING LI, assistant professor of management information systems, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$73,000.
- RYAN K. WILLIAMS, assistant professor of criminal justice, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$51,407.

Urbana-Champaign

- MUHAMMAD AL-FARUQUE, Middle Eastern Studies librarian and associate professor of library administration, University Library, on 100 percent time, August 7, 2003-August 15, 2007 (QY), at an annual salary of \$69,500.
- STEPHEN BOND, assistant professor of computer science, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$77,000.
- ROBERT J. BRUNNER, assistant professor of astronomy, on 51 percent time, and research scientist, National Center for Supercomputing Applications, on 49 percent time, beginning August 16, 2003 (1;N49), at an annual salary of \$59,000.
- CHRISTOPHER R. BYRON, assistant professor of veterinary clinical medicine, on 100 percent time, beginning September 16, 2003 (1Y), at an annual salary of \$90,000.
- XIMING CAI, assistant professor of civil and environmental engineering, on 100 percent time, beginning September 22, 2003 (1), at an annual salary of \$68,000.
- MARGARET E. CALKINS, assistant professor of landscape architecture, on 75 percent time, beginning January 1, 2004 (N75), at an annual salary of \$37,500.
- STEPHANIE CEMAN, assistant professor of basic sciences, College of Medicine at Urbana-Champaign, on 100 percent time, and assistant professor of cell and structural biology, College of Liberal Arts and Sciences, on zero percent time (non-salaried), beginning August 16, 2003 (1;N), at an annual salary of \$60,000. Eligibility for tenure in both departments is maintained; funding provided by basic sciences, College of Medicine at Urbana-Champaign.
- SHEFALI CHANDRA, assistant professor of history, on 50 percent time, and assistant professor, Women's Studies Program, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$49,000.
- BRIAN LEEDS DEMARCO, assistant professor of physics, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$62,600.
- RICHARD GORVETT, assistant professor of mathematics, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$95,000.
- KIMBERLY A. HUEY, assistant professor of kinesiology, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$53,000.
- SIYI LI, assistant professor of accountancy, on 100 percent time, July 17-August 15, 2003 (N), \$15,037, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$140,000.
- YUN LIN, assistant professor of crop sciences, on 25 percent time, August 4-August 15, 2003 (N), \$2,578, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$58,000.
- *RALPH W. MATHISEN, professor of history, on 100 percent time, and professor of the Classics, on zero percent time (non-tenured and non-salaried), beginning August 16, 2003 (A100;N), at an annual salary of \$105,000.
- *DAVID NICOL, professor of electrical and computer engineering, on 100 percent time, beginning August 16, 2003 (A), at an annual salary of \$136,000.
- MATTIAS KURT POLBORN, assistant professor of economics, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$85,000.
- JOHN DAVID POLK, assistant professor of anthropology, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$53,000.
- *SCOTT W. SCHWARTZ, archivist for music and fine arts and associate professor of library administration, University Library, on 100 percent time, beginning September 22, 2003 (AY), at an annual salary of \$66,000.

- SONALI SHAH, assistant professor of business administration, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$100,000.
- CHILIN SHIH, assistant professor of East Asian languages and cultures, on 75 percent time, and assistant professor of linguistics, on 25 percent time, beginning August 16, 2003 (3), at an annual salary of \$55,000.
- VALERIA SOBOL, assistant professor of Slavic languages and literature, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$49,000.
- RICHARD W. SPROAT, professor of linguistics, on 75 percent time, and professor of electrical and computer engineering, on 25 percent time, for four years beginning August 16, 2003 (Q), at an annual salary of \$80,000.
- DAMION THOMAS, assistant professor, Afro-American Studies and Research Program, on 50 percent time, and assistant professor of kinesiology, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$53,000.
- ARIANA TRAILL, assistant professor of the Classics, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$51,000.
- VADIM ZHARNITSKY, assistant professor of mathematics, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$64,000.
- YANYUN ZHU, assistant professor of mathematics, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$65,000.

Emeriti Appointments

- CLARK W. BULLARD, professor emeritus of mechanical engineering in the Department of Mechanical and Industrial Engineering, September 1, 2003
- BARTON M. CLARK, professor emeritus of library administration, University Library, September 1, 2003
- SARA U. DOUGLAS, associate professor emerita of agricultural and consumer economics, July 21, 2003
- LEO V. GRUCZA, professor emeritus of art, School of Art and Design, August 21, 2003
- JOSEPH L. LOVE, professor emeritus of history, August 21, 2003
- GEORGE T. YU, professor emeritus of political science, October 1, 2003

Administrative/Professional Staff

- THOMAS HENRY CORLESS, radiology billing director, Department of Radiology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 20 percent time, beginning November 17, 2003 (NY20), at an annual salary of \$22,000. Mr. Corless was appointed to serve as visiting radiology billing director under the same conditions and salary arrangement beginning June 30, 2003. In addition, Mr. Corless will continue to serve as assistant to the head of radiology, College of Medicine at Chicago, on a twelve-month service basis, on 80 percent time, effective November 17, 2003 (NY80), at an annual salary of \$90,000, for a total salary of \$112,000.
- PATRICIA CUNNINGHAM, director of health information management/privacy officer, Medical Records Department, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$119,500. Ms. Cunningham was appointed to serve as visiting director of health information management/privacy officer under the same conditions and salary arrangement beginning September 15, 2003.
- SANDRA F. DURLEY, associate director of Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY100), at an annual salary of \$108,500. Dr. Durley was appointed to serve as visiting associate director of Ambulatory Pharmacy Services under the same conditions and salary arrangement beginning September 1, 2003. She will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY), for a total salary of \$108,500.
- JOHN GAROFALO, associate director of pharmacy clinical services, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 per-

cent time, beginning November 17, 2003 (NY100), at an annual salary of \$106,500. Dr. Garofalo was appointed to serve as visiting associate director of pharmacy clinical services under the same conditions and salary arrangement beginning September 1, 2003. Dr. Garofalo will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY), for a total salary of \$106,500.

*PHILIP B. GORELICK, head of the Department of Neurology and Rehabilitation Medicine, College of Medicine at Chicago, on a twelve-month service basis, with an administrative increment of \$50,000; and chief of service, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$50,000, beginning December 8, 2003 (KY;NY). In addition, he will be appointed to the rank of professor of neurology and rehabilitation medicine, on indefinite tenure, on a twelve-month service basis, on 40 percent time, at an annual salary of \$80,000; physician surgeon in neurology, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 60 percent time, at an annual salary of \$120,000; and J. S. Garvin Professor of Neurology, Department of Neurology and Rehabilitation Medicine, College of Medicine at Chicago, on a twelve-month service basis, on zero percent time (non-tenured and non-salaried), beginning December 8, 2003 (AY40; NY60; NY), for a total salary of \$300,000. Dr. Gorelick will continue as associate professor, Division of Epidemiology and Biostatistics, School of Public Health, on zero percent time (non-tenured and non-salaried), for a total salary of \$300,000.

ROBERT L. KELLY, JR., director of parking, Division of Facilities and Services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 16, 2003 (NY), at an annual salary of \$95,750. Mr. Kelly was appointed to serve as interim director of parking under the same conditions and salary arrangement beginning October 16, 2003.

SARAH J. KILPATRICK, head of the Department of Obstetrics and Gynecology, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$50,000; and chief of service of obstetrics and gynecology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$50,000, beginning November 17, 2003 (KY;NY). Dr. Kilpatrick was appointed to serve as interim head and interim chief of service under the same conditions and salary arrangement beginning March 17, 2003. In addition, she will hold the title of Goldstick-Arends Professor in the Department of Obstetrics and Gynecology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), beginning November 17, 2003 (NY). She will continue to hold the rank of professor of obstetrics and gynecology, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 51 percent time, at an annual salary of \$100,000; and physician surgeon in obstetrics and gynecology, College of Medicine at Chicago, on a twelve-month service basis, on 39 percent time, and physician surgeon in obstetrics and gynecology, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 10 percent time, at an annual salary of \$200,000, effective November 17, 2003 (AY51;NY39;NY10), for a total salary of \$400,000.

*ALAN P. KOZIKOWSKI, head of the Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, Chicago, on an academic year service basis with an administrative increment of \$10,000, beginning November 17, 2003 (K). Dr. Kozikowski was appointed to serve as interim head under the same conditions and salary arrangement beginning October 1, 2003. In addition, he will also be appointed to the rank of professor of medicinal chemistry and pharmacognosy, College of Pharmacy, on indefinite tenure on an academic year service basis, on 60 percent time, at an annual salary of \$180,000; and as research professor of medicinal chemistry and pharmacognosy (non-tenured) on an academic year service basis, on 40 percent time, at an annual salary of \$120,000, effective November 17, 2003

- (A60;N40), for a total salary of \$310,000. Dr. Kozikowski was appointed to serve as visiting professor of medicinal chemistry and pharmacognosy, on 60 percent time, at an annual salary of \$180,000, beginning August 16, 2003.
- FRANK LICARI, executive associate dean for academic affairs, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$35,000, beginning November 17, 2003 (NY). Dr. Licari was appointed to serve as visiting executive associate dean under the same conditions and salary arrangement beginning August 1, 2003. In addition, Dr. Licari will continue to hold the rank of clinical assistant professor, Dental Clinics, College of Dentistry, on a twelve-month service basis, on 100 percent time, at an annual salary of \$155,000; clinical assistant professor of pediatric dentistry, on zero percent time (non-tenured and non-salaried); and dental surgeon, College of Dentistry, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY100;NY;N), for a total salary of \$190,000.
- JOHN MARK MCBRIDE, associate director, pharmacy information technology systems, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY100), at an annual salary of \$108,500. Mr. McBride was appointed to serve as visiting associate director under the same conditions and salary arrangement beginning September 1, 2003. In addition, Mr. McBride will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, Chicago, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY), for a total salary of \$108,500.
- ROBERT A. MICEK, director of business planning and decision support, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$118,000. Mr. Micek was appointed to serve as visiting director of business planning and decision support under the same conditions and salary arrangement beginning April 1, 2003.
- ROSE ANN MIRON, assistant vice chancellor for public engagement and institutional relations, Office of the Vice Chancellor for Public Engagement and Institutional Relations, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$88,000.
- DONALD MOY, associate director of finance-general accounting and budget, Hospital Finance, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$98,470. Mr. Moy was appointed to serve as visiting associate director of finance under the same conditions and salary arrangement beginning August 1, 2003.
- JAMES D. OLIVER, assistant dean for urban and metropolitan affairs, University of Illinois Extension and Outreach, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 1, 2003 (NY), at an annual salary of \$151,600.
- MARION S. OSTREGA, associate director for administration, Research Resources Center, Office of the Vice Chancellor for Research, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 14, 2003 (NY), at an annual salary of \$97,850. Mr. Ostrega was appointed to serve as visiting associate director for administration under the same conditions and salary arrangement beginning August 1, 2003.
- MARILYN PLOMANN, assistant to the head of Otolaryngology-Head and Neck Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$105,000.
- DAVID SCHEJBAL, associate vice chancellor and director, Office of Continuing Education, Office of the Vice Chancellor for Public Engagement and Institutional Relations, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$113,200. Dr. Schejbal will continue as adjunct associate professor of natural resources and environmental sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$113,200.

- MARK E. STANLEY, associate director of housing–director of business and technology services, Housing Division, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$92,000. Mr. Stanley was appointed to serve as interim associate director of housing–business and technology services under the same conditions and salary arrangement beginning September 15, 2003.
- BART M. TAUB, associate head and director of graduate studies in the Department of Economics, College of Business, Urbana-Champaign, on an academic year service basis with an administrative increment of \$10,000, beginning November 14, 2003 (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 associate head and director (\$11,189 for 2003-04). Dr. Taub was appointed to serve as acting associate head and director of graduate studies under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Taub will continue to hold the rank of professor of economics, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$90,700, for a total salary of \$111,889.
- *DAVID IAN WEIGHTMAN, director of the School of Art and Design, College of Fine and Applied Arts, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 16, 2003 (NY100), at an annual salary of \$112,000. In addition, for service as director, Dr. Weightman will receive an administrative increment of \$8,000, on a twelve-month service basis (NY). Dr. Weightman will be appointed as professor, School of Art and Design, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), effective December 16, 2003 (A), for a total salary of \$120,000.
- CLARK E. WISE, director for capital project administration, Facilities and Services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$100,100. Mr. Wise was appointed to serve as interim director for capital project administration under the same conditions and salary arrangement beginning October 14, 2003.
- COLIN A. WRAIGHT, associate head of biochemistry, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$5,000, beginning November 17, 2003 (NY). Dr. Wraight was appointed to serve as acting associate head under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Wraight will continue to hold the rank of professor of biochemistry, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$100,000; professor of plant biology, on zero percent time (non-tenured and non-salaried); and professor of biophysics, Department of Molecular and Integrative Physiology, on zero percent time (non-tenured and non-salaried), College of Liberal Arts and Sciences, effective November 17, 2003 (A100;N;N), for a total salary of \$105,000.

On motion of Dr. Gindorf, these appointments were confirmed.

**Establish Liautaud Graduate School of Business,
College of Business Administration, Chicago**

(7) The chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Business Administration recommends the establishment of the Liautaud Graduate School of Business within the College of Business Administration at Chicago in recognition of the gift of the Liautaud family to the University.

The members of the Liautaud family (James P. Liautaud, Grazina Liautaud, and James J. Liautaud) authorized a gift commitment of \$5,000,000 toward the establishment of the Liautaud Graduate School of Business in the College of Business Administration at Chicago. The gift will become an endowment, the income from which will be used to

finance the graduate programs within the school: Master of Business Administration, M.S. in Accounting, M.S. and Ph.D. in Management Information Systems, M.A. in Real Estate, and Ph.D. in Business Administration.

The proposed Liautaud Graduate School of Business will be an administrative unit whose objective is to consolidate within the school several post-baccalaureate programs in business administration. The creation of the Liautaud Graduate School of Business and the consolidation of the programs under its administration will achieve two major goals and several objectives. First, the school will improve the external visibility of all of the programs and will facilitate coordinated efforts to recruit students and publicize the programs. One of the fundamental objectives of the school is to increase the size of student enrollment and enhance the quality of post-baccalaureate programs offered by the College of Business Administration. Second, the school will serve the function of internal coordination of the programs, including the coordination of statement of program goals, program design, program evaluations and revisions, course schedules, and graduate student financial aid. In addition, a critical task of the school will be to design and implement a plan for quality assurance for each of the graduate programs. Another particular target of the school is to increase external funding for the post-baccalaureate programs.

The Liautaud Graduate School of Business will be headed by the associate dean for graduate business programs who reports to the dean of the College of Business Administration. Operating responsibility for the individual degree programs rests with the directors of graduate studies who will continue to make admission and all other decisions within their domains.

James P. Liautaud received his B.S. in Mechanical Engineering from the University of Illinois at Urbana-Champaign in 1963. He is the founder of several businesses, including Capsonic Group, Inc., American Antenna, American Research and Engineering, and Gabriel Investments. In 1983 he was honored by the American Society of Professional Engineers for the "Design of the Year," and in 1989 he was named a Distinguished Alumnus of the UIUC College of Engineering. In 1992 he approached the College of Business Administration at Chicago about creating a Family Business Council and eventually underwrote the development of this unit.

Grazina Liautaud (Mrs. John P.) received her B.S. in Elementary Education in 1961 from the University of Illinois at Urbana-Champaign. She is very active in charitable organizations, including service as president of Children's Hope Division of Human Services of the Lithuanian-American Community, Inc.

James John Liautaud, Mr. and Mrs. Liautaud's son, is a prominent businessman. In 1983 he founded Jimmy John's Gourmet Sandwich Shops. The company now has more than 100 retail stores located mainly in the eastern half of the nation. He is very active in civic and charitable activities in his hometown of Champaign, Illinois, and a major donor to the Fighting Illini Scholarship Fund at Urbana.

All three members of the Liautaud family are members of the University of Illinois President's Council.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Redesignate Abraham Lincoln Presidential Center
for Governmental Studies as the Center
for State Policy and Leadership, Springfield**

(8) The chancellor at Springfield with the advice of the Springfield Senate, the Office of the Provost, and the Abraham Lincoln Presidential Center for Governmental Studies recommends that the Abraham Lincoln Presidential Center for Governmental Studies be redesignated as the Center for State Policy and Leadership.

This change is recommended to eliminate confusion in fundraising and marketing efforts due to the similar name of the Abraham Lincoln Presidential Library and Museum. No additional funding is requested.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval.

On motion of Dr. Gindorf, this recommendation was approved.

Designate Classroom/Office Building as University Hall, Springfield

(9) The chancellor at Springfield with the concurrence of the provost and vice chancellor for academic affairs, the vice chancellor for administration, and the vice chancellor for student affairs recommends that the new classroom/office building currently under construction be designated University Hall.

The president of the University concurs.

On motion of Dr. Gindorf, this recommendation was approved.

Redesignate Expanded Child Development Laboratory as the Early Child Development Laboratory, Urbana

(10) The chancellor at Urbana recommends that the Expanded Child Development Laboratory be designated as the Early Child Development Laboratory. This change more clearly designates the purpose and mission of the facility to serve younger children.

The Board of Trustees at its January 13, 2000, meeting approved the final design of a new building to provide for expanded space for the child development laboratory. The building was referred to as the Expanded Child Development Laboratory. "Expanded" was an appropriate term to use during the design, construction, and initial implementation phases of the facility. The focus was on expanding the overall Child Development Laboratory program in terms of the number of children and families served and the number of classrooms available. Now that the facility is being used, the term "expanded" no longer adequately describes its purpose. The term "early" accurately reflects the age levels being served in the new building compared to those children being served in the original facility. Younger children are served in the new facility (i.e., infants, toddlers, two-year-olds, and young three-year-olds), and older children in the original facility (i.e., three-, four-, and five-year-olds).

The president of the University concurs.

On motion of Dr. Gindorf, this recommendation was approved.

Tuition Rates, Fiscal Year 2005

(11) Following extensive reviews and recommendations from the Academic Affairs Management Team, student leaders, and the chancellors at each campus, the vice president for academic affairs recommends approval of general tuition increases of 8 percent for Fiscal Year 2005. This action is consistent with the report endorsed by the board at their February 2003 meeting, *Ensuring Quality and Affordability: Tuition and Financial Aid at the University of Illinois*.

In addition to the general tuition increase of 8 percent, an additional rate increase of 7.41 percent for all new undergraduate students is included. This tuition rate will not increase for four years and will comply with the tuition guarantee legislation, Public Act 93-0228. This legislation ensures that an incoming student will have tuition set for four years to provide predictability in their tuition costs.

In addition, there are four undergraduate differential increases proposed per semester.

- The engineering differential at UIC is increased by \$200.
- An art and architecture differential at UIC is established at \$200.
- A nursing differential at UIC is established at \$200.
- The chem/life sciences differential at UIUC is increased by \$750 (new students).

At the graduate and professional levels, there are also a number of program specific tuition increases proposed. All differentials passed by the board in June 2003 continue to be phased in. All proposed tuition actions are outlined in the following tables of semester tuition rates.

The president of the University concurs.

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

University of Illinois
Tuition Increases Per Student
Undergraduate Students (Residents)¹

	<i>Chicago</i>			<i>Urbana-Champaign</i>			<i>Springfield²</i>		
	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>
Continuing Undergraduate									
College of Engineering	\$2,659	\$3,072	\$413	\$3,837	\$4,144	\$ 307			
Engineering Related				3,837	4,144	307			
Chem/Life Sciences				3,087	3,584	497			
Fine and Applied Arts				2,994	3,234	240			
Art & Architecture	2,449	2,845	396						
Business				3,284	3,547	263			
Nursing	2,449	2,845	396						
General Undergraduate	2,449	2,645	196	2,784	3,007	223	\$115.00	\$124.25	\$ 9.25
New Undergraduate - Tuition Guarantee*									
College of Engineering	2,659	3,300	641	3,837	4,451	614			
Engineering Related				3,837	4,451	614			
Chem/Life Sciences				3,087	4,387	1,300			
Fine and Applied Arts				2,994	3,474	480			
Art & Architecture	2,449	3,056	607						
Business				3,284	3,810	526			
Nursing	2,449	3,056	607						
General Undergraduate	2,449	2,841	392	2,784	3,230	446	115.00	133.50	18.50

Notes:

* Student entering after Spring 2004

¹ Comparable increases for extramural, GIS, part-time and non-resident students are proposed, including phase in of rates, consistent with existing policies.

² Per credit hour charge at UIS. Additional Capital Scholars fee of \$150 per semester for full-time students.

University of Illinois
Tuition Increases Per Semester
Graduate/Professional Students (Residents)¹

	<i>Chicago</i>			<i>Urbana-Champaign</i>			<i>Springfield^{2,3}</i>		
	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>
Post-Bac Certificate in Accountancy				\$3,098	\$3,346	\$248			
Graduate									
College of Engineering	\$ 3,574	\$ 3,860	\$ 286	4,151	4,483	332			
Engineering Related				4,151	4,483	332			
Chem/Life Sciences				3,401	3,673	272			
Fine and Applied Arts				3,308	3,573	265			
Nursing	4,824	5,210	386						
Library Sciences				3,361	3,630	269			
Biomedical Visualization	4,399	4,751	352						
MBA	5,711	6,168	457	7,200	7,800	600			
Master of Accountancy	5,711	6,168	457	7,200	7,800	600			
MS in MIS in Business	5,711	6,168	457						
Business				3,598	3,886	288			
Master of Real Estate	5,574	6,020	446						
Master of Architecture	3,324	3,590	266						
Master of Fine Arts	3,324	3,590	266						
Masters HRIR				3,598	4,386	788			
MS Biotechnology (New)		5,800							
MS Occupational (Continuing)	2,824	3,050	226						
MS Occupational (Entering)	2,824	4,250	1,426						
Graduate Public Health (Continuing)	2,824	3,050	226						
Graduate Public Health (Entering)	2,824	3,750	926						
General Graduate	2,824	3,050	226	3,098	3,346	248	\$129.50	\$140.00	\$10.50
Professional									
Doctor of Physical Therapy	4,857	5,246	389						
Dental	7,679	8,294	615						
Medicine	10,437	11,272	835						
Veterinary Medicine				5,964	6,620	656			
Law ⁴				6,503	7,154	651			
Pharm-D	5,391	5,823	432						
Pharmacy Continuing	3,841	4,149	308						

Notes:

¹ Comparable increases for extramural, part-time, and non-resident students are proposed, including phase in of rates, consistent with existing policies.

² Per credit hour charge at UIS.

³ UIS MBA program in Peoria, \$3,375 per semester for 2-year program starting in FY 2005.

⁴ Includes graduate programs in the College of Law.

**Tuition and Fee Increases,
Cost Recovery, Off Campus, Online, and Aviation Programs,
Fiscal Year 2005**

I.

(12) The Urbana-Champaign campus provides several academic programs on a "full cost recovery" basis, i.e., all costs are met through a combination of tuition and fee charges. Tuition and fee requirements for each of these programs are reviewed and adjusted annually to ensure that adequate revenues are available to operate each program.

For Fiscal Year 2005, the following actions are proposed for Cost Recovery Programs:

**Proposed Tuition and Fees
FY 2005**

Executive MBA Program

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$22,500	\$2,000
Fees	13,500	13,500	0
<i>Total</i>	\$34,000	\$36,000	\$2,000

Master of Science in Finance

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$24,000	\$3,500
Fees	9,000	9,000	0
<i>Total</i>	\$29,500	\$33,000	\$3,500

Master of Science in Business Administration

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$22,700	\$2,200
Fees	9,000	9,000	0
<i>Total</i>	\$29,500	\$31,700	\$2,200

Master of Science in Policy Economics

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$21,600	\$1,100
Fees	5,000	5,400	400
<i>Total</i>	\$25,500	\$27,000	\$1,500

Master of Science in Accountancy

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$24,000	\$3,500
Fees	9,000	8,000	-1,000
<i>Total</i>	\$29,500	\$32,000	\$2,500

For the **Executive MBA Program**, each class pays the same tuition and fee charges for each of the two program years. Thus the tuition increase recommended for FY 2005 will affect only the students in the entering class of 2005. Total tuition revenue available for FY 2005 will be sufficient to cover projected academic program costs. Fee increases are required to maintain the current level of service for fee-supported activities. The fee increase also includes expected increases in foreign travel, lodging, recruiting expenses, distance learning and inflationary increases in housing and meal costs, books and materials, special orientation programs for beginning students, a variety of special travel and speaker series, and computer related services.

II.

The **Finance, Business Administration, Policy Economics, and Accountancy** programs are specially designed, intensive programs of study leading to a Master of Science degree in a business related discipline. They are intended for promising international administrators in government and private institutions who need additional training in areas of economic analysis and quantitative techniques. Additional funds are required in FY 2005 to provide for normal cost increases for these programs.

III.

The unique costs associated with instructional requirements in the **Institute of Aviation** are addressed by specific charges for individual courses. Charges differ based upon the type of equipment required, the frequency of its use, the instructional mode (classroom, flight simulator, aircraft, etc.) and so on. Annual reviews of aircraft and simulator operating expenses and other equipment training needs are conducted along with projected wage requirements for the next year. Corresponding adjustments are then made in course charges. For the academic year 2005, current rates have been adjusted for materials, labor, insurance, and flight time.

Aviation course charges proposed for FY 2005 are specified below:

<i>Course</i>	<i>FY 2004</i>	<i>Proposed FY2005</i>
Avi 101	\$2,863	\$3,038
Avi 102	2,515	2,639
Avi 120	3,703	3,927
Avi 121	1,951	2,065
Avi 130	3,347	3,453
Avi 140	3,540	3,748
Avi 200	4,752	5,104
Avi 210	4,821	5,070
Avi 220	3,135	3,235
Avi 222	1,637	1,732
Avi 224	2,583	2,707
Avi 280	3,886	4,116
Avi 281	954	1,001
Avi 291	3,387	3,566
Avi 292	5,748	6,104
Avi 293	790	820

These changes have been reviewed and are recommended for approval by the chancellors and by the vice president for academic affairs.

The president of the University concurs.

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

**Student Fees for Chicago, Springfield, and Urbana,
Fiscal Year 2005**

(13) The chancellors at each campus have recommended student fee levels for Fiscal Year 2005 to support auxiliary operations, student programs and activities, and student health services. The fees recommended are required to meet continuing components (salaries and wages, utilities, goods and services), student programs, operating costs including debt service, and repair and replacement programs of facilities that comprise the Auxiliary Facilities Systems.

Chicago campus

At Chicago, the \$38 increase (5.7 percent) in the Service, General, Health Service, and Transportation fees for the Chicago Campus is to provide for projected general cost, utilities and debt service increases; the addition of Phase 1 of a new assessment to Auxiliary Units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); and a 2-cent per day, per student increase in the contract with the Chicago Transit Authority (CTA) for the student U-PASS program.

Springfield campus

The \$51 increase (21.3 percent) in the Service, General, and Health fees for the Springfield campus is to provide for projected general cost, utilities and debt service increases; the addition of Phase 1 of a new assessment to auxiliary units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); continued development of an intercollegiate athletic program; continued support of student programs and organizations; and a student referendum approved fee for the health center beginning in Fiscal Year 2005.

Urbana-Champaign campus

The \$10 increase (1.7 percent) in the Service, General, and Health fees, which takes into account the revised payer base, for the Urbana campus is to provide for Phase 1 of a new assessment to auxiliary units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); Career Center staff enhancements; and an increase for the Illini Union Board Lectures Committee. The General fee increase is due in part to the campus recreation renovation, approved by student referendum in November 2001; this increase is to be phased in over a three-year period beginning in Fiscal Year 2005.

The following table presents the current and proposed fee levels for the programs described above.

The vice president for administration concurs in the fee levels proposed.

The president of the University recommends approval.

**University of Illinois
Summary of Fiscal Year 2005 Semester Student Fees**

Chicago	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>Percent Increase</i>
Student Fees			
Service Fee	\$264	\$282	
General Fee	233	246	
Health Fee	90	94	
Campus Transportation	80	83	
Student-to-Student Assistance	<u>3</u>	<u>3</u>	
<i>Total Per Semester</i>	\$670	\$708	5.7
Springfield	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>Percent Increase</i>
Student Fees			
Service Fee	\$192	\$208	
General Fee	44	64	
Health Fee*	na	15	
Student-to-Student Assistance	<u>4</u>	<u>4</u>	
<i>Total Per Semester</i>	\$240	\$291	21.3

*Fall 2003 student referendum approved the imposition of a \$15 per semester health fee beginning in FY 2005.

Urbana-Champaign	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>Percent Increase</i>
Student Fees			
Service Fee	\$179	\$179	
General Fee	173	184	
Health Fee	179	178	
Campus Transit/Safe Rides	33	33	
SEAL/SORF/Others*	19	19	
Krannert	<u>5</u>	<u>5</u>	
<i>Total Per Semester</i>	\$588	\$598	1.7

*SEAL/SORF, \$16; Energy Technologies Fee, \$2; Cultural Programming Fee, \$1

Mr. Hollingsead proposed the following as an amendment to this item:

"I move to amend this item to reflect an additional increase of \$60.00 per semester for students at the University of Illinois at Springfield as the first phase of a student-approved fee for a new recreation center. Student fees at UIS will be \$351.00 per semester with this addition. It is understood that the size, configuration, and programming of the new recreation center remains under review."

On motion of Mr. Bruce, this amendment was approved unanimously.

On motion of Dr. Gindorf, these recommendations as amended were approved.

Rate Changes for University-Operated Housing Facilities, Chicago, Springfield, and Urbana, Fiscal Year 2005

(14) The chancellors at each campus have recommended rate changes for University-operated housing for Fiscal Year 2005. The increases are required to meet operational costs (salaries and wages, utilities, general price increases, including food), to provide for student program enhancements, and to provide for debt service and repair and replacement reserve requirements.

Chicago

Residence Halls (room and board, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Student Residence Hall</i>				
Single	\$6,970	\$7,248	\$278	4.0
Double	6,394	6,650	256	4.0
<i>Polk Residence Hall</i>				
Suite Double	6,710	6,978	268	4.0
<i>Student Residence and Commons</i>				
Double	6,620	6,884	264	4.0

Note: Rates for the Student Residence and Commons will range from \$6,370 to \$7,904 depending on room configuration. These rates include a board charge of \$2,126.

Single Student Residence (room only)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$5,664	\$5,918	\$254	4.5
Three-person apt. (per person)	5,550	5,800	250	4.5
Four-person apt. (per person)	5,616	5,868	252	4.5
Two/Three-person suite (per person)	4,840	5,058	218	4.5

South Campus Building B

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$6,062	\$6,366	\$304	5.0
Four-person apt. (per person)	5,954	6,252	298	5.0

Springfield**Apartments** (room only, academic year)

<i>Family Apartments</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two bedroom/Family/Furnished	\$5,328	\$5,675	\$347	6.5
Two bedroom/Family/Unfurnished	4,968	5,192	224	4.5
One bedroom/Family/Furnished	4,194	4,446	252	6.0
One bedroom/Family/Unfurnished	3,924	4,081	157	4.0
<i>Single Student Apartments</i>				
Four bedroom/Private/Townhouse	\$3,006	\$3,171	\$165	5.5
Four-five bedroom/Private/Renovated	2,754	2,920	166	6.0
Four bedroom/Private/Flat	2,754	2,877	123	4.5
One bedroom/Private/Flat	4,194	4,446	252	6.0
One bedroom/Shared/Flat	2,097	2,181	84	4.0
Two bedroom/Shared/Flat (4 people)	1,521	1,630	109	7.1

Note: Apartment rate is for selected bedroom rate only. No meal plan is required of apartment residents.

*Lincoln Residence Halls** \$6,302 \$6,817 \$515 8.2

*Note: Rates for Capital Scholars in LRH include proposed increases for both room and board. The rate a given student pays will range from \$6,002 to \$7,102 depending on declining balance meal plan chosen. The above rate reflects the similar cost associated with a 14-meals-a-week plan (\$2,200).

Urbana-Champaign**Undergraduate Housing** (room and board, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single	\$7,092	\$7,321	\$229	3.2
Double	6,172	6,401	229	3.7
Triple	5,816	6,045	229	3.9

Notes: (1) The above rates include 14-meals-per-week classic (traditional) board plan. All undergraduate contracts must include one of six meal plans: 14 meals classic, 20 meals classic, 12 meals classic + 1,500 café credits, 10 meals classic + 4,500 café credits, 10 meals classic + 6,000 café credits, or all café credits (11,500).

(2) Rates in halls with air conditioning will be \$100 more than the above rates.

(3) Rates in halls with learning communities will be up to \$290 higher than the above rates.

(4) The rates quoted do not include the \$16 Residence Hall Association dues.

Graduate Housing (room only, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Sherman Hall</i> (air conditioned)				
Single	\$3,560	\$3,713	\$153	4.3
Double	3,400	3,553	153	4.5

Daniels Hall (remodeled)

Large Single	\$4,532	\$4,685	\$153	3.4
Large Double	4,120	4,273	153	3.7
Standard Double	3,400	3,553	153	4.5
<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Board Contract (Optional)				
14 meals classic	\$3,570	\$3,570	\$0	0.0
20 meals classic	4,000	4,000	0	0.0
12 classic + 1,500 credits	3,570	3,570	0	0.0
10 classic + 4,500 credits	4,000	4,000	0	0.0
10 classic + 6,000 credits	4,400	4,400	0	0.0
All café credits (11,500)	4,232	4,232	0	0.0

Note: Rates quoted do not include the \$8 Graduate Hall Association dues.

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Goodwin-Green (monthly rates - includes heat)				
Sleeping rooms	\$439	\$452	\$13	3.0
Zero bedroom	516	529	13	2.5
Zero, with dining	533	546	13	2.4
One bedroom	614	627	13	2.1
One bedroom, with dining	630	643	13	2.1
Orchard Downs (monthly rates)				
One bedroom, furnished	\$510	\$523	\$13	2.5
One bedroom, unfurnished	422	435	13	3.1
Two bedrooms, furnished	572	585	13	2.3
Two bedrooms, unfurnished (Orchard South)	455	468	13	2.9
Two bedrooms, unfurnished	536	549	13	2.4

Note: Rates in Orchard Downs include a special assessment for an intergovernmental agreement with the City of Urbana.

Beckwith Living Center (room & board, 19 meal plan, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single room ¹	\$21,850	\$22,300	\$450	2.0
Single room ²	10,970	11,200	230	2.1

¹Includes room and board with full assistance with Activities of Daily Living (ADL-showering, dressing, personal care, etc.)

²Room and board without full assistance with Activities of Daily Living.

The vice president for administration concurs in these recommendations.

The president of the University recommends approval.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 15 through 24 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Revise Tax-Deferred Retirement Plan

(15) Pursuant to Illinois Statutes, a Tax-Deferred Retirement Plan was established by the Board in 1964, and amended in 1967, 1980, 1984, 1993, 1997, and 2002. Under this Plan employees, at their sole option, may assign a portion of salary (technically called a salary reduction) to be invested toward retirement benefits under section 403(b) and 403(b)(7) of the Internal Revenue Code.

In spring 2003, a two-phase comprehensive review of the plan was initiated and an independent consulting firm, Mercer Human Resources Consulting, was retained for this review. In Phase I, Mercer was retained to review the University of Illinois Tax-Deferred Retirement Plan in comparison to the 403(b) marketplace and to identify areas of improvement. Mercer recommended that the University of Illinois should:

1. Reduce the program complexity and the number of duplicative funds offered.
2. Provide participants access to a diverse, competitive, and cost-effective array of investment asset classes.
3. Increase the cost-effectiveness and responsiveness of vendor administration services, including participant fees and education.

In Phase II, Mercer was retained to solicit proposals from current and potential insurance and investment companies, to evaluate these proposals, and then to recommend finalists for further review by the University of Illinois. An *ad hoc* committee composed of administrators, faculty representatives, academic professionals, and staff was appointed to review the recommendations submitted by Mercer. Eight vendors were included in Mercer's comprehensive review, including the University's five current vendors. Based upon selection criteria encompassing investment quality and performance, fees and expenses, and administration and services, four vendors were invited to make presentations. After weighing the results of Mercer's in-depth analysis and interviews with the finalists, the committee recommends that two vendors, Fidelity and TIAA-CREF, be retained as 403(b) investment firm vendors. Also the committee recommends that American Century, ING, and MetLife be discontinued from the University of Illinois Tax-Deferred Retirement Plan.

The committee further recommends that the University of Illinois discontinue enrolling new participants in programs offered by American Century, ING, and MetLife effective February 1, 2004, and that those currently participating in these programs be notified that they will be discontinued effective April 1, 2004. Participants may retain current account balances with these vendors, but will no longer be allowed to make contributions to these vendors.

In addition, the committee recommends that the language of the Tax-Deferred Retirement Plan dated January 1, 2002, previously approved by the Board of Trustees, be revised to incorporate the changes of the approved 403(b) investment firm vendors, effective February 1, 2004.

The committee recommends that the Board of Trustees adopt the February 1, 2004, document (copy filed with the secretary) entitled "University of Illinois Tax-Deferred Retirement Plan," as the document governing the administration of the plan.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

**Certificates of Participation,
(UI-Integrate) Series 2003**

(16) In January 2001, the board approved the issuance of a series of Certificates of Participation over a period not to exceed five years, in aggregate amounts not to exceed \$155.0 million to fund the UI-Integrate Project. Certificates of Participation, Series 2001 were issued in the original par amount of \$107.85 million to fund a portion of the project, with an expectation that a second series of Certificates of Participation would be issued in 2003 to complete the project.

The board, at its meeting on July 17, 2003, authorized a number of actions leading toward the issuance of Certificates of Participation (UI-Integrate Project) Series 2003 evidencing proportionate interests in installment payments to be made by the board (the "Series 2003 Certificates"). Such actions have been completed and now it is requested that the board authorize the issuance of the Series 2003 Certificates in an amount not to exceed \$40.0 million with a final maturity of not more than 12 years to fund the UI-Integrate Project, including capitalized interest plus necessary issuance costs. The Series 2003 Certificates will be issued on a parity with the Certificates of Participation (UI-Integrate Project) Series 2001. This action also requires the renewal of the Installment Purchase Contract through April 1, 2016.

The average annual payments to the certificate holders are estimated to approximate \$4.0 million over the 12-year life of the Series 2003 Certificates. The Series 2003 Certificates are subject to redemption at such times and at such redemption prices as the comptroller determines are necessary or helpful in marketing the Series 2003 Certificates.

The Series 2003 Certificates will be fully registered and the obligation to make the installment payments will constitute a current operating expense of the board and neither the Installment Purchase Contract nor the Series 2003 Certificates will constitute an indebtedness of the State of Illinois. The board will pledge to the payment of the installment payments such moneys as may be lawfully appropriated by the General Assembly for such purposes and legally available non-appropriated funds on an annual basis, e.g., tuition and indirect cost recoveries.

All legal matters incidental to the authorization and issuance of the Series 2003 Certificates, the forms of Preliminary and Final Official Statements, the First Supplemental Indenture of Trust and Assignment of Purchase Contract (the "First Supplemental Indenture"), the Certificate Purchase Agreement, the First Amendment to Installment Purchase Contract, and the Continuing Disclosure Agreement have been approved by Chapman and Cutler LLP, special counsel, Chicago, Illinois.

The vice president for administration recommends:

1. Approval of the Preliminary Official Statement and approval of the Final Official Statement with the addition of the final terms of the Series 2003 Certificates.¹
2. Approval of the form of the Certificate Purchase Agreement³ with UBS Financial Services Inc., as underwriter, wherein the underwriter agrees to purchase from the board not less than all of the Series 2003 Certificates in an aggregate original principal amount not exceeding \$40.0 million. The price at which the Series 2003 Certificates will be purchased from the board by the underwriter, exclusive of original issue discount, will not be less than 98 percent of the par amount thereof and the true interest cost of borrowing for the Series 2003 Certificates will not exceed 5.0 percent.

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

3. Approval of the form of the First Amendment to Installment Purchase Contract.³
4. Approval of the form of the First Supplemental Indenture.³
5. Approval of the form of the Continuing Disclosure Agreement by the board with respect to the Series 2003 Certificates.³
6. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the Series 2003 Certificates to the underwriter.
7. The comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the First Supplemental Indenture, the Certificate Purchase Agreement, the First Amendment to Installment Purchase Contract, the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The president of the University concurs.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Contract for Consulting and Interim Management of the UIC Medical Center's Material Management, Chicago

(17) The chancellor at Chicago recommends that the comptroller be authorized to execute a contract for consulting and interim management services with BD Healthcare Consulting and Services.

The UIC Medical Center has identified a need to improve the operations of the Material Management unit. In order to provide for the rapid redesign of the supply chain and other logistical services within Material Management, the services of a consultant with expertise in these areas are required.

The services include providing interim management personnel, updating job descriptions and requirements for front-line managers and staff, assisting in recruitment of key management personnel, developing staff training and competency assessment tools, redesigning and implementing a new supply chain model, identifying performance metrics to drive change and monitor service levels, centralizing Medical Center procurement, expanding EDI utilization, evaluating the consolidation of central sterilization services, enhancing Material Management Information Systems to support new supply chain efficiencies, implementing a point of use inventory control system, and automating patient transportation call dispatching and tracking.

Pursuant to a Request for Proposal, the Medical Center reviewed responses from 12 firms. Based on a review of written proposals, six firms were selected for in-depth interviews with the evaluation committee.¹ The selected firm, BD Healthcare Consulting and Services, was determined to be best qualified to provide the required services at a reasonable and acceptable price.

¹David Loffing, assistant hospital director of operations; Michael Fitzgerald, assistant director of material management for purchasing and contracts; Chad Turner, management methods analyst; Robb Micek, director of planning and decision support; Aaron Simon, associate director of business planning, and Niha Babu, administrative fellow.

The initial period of the contract will be December 1, 2003, through November 30, 2004, at a cost of \$1,200,000. The contract has options to renew for four additional three-month periods at the same prices, terms, and conditions subject to satisfactory performance, continuing need, and availability of funds with the comptroller authorized to exercise such options.

Funds are available from the Health Services Facilities System Fiscal Year 2004 operating budget.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Contract for a Review of the University's Commodities Purchases

(18) The vice president for administration with the concurrence of appropriate University officers recommends approval of a contract with Accenture LLP for a maximum amount of \$380,000 to provide a detailed review of the University's commodities purchases, to devise strategies to realize savings, and to formulate a comprehensive action plan to implement recommended strategies.

In response to a Board of Trustees resolution at the March 13, 2002, meeting, university staff has been conducting a detailed review of administrative and academic support services to identify opportunities for cost reductions and service improvements. One aspect of the discovery phase of this project was compilation of a list of University commodity purchases that offer potential cost savings. On the basis of this compilation, it was determined that the volume of the University's purchases justify a detailed analysis to confirm the estimated cost savings.

The University issued a Request for Proposal (RFP) for consulting services to review the data collected in the discovery phase, collect any additional data necessary to substantiate information in the discovery phase report, and conduct a detailed analysis of the University's commodities purchases in order to identify opportunities and strategies for savings in these purchases. Accenture LLP was selected by a Commodities Procurement Steering Committee based on a review of written proposals from five firms.

Accenture LLP will review and refine the list of target commodities and the savings estimates identified in the discovery phase as well as review suppliers, contracts spending, industry trends, and procurement policies. In addition to this detailed assessment and analysis of procurements, the scope of activities will include recommendations to the University regarding procurement strategies (including any policy and/or legislative implications) to achieve savings, creation of a business case and plan for implementation of these strategies, advice concerning methods to gain stakeholder acceptance of recommended and implemented changes, and preparation of reports to University administrators and the Board of Trustees.

A task force of University personnel will oversee the coordination of Accenture LLP's detailed analysis of commodities purchases with BD Healthcare Consulting and Services related to the redesign of the supply chain and other logistical services within the UIC Medical Center's Material Management unit.

Funds for this contract are available from the Fiscal Year 2004 Institutional Funds Operating Budget of the University Administration.

The vice president for administration recommends approval.

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Increase Project Budget for Central Chilled Water System, Chicago

(19) In November 2001, the board approved the \$10.0 million Central Chilled Water System Project for the west side of the Chicago campus. In March 2002, the board subsequently approved a project increase to \$12.0 million to include the new College of Medicine building in the central plant concept. As part of the development of the central plant concept, planning for expansion was incorporated to accommodate future loads as opportunities were presented.

During the past several months, the Campus Auxiliary Services (CAS) unit at Chicago has been reviewing facility needs. As part of this review, CAS initially contemplated replacing its existing regional chilled water plant that provides air conditioning service to the west side residence halls, student union, and recreation facility. Upon further review, CAS determined that the most cost-effective solution would be to utilize the central campus chilled water system now under construction and purchase capacity in the Central Refrigeration Plant. As part of this expanded project, the chilled water distribution extension would be routed so that the future conversion of currently separate chilled water systems of the College of Nursing building, the Goldberg building, and the Associated Health Professions building might be accommodated in future phases.

In order to proceed with this solution, the vice president for administration with concurrence of the appropriate University officers recommends that the project budget be increased from \$12.0 million to \$14.0 million.¹

Funds to achieve the increased scope are available from the Institutional Funds Operating Budget of the Chicago campus and Campus Auxiliary Service Operating Funds Budget.

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Intergovernmental Agreement with County of DuPage, Illinois, and DuPage Airport Authority

(20) The Illinois General Assembly has appropriated \$34,000,000 to the DuPage Airport Authority for the purpose of promoting development of the DuPage County Technology Park. The funds are being provided through a grant by the Illinois Department of Commerce and Community Affairs (now the Department of Commerce and Economic Opportunity). A condition of the grant is that an intergovernmental agreement providing for mutual cooperation be negotiated between DuPage County, DuPage Airport

¹As part of this increase, the professional services agreement with Henneman Raufeisen & Associates, Inc., Chicago, would be amended to incorporate a fixed fee increase of \$67,000 for design and bidding services for the additional scope and an accommodation of reimbursable expenses and hourly construction management fees not to exceed \$23,960.

Authority, and the Board of Trustees of the University of Illinois. A not-for-profit corporation, DuPage County Technology Park, N.F.P, has been formed to develop and manage the DuPage County Technology Park. The tech park is located on a portion of the Airport Authority's land in DuPage County.

The Board of Managers of the University of Illinois Research Park, LLC, and the vice president for technology and economic development recommend the board approve and authorize the comptroller and secretary to execute the final intergovernmental agreement, which will be in a form substantially similar to the attached draft agreement (copy filed with the secretary).

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

License of Technology to PRZM Corporation, and Conflict of Interest Management Plans for Founders of PRZM Corporation

(21) University employees in the Office of Capital Programs have developed software (commonly referred to as "PRZM") to facilitate information sharing and efficient management of the University's construction projects. Since the software was written by University employees within the scope of their employment, the University is the owner of the software with the exclusive right to use, assign, or license the software. The University employees who developed the software disclosed this invention to the Urbana-Champaign campus Office of Technology Management to ensure intellectual property protection, and formed a start-up company named PRZM Corporation ("PRZM Corp."). This was accomplished with the assistance of Illinois VENTURES, LLC, working with the Office of Technology Management. PRZM Corp. has negotiated with the Urbana-Champaign campus Office of Technology Management the terms of a proposed license agreement from the University to use the software and to license it to other companies.

Ordinarily, proposed licenses with companies which are owned by University employees are reviewed in accordance with University's policy, subject to final approval by the president. In this case, however, PRZM Corp. is considering hiring Paul Stukel as president and chief executive officer (CEO) of the company. Paul Stukel is the son of James J. Stukel, president of the University. At its meeting on September 11, 2003, the Board of Trustees approved a resolution requiring the Board of Trustees to review and approve licenses and/or conflict management plans for University employees involving companies or transactions when it is necessary for the president to recuse himself/herself from approving the transaction and the plan based on an interest held by the president or his/her immediate family. The potential conflict of interest posed by Paul Stukel's position as the CEO of PRZM Corp., and the potential conflicts posed by the ownership interests of University employees in PRZM Corp., have been reviewed by the university counsel as well as outside counsel. Pursuant to the resolution approved at the September 11, 2003, Board of Trustees' meeting, the university counsel has concluded that the licensing agreement and conflict of interest management plans meet all relevant legal requirements and may be approved by the board.

Article II 4(d) of the University's *The General Rules Concerning University Organization and Procedure* permits a contract to be "awarded to any business entity, including those in which a university officer or employee (or members of their immediate families) serve as major officers or primary employees thereof or hold a significant equity interest therein, if such contract is deemed in the best interests of the University" (emphasis added). The director

of the Urbana-Champaign campus Office of Technology Management, Michael Fritz, has concluded that the terms of the license are consistent with the standard licenses granted to companies to commercialize University technologies, represent a fair and reasonable return to the University, and will facilitate the successful commercialization of the technology. He recommends approval of the license.

The associate vice president for facility planning and programming, in consultation with an *ad hoc* conflict management committee, will be responsible for monitoring compliance of University employees and founders of PRZM Corp. with the University's *Policy on Conflicts of Interest and Commitment*. The time that University employees with ownership interests in PRZM Corp. devote to its matters will be monitored, reviewed, and approved to ensure the employees' performance of their University-related duties do not suffer.

Finally, John Banta, CEO/managing director of IllinoisVENTURES, LLC, presented the founders of PRZM Corp. with three candidates, including Paul Stukel, as likely candidates for its CEO. The founders of PRZM Corp. interviewed each candidate and selected Mr. Stukel on the basis of his extensive qualifications and experiences. IllinoisVENTURES, LLC, and CEO John Banta support the proposed licensing agreement with PRZM Corp. and think the proposed licensing agreement will optimize the successful transfer and commercialization of the technology, and, therefore, with respect to the commercial issues, would be in the best interests of the University.

The vice president for technology and economic development recommends approval of the license to the PRZM Corp. and approval of the related conflict of interest management plans of the University employees and founders of PRZM Corp.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, Mr. Bruce; absent, Governor Blagojevich.

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

Purchases

(22) 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 \$8,321,559.

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.

Mr. Shah made a motion to amend this recommendation by changing the third entry in the list of purchases recommended: "Full service maintenance and parts agreement for diagnostic imaging equipment for the period beginning September 1, 2003, through June 20, 2008," to a one-year contract rather than a five-year contract. Further, he asked that the administration negotiate a new contract for the additional four years with General Electric, and try to get a reduction to the current recommendation. He then suggested that the result of the additional negotiations be brought to the Executive Committee for approval prior to the next scheduled meeting of the board, January 15, 2004.

Mr. Shah's motion to amend this item was approved thus reducing the total amount of purchases from institutional funds to \$2,534,560.

On motion of Mr. Sperling, the purchases recommended and as amended were authorized by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Disclose Executive Session Minutes Under Open Meetings Act

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

Attached are items from October 1999 through March 2003 that have been heretofore unreleased and are recommended for release at this time. Those sections of minutes that deal with items considered in executive session for which continuing confidential status is recommended in order to protect the public interest or the privacy of an individual are indicated. When the need for confidentiality has passed, they will be released. (Attached materials are filed with the secretary of the board for record.)

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

The president of the University concurs.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Authorization for Settlement

(24) The University Counsel recommends that the board approve settlement of *Williams v. Penn, et al.* in the amount of \$1,400,000. The plaintiff, Danielle Williams, alleges that the failure of the defendants to properly monitor the condition of 10-week-old Isaac Williams and recognize signs of respiratory distress following hernia surgery resulted in his death.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich. (Mr. Bruce asked to be recorded as not voting on this item.)

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

President's Report on Action of the Senate

(25) The president presented the following report:

Eliminate the Continuing Curricular Option Pathway to the Doctor of Pharmacy Degree, College of Pharmacy, Chicago

The Chicago Senate with the recommendation of the Graduate College and the College of Pharmacy approved a proposal to eliminate the Continuing Curricular Option (CCO) pathway to the Doctor of Pharmacy (PharmD) degree.

The CCO program was established in the mid-1980s as a professional educational offering for licensed pharmacists with a baccalaureate degree in pharmacy, earned from an American Council on Pharmaceutical Education accredited institution, who wished to earn the Doctor of Pharmacy degree. The program required successful completion of 44 semester hours distributed between didactic coursework and clinical clerkships in order to achieve equivalencies in expected competencies.

The number of students enrolled in the CCO program has steadily declined in recent years, despite a major marketing campaign to attract more students to the program. In addition, various changes were made to the CCO program to make it more sensitive to the needs of working adults.

In light of declining enrollments and after many discussions, the College of Pharmacy faculty voted to dissolve the CCO pathway program. The closing of the program will allow College of Pharmacy faculty to focus their energies on the entry-level PharmD curriculum.

This report was received for record.

**Report of Human Resource Services,
University of Illinois Medical Center at Chicago,
November 2003**

(26) The vice chancellor for health affairs presented this report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

**Report on Safety Program,
University of Illinois Medical Center at Chicago,
November 2003**

(27) The vice chancellor for health affairs presented this report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

**Report of Master and Subordinate Affiliation Agreements Between
Outside Health Care Institutions and the Board of Trustees
of the University of Illinois, Chicago**

(28) On July 20, 2000, the board delegated authority to approve all master and subordinate affiliation agreements between the Board of Trustees of the University of Illinois, on behalf of the UIC health sciences colleges, and outside health care entities, to the chancellor at Chicago. At that time, the board stipulated that the vice chancellor for health affairs give an annual report on all master and subordinate affiliation agreements approved by the chancellor at Chicago.

In compliance with the board's policy, the vice chancellor for health affairs reports that the following agreement was approved by the chancellor at Chicago between November 2002 and October 2003:

<i>Affiliate</i>	<i>Type of Agreement</i>
St. Francis of Evanston	Master

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on October 15, 2003.

Summary

Degrees Conferred October 15, 2003

Graduate Degrees

Doctor of Education	3
Doctor of Musical Arts	13
Doctor of Philosophy	222
<i>Total, Doctors</i>	(238)
Master of Architecture	4
Master of Arts	11
Master of Computer Science	2
Master of Education	3
Master of Fine Arts	3
Master of Landscape Architecture	2
Master of Music	2
Master of Music Education	1
Master of Science	69
Master of Social Work	1
Master of Urban Planning	3
<i>Total, Masters</i>	(101)
<i>Total, Graduate Degrees</i>	339

Undergraduate Degrees

College of Communications	
Bachelor of Science	1
<i>Total, Undergraduate Degrees</i>	1
<i>Total, Degrees Conferred October 15, 2003</i>	340

OLD BUSINESS

Dr. Schmidt reported on a recent meeting of the Board of Managers of the University of Illinois Research Park, Urbana, noting that this would be the last report to the board of a meeting of this board of managers because the structure of the board of managers has changed. He summarized the developments that have taken place in the research park since its inception a few years ago. He stated that 314,000 square feet of construction had been

completed, and that there were 34 tenants in the park now employing 652 employees and 123 interns. He also said that there were now 19 companies in the incubator building that opened in April 2003. He described the new board of managers as consisting of five members with the two vice chancellors for research at Chicago and Urbana as members, along with two representatives from the private sector, and the chair of the Technology and Economic Development Committee of the Board of Trustees. He said that the two vice chancellors for research would be responsible for the research parks in Urbana and in Chicago. He added that new advisory groups would be formed and that some members of the former board of managers would participate in these, particularly to assist with marketing the parks.

Next, Dr. Schmidt reported on a meeting he and Mrs. Sodemann attended with the Senate Executive Committee at Urbana and stated that that group had suggested that the chair of the University Senates Conference serve as an *ex officio* member of the Academic Affairs Committee of the board. He also stated that the Senate Executive Committee discussed three cases of pending litigation it is watching. These included: the case of *Crue v. Aiken* for which the Urbana chapter of the American Association of University Professors entered an amicus brief; a matter concerning parking fees on campus; and a case involving a web site operated by a faculty member on the University's electronic backbone.

Mr. Hollingsead spoke next and thanked his colleagues for their support of the fee for the student recreation center at Springfield.

Dr. Carroll asked if her resolution concerning Chief Illiniwek, which she withdrew earlier in the day announcing that she would bring it forth again for the July 2004 board meeting, might be considered by the board in March 2004, since the students will be gone from campus in July. Mr. Allen concurred. Discussion followed about how individual trustees may place items on the agenda for a meeting, and Mr. Bearrows stated that it has been a matter of custom and practice for the board to accept items for the agenda when requested to do so by a colleague.

Lastly, all three student trustees thanked staff at their campuses involved in explaining the tuition recommendation to them, and providing copious amounts of information at their request.

NEW BUSINESS

Dr. Schmidt reported to the board that, at the request of the chair of the board, he met with a group of students opposed to Chief Illiniwek who had asked to speak to a trustee earlier that day. He indicated that he agreed to meet with the group again in the near future, and he said that he asked them to try to help devise a plan to honor the heritage of the Plains Indians.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: January 15, 2004, Chicago; March 11, Urbana; April 15, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair