

ANNUAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

January 15, 2004



This annual meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, January 15, 2004, beginning at 8:45 a.m.

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.² 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

¹Mr. Shah joined the meeting at 9:00 a.m.

²Mr. Vickrey participated in the meeting telephonically.

K. Rugg, comptroller (and vice president for administration); Mr. Thomas 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.

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

PUBLIC COMMENT

Mr. Eppley announced that three individuals had requested time to address the board according to the board's procedures and had been approved to do so. He then invited Mr. Demian Kogan to begin his comments. Mr. Kogan stated that he was a senior at the Urbana campus and a member of the Progressive Resource Action Cooperative. He urged the board to vote at the March 11, 2004, board meeting to discontinue Chief Illiniwek as the mascot of the athletic teams at Urbana. He stated that the board could make a powerful statement in doing so because social justice is the issue in this controversy. He indicated that he found the national attention paid to the controversy at Urbana to be an embarrassment. He also noted that there was a demonstration against the Chief at a game in St. Louis and that today the Native American community in Chicago was demonstrating against the Chief. He stated Chief Illiniwek was a race-based mascot and as such was inappropriate. He also said that the Progressive Resource Action Cooperative calls for the elimination of the name "Fighting Illini" for the athletic teams at Urbana, and asks for an apology to Native Americans for making a profit from a mascot based on Native Americans. He asked another individual to join him at the end of his comments. This person stated that his son had died in the U.S. military and that the representation of Chief Illiniwek dishonors his son.

Next Mr. Eppley called on Ms. Tracy Walsh to make her comments. Ms. Walsh thanked the board for giving her the opportunity to speak. She admonished the board to pass the resolution regarding proposed retirement of Chief Illiniwek that had been withdrawn from the agenda of the board meeting, November 13, 2003. She stated that continuing Chief Illiniwek was neither an honor to Native Americans nor respectful to their traditions. She said Native Americans find the mascot offensive. She then made reference to several institutions that had discontinued use of mascots that featured representations of Native Americans and she reminded the board that several academic departments at Urbana had called on the board to eliminate the use of Chief Illiniwek. She stated that Chief Illiniwek is a rac-

¹University Senates Conference: William G. Jones, assistant university librarian and associate professor, University Library, Chicago; Chicago Senate: Gerald S. Strom, professor of political science, and secretary of the UIC Senate, and Elliot Kaufman, professor of biochemistry and molecular genetics; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate: Joseph E. Finnerty, professor of finance.

ist mascot and that this overshadows the quality of the campus. Ms. Walsh concluded by praising Chancellor Cantor for her emphasis on the importance of diverse cultures on the campus, and asked the board to vote to retire Chief Illiniwek at their meeting on March 11, 2004.

Mr. Eppley then invited Mr. Joseph Podlasek to speak. Mr. Podlasek introduced himself as the executive director of the American Indian Center of Chicago and said the objectives of this center are to foster education about and respect for the culture of Native Americans. He said that the Native American community in Illinois numbers 73,000. Then he described the work the American Indian Center has engaged in with various faculty at the Urbana campus and particularly the role of the American Indian Center with the Native American House at Urbana. He stated that the American Indian Center seeks to counsel and assist students in enrolling at the Urbana campus. He also said that the center seeks to counteract inaccurate teachings about Native Americans and to assist teachers in preparing materials that are more credible than what is normally presented. He stated that Native American students are not attracted to the Urbana campus because once they become known as Native Americans they are targeted and others only want to discuss Chief Illiniwek with them, which they find difficult. He said that the enrollment of Native American students at UIC is growing and it should grow at Urbana. He noted the partnerships the American Indian Center has with institutions such as the Chicago Field Museum of Natural History and the Smithsonian and other educational institutions in assisting with research on Native American culture and history.

In closing he asked the board to look to the future and to change their policy on Chief Illiniwek. He urged them to consider how they would feel if someone chose one of their grandparents to play a role like Chief Illiniwek and did not consult them. He said he thought they would be offended. Mr. Podlasek then referred to interviews with former students who had portrayed Chief Illiniwek and said that each said he had changed the dance somewhat, which he considered further evidence of disrespect to Native Americans.

SPECIAL ORDER OF BUSINESS

Election of Officers

Chair of the Board

Mr. Eppley announced that the next order of business would be the election of a chair of the Board of Trustees to serve for one year. He asked the secretary to read Section I of the Special Order of Business, after which he asked for nominations.

Mr. Bruce nominated Mr. Eppley.

There were no further nominations and Mr. Eppley asked for a motion to close nominations. On motion of Mr. Shah nominations were closed.

Mr. Eppley then called for a vote on the nomination. Mr. Eppley was elected chair of the board to serve until the next annual meeting of the board or until his successor shall have been elected.

Executive Committee

Mr. Eppley announced that he would present his nominations for appointment to the Executive Committee of the board at the next regular meeting of the board, March 11, 2004.

Secretary, Comptroller, and University Counsel of the Board

In accord with the bylaws of the board, the president of the University had conveyed his advice to the board that the three incumbents be reelected: Stephen K. Rugg, comptroller of the board; Thomas R. Bearrows, university counsel; and Michele M. Thompson, secretary.

Mr. Eppley asked for a motion for the approval of the election of these three officers of the board.

On motion of Dr. Gindorf, the incumbents—Mr. Rugg, Mr. Bearrows, and Ms. Thompson—were elected comptroller, university counsel, and secretary, respectively, to serve until the next annual meeting of the board or until their successors have been elected.

Delegation of Signatures

On motion of Dr. Carroll, the following resolution was unanimously adopted:

Resolved that the chair of the Board of Trustees is authorized to delegate to such individuals as he/she may designate from time to time authority to sign his/her name as chair of the Board of Trustees to vouchers presented to the state comptroller and authority to sign his/her name to warrants on the University treasurer covering vouchers approved in accordance with regulations approved by the board; and

Resolved further that the secretary of the Board of Trustees is authorized to delegate to such individuals as she may designate from time to time authority to sign her name as secretary of the Board of Trustees to vouchers presented to the state comptroller and to warrants on the university treasurer covering vouchers approved in accordance with regulations of the board. And be it further

Resolved that the state comptroller is hereby authorized and directed to honor vouchers bearing facsimile signatures of the chair and secretary of the Board of Trustees of the University of Illinois if such facsimile signatures resemble the facsimile specimens duly certified to or filed with the state comptroller by the secretary.

These authorizations are to continue in effect until the state comptroller has been supplied with specimen signatures of succeeding officers of this board.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that the items on the agenda for today's meeting would be presented and discussed. He called first on Trustee Bruce to present agenda item no. 1, "Resolution to Recognize University of Illinois Students, Faculty, and Staff Serving on Active Military Duty." Mr. Bruce stated that he presented this resolution to honor those individuals who had left jobs, studies, and families on behalf of all in this country. He said that he especially wanted to recognize Lt. Brian Slavenas, a 2002 graduate of the Urbana campus, who was a casualty of combat in Iraq.

Next, Mr. Eppley asked Chancellor Cantor to present items she recommended.

The chancellor then spoke to agenda item no. 3, "Establish M.S. in Bioinformatics with an Option in Chemical and Biomolecular Engineering, and an Option in Computer Science, Urbana." She said that this program provides evidence that the Urbana campus is taking a leadership role in this new field. On agenda item no. 4, "Discontinue B.S. in Economics, College of Business, Urbana," she said that the degree program would be transferred to the College of Liberal Arts and Sciences but that students currently enrolled would be permitted to complete the degree under the current arrangement. For agenda item no. 5, "Discontinue B.S. in the Teaching of Computer Science, College of Liberal Arts and Sciences, Urbana," Chancellor Cantor explained that this was necessary because the program no longer meets the Illinois requirement for teacher certification and that other programs in the College of Education do.

Mr. Eppley asked for an explanation of bioinformatics and the chancellor stated that this approach provides a way to handle massive amounts of information coming from genomic research. Dr. Carroll commended Chancellor Cantor and the College of Education for the curriculum change mentioned earlier (agenda item no. 5) and for staying current with contemporary educational requirements.

Mr. Eppley then called on Chancellor Manning who provided background information on agenda item no. 6, "Revocation of Baccalaureate Degree, Chicago," explaining that this was necessitated because of the discovery that grades had been falsely recorded for a student and had been the basis for award of a degree. Dr. Carroll thanked the chancellor for complete and helpful information on this subject.

Next, Mr. Eppley asked Vice President Gardner to present agenda item no. 7, "Delegate Authority for Changes in Enrollment Deposits." Dr. Gardner stated that the deposits are a down payment on tuition for particular programs and are necessary for enrollment management. He explained that refunds are made if a student notifies the academic unit involved of intent not to attend by a reasonable time.

Vice President Rugg was then asked to present agenda item no. 8, "Award Contracts for West Campus Recreation Center, Chicago." Mr. Rugg

described the project as part of a larger program at the campus that was approved by the board at an earlier time, and indicated that these contracts are for \$5.9 million for this part of the total \$9.8 million project.

Mr. Rugg also presented agenda item no. 9, "Award Contract for Job Order Contracting (JOC) System, Urbana," and stated that this recommendation for a \$14.0 million contract for a period of three and one-half years presents a way for the campus to deal efficiently and economically with emergency repairs and minor remodeling through contracting for multiple construction tasks based on nationally recognized prices for each piece of work for this period of time. He added that this is within the guidelines of the State Purchasing Act. Mr. Shah asked for the upper limit of jobs to be performed under this contract and Mr. Rugg responded that this was \$250,000.

Next, Mr. Rugg asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to present agenda item no. 10, "Purchases." Mr. Provenzano reported that he had met prior to the board meeting with Mr. Shah to discuss the purchases to be presented and that he would plan to continue this consultation process, suggested by Chair Eppley. Mr. Provenzano proceeded to describe the purchase of services for repair of radiology equipment at the Medical Center at Chicago and explained that the contract with General Electric had been discussed thoroughly, that this was the best offer that the contractor would give the University, and that this was discounted. There was discussion and Mr. Sperling asked if the contractor would offer a "favored nation clause." Mr. Provenzano stated that this had been discussed and was not possible. However, he said that the University could always renegotiate if the contractor offers a deeper discount to another client later.

The other purchase item Mr. Provenzano presented involved purchase of equipment to be shared by 130 faculty members in several departments.

ANNUAL REPORT—UNIVERSITY SENATES CONFERENCE

Mr. Eppley recognized Professor Gerald S. Strom, immediate past chair of the University Senates Conference, for a report of the activities of this group for the past year. Professor Strom stated that the University's budget was the most important issue for discussion by the conference last year.

ANNUAL REPORT—CHICAGO SENATE

Professor Strom also made this report. He noted that the senate had approved a constitution in the last year that was later approved by the Board of Trustees. Also, he said that the senate had approved a position on conducting classified research and concluded that this was not appropriate on campus, but that it was all right off campus. He said that the members were concerned about involving graduate students in such research because they would not be able to use the research for their dissertations. He also reported that the practice of having a reading day immediately prior to the beginning of final exams had been suspended. In addition, he reported that the policy providing for sanctions less than dismissal that the

Board of Trustees approved last year was now being implemented at the campus by the provost.

ANNUAL REPORT—UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION

Mr. Eppley asked Mr. Bruce to introduce Mr. Loren R. Taylor, president and chief executive officer of the Alumni Association. Mr. Bruce noted Mr. Taylor's titles, and added that Mr. Taylor was the president-elect of the National Council of Alumni Association Directors. Mr. Taylor then described the Association's programs, including the on-line directory of members that receives about 4,000 inquiries each month, from alumni, students, academic units, and others; the alumni web site that is used by many alumni and was particularly helpful to those seeking information about associates after the attack of September 11, 2001; the veterans web site for those alumni who died in service to our country that is a virtual memorial; and the Alumni Career Center that serves thousands of alumni and students. He also mentioned the travel programs arranged by the Alumni Association that are very well received; the campus Alumni Associations that serve student needs such as the development of student lounges known as the Oasis at UIC and the Taste of UIS at Springfield. In addition, he told the board that the continuing education programs at Urbana, called Allerton Weekends, were very important to alumni. And, he reported that there are now 90 regional and international alumni clubs. In closing he announced that a groundbreaking ceremony for the Alice Campbell Alumni Center at Urbana would be held during the weekend of Commencement.

ANNUAL REPORT—UNIVERSITY OF ILLINOIS FOUNDATION

Dr. Sidney S. Micek, president of the University of Illinois Foundation, reported on the activities of the Foundation for Fiscal Year 2003 (material on file with the secretary). He noted that the Foundation was chartered as an independent, nonprofit, membership organization in 1935 for the purpose of receiving private gifts for the benefit of the University. He stated that the Foundation's primary goal is the development of relationships with individuals, corporations, and foundations to secure support for the University, and its supporting objective is to provide effective stewardship including timely acknowledgment of gifts, recognition and adherence to donor intent, prudent investment, administration of major pledges, coordination of donor matching gifts, and honorary memorial notification as requested. He stated that private giving has never been as vitally important as now, and the growing involvement of alumni and friends of the University is very important in maintaining the University's outstanding reputation.

In reporting on gifts received in FY 2003, Dr. Micek told the board that new commitments, including new gifts, pledges, grants, and bequests for this year totaled \$187.0 million, and that just over \$138.0 million was in outright gifts and grants, and nearly \$49.0 million in deferred gifts. He stated that over \$62.0 million was attributable to corporate giving, the second best

year ever. He also said that Foundation giving for this year was nearly \$35.0 million, the best year ever.

Further, he said that the cash flow for FY 2003 was \$168.0 million in combined actual gift support, from pledge payments, new outright gifts, and realized deferred gifts. He noted that of this amount, over 35 percent came from individuals. He said that in this year the number of gifts received totaled 119,275, and that \$20.7 million was recorded for the Annual Fund gifts. He said that these two numbers represent the highest totals ever recorded for the Annual Fund on behalf of the University and the Foundation. Dr. Micek stated that while the Foundation is pleased with this there is concern about the ongoing effect of the difficult economic climate in the State and the nation.

Next, he reported on the endowment for the University and the Foundation and told the board that the active and deferred total endowment was \$1.397.0 billion in FY 2003, more than three times what it was ten years ago, with a market value of \$904.4 million. He added that of this amount, \$652.8 million is managed by the Foundation, and \$251.6 million is administered by the University. Also, he stated that the total endowment growth over the past decade was 12 percent, which makes the Foundation highly ranked for investment performance of its endowment pool in comparison with its peers.

Dr. Micek then reviewed examples of how the endowment support has increased over the last decade. He stated that support for endowed professorships has increased from about \$22.0 million to over \$53.0 million; endowed chairs from just over \$14.0 million to \$98.0 million; graduate fellowships from \$15.0 million to more than \$52.0 million; undergraduate scholarships and student aid from \$30.0 million to almost \$103.0 million; and the library's endowment has risen from \$10.2 million in 1993 to \$22.0 million in 2003. Among other accomplishments he reported that the Presidents Council, established in 1964, and representing the highest level of donor recognition had 8,9875 members at the end of FY 2003, an increase of almost 500 in the past year. Also, he told the board that the Foundation would increase its presence in the Chicago area because over 60 percent of the University's alumni reside in the northern part of the State near Chicago. He described the creation of special opportunities to engage alumni that are planned and of more donor-prospect events. In addition, he said that the UIC College of Medicine and the Medical Center would have a separate development office in future to enhance fundraising from alumni, patients, and others associated with the College of Medicine and the Medical Center. Further, he told the board that there would be a new targeted \$30.0 million campaign to benefit the libraries at the Urbana campus.

In closing he announced that the Foundation would launch a major campaign and that this was now in the planning stage. He said that this campaign would be directed to the special characteristics of each campus, and would emphasize increasing the endowment, broadening the donor base, strengthening engagement with the University for alumni and friends, enhancing faculty involvement, establishing a volunteer structure

to support the objectives, educating stakeholders about the importance of private giving for the University, and articulating the significance of “one great University—three distinct campuses.”

Discussion followed during which Mr. Sperling asked the value of an endowed chair and was told that it is \$1.5 million. Dr. Carroll asked for information about restricted and unrestricted gifts, and Dr. Micek stated that only 2 percent of the Foundation’s gifts are unrestricted. There was more discussion about the needs of the University and the critical role of private giving to maintain excellence.

BOARD MEETING RECESSED FOR COMMITTEE MEETING

The board recessed for a meeting of the Legal Affairs Committee.

MEETING OF THE LEGAL AFFAIRS COMMITTEE

Mr. Bruce convened this meeting and asked Mr. Bearrows to present information on new amendments to the Illinois Ethics Act.

Mr. Bearrows indicated that he would discuss the highlights of the new, very complex, amendments to the Ethics Act and would then send a more detailed memorandum to board members later. He then reviewed the legislative history of the two amendments to the Act that the governor had signed in recent months (material on file with the secretary).

He stated that the key changes made by this legislation are the creation of external entities and procedures to provide guidance and enforcement of requirements of the Ethics Act. Also, he stated that the amendments to the Ethics Act strengthen the Gift Ban Act provisions by reducing the number of exceptions. He told the board that for the purposes of this legislation, the University is considered a State agency, and both board members and University employees are considered State employees. Further, he noted that the Act now requires implementation of procedures to increase ethics awareness, oversight, and enforcement, including annual training in ethics by all agencies, and that the State has made training available via a web site to all State employees. He said that it is the responsibility of the Board of Trustees to implement training in ethics for University employees. Related to this he mentioned that the university ethics officer was updating an on-line course in ethics training. He said that a State Ethics Commission and several inspectors general are created for oversight of compliance with the Ethics Act.

In noting specific provisions, Mr. Bearrows commented that the Illinois Board of Higher Education is required to adopt and implement personnel policies for employees of Illinois public institutions of higher learning by February 1, 2004, to apply 30 days after adoption. These must include policies documenting work time, travel reimbursement, compensation, and earning/accrual of State benefits. These records are to be filed with the Executive Ethics Commission.

Further, he stated that a University employee, the employee’s spouse, and any immediate family member living with the employee would be prohibited from working with an outside vendor for one year after leaving the

University if he or she had participated personally and substantially in the decision to award contracts with a cumulative value of over \$25,000 to that vendor. He said this prohibition may be waived by the newly created Executive Ethics Commission once it meets, and in the interim the Board of Trustees has authority to waive the prohibition. In the area of prohibited political activities, he told the board that the Act now curtailed any kind of political activity for State employees during compensated time, other than vacation, personal, or compensatory time off, prohibited the misappropriation of State property or resources in prohibited political activity, and prohibits State employees from requiring other persons to participate in prohibited political activities. He explained that prohibited political activities do not include activities related to lobbying or collective bargaining.

Dr. Gindorf asked if the prohibition on employment provision applied with respect to student trustees, particularly the student trustee with official vote, after graduation. Mr. Bearrows agreed to research this matter.

Mr. Bearrows also reported that the Act limited late term gubernatorial appointments that require Senate confirmation to a period of 60 days into the next (succeeding) governor's term of office. He also described the new disclosure requirements for board members that include disclosure of State contracts the board member or an immediate family member might have and State contracts in which the board member or a family member has a majority interest. He said that these disclosures are public records under the Illinois Freedom of Information Act. He also stated that members of State boards and commissions and their spouses or immediate family members living with them were barred from a direct pecuniary interest in a University-related contract during the time of service on the board and for one year after leaving the board. In addition, he explained that a person or spouse or immediate family member living with the person is ineligible to serve on a board authorized by State law if that person is entitled to receive more than 7.5 percent of the total distributable income under a State contract other than an employment contract, or the aggregate of the total distributable income for the family with respect to any State contract exceeding 15 percent.

He also referred to the prohibition of lobbyists, those required to register under the Lobbyist Registration Act, serving on State boards, as well as their spouses, and members of their immediate family living with them.

Next, he explained the whistle blower protection of the Act, stating that this prohibits retaliatory action by or against any State employee because that employee disclosed legal violations or assisted in enforcement of this statute. He added that the statute would be violated if the State employee engaged in protected activity and that was a contributing factor for alleged retaliatory action, but that the statute would not be violated if the employer demonstrated by clear and convincing evidence that the same unfavorable personnel action would have occurred without the protected activity. He also described the remedies. Mr. Bearrows then stressed the importance of maintaining well-documented personnel files for employees.

He also explained the structure of the Executive Ethics Commission and executive inspectors general and stated that for the University the relevant entities are the Executive Ethics Commission and the executive inspector general appointed by the governor. He also described the composition of the commission and the role of the inspector general.

He informed the board that the required statements of economic interest that board members and certain University staff must file each year with the Illinois Secretary of State will be available via the secretary's website, whereas these were formerly available only upon written request with notice to the person whose statement was requested.

He stated that the amendments to the Ethics Act now required each agency to have an ethics officer which was earlier required under the Gift Ban Act and that the University's executive director of audits, Dr. Richard Traver, fills that role.

In closing, Mr. Bearrows reviewed future actions required under the Act for the Illinois Board of Higher Education, the Board of Trustees, the University administration, and the attorney general to comply with this statute. He indicated that the board and all employees of the University are required to undergo ethics training in 2004.

BOARD MEETING RECONVENED

At this time, the board reconvened in regular session. Mrs. Sodemann left the meeting at 11:00 a.m. and returned at 11:15 a.m. She then departed at 12 noon.

MINUTES APPROVED

(1) The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of July 16-17, 2003, and the following correction to the minutes of the Board of Trustees meeting of June 12, 2001, copies of which had previously been sent to the board.

On motion of Dr. Carroll, these minutes and the correction were approved.

Correction to Minutes of July 12, 2001

A motion and vote were inadvertently omitted from the minutes of the Committee on Buildings and Grounds meeting on July 12, 2001, following presentation of the master plan for the south campus at Urbana. Approval is sought to amend these minutes. (New material is in italics.)

Mr. Todd then introduced the representative of the SmithGroup JJR to provide information on the master plan for the south campus at Urbana (materials are filed with the secretary). The planner indicated that additional parcels of land are to be added to the plan and proceeded to describe the land use plan that includes a golf course and an expansion to the research park. There was also discussion about possibly locating an alumni center in this area. (This would be an alternative to the location proposed earlier at Lincoln Avenue and Illinois Street in Urbana.) There was discussion of stress on local streets from the traffic to be expected from the planned development, and a new entrance to the interstate highway was discussed as a possibility to relieve this. Dr. Schmidt noted that the Board of Managers of the Research Park at Urbana had

endorsed this plan. Dr. Bazzani commented that this plan calls for a major acquisition of land for the campus that should be sufficient for expansion of the campus for another five decades, and probably longer, since the campus has been adding new square feet of facilities at the rate of one million square feet per decade for the past several decades.

On motion of Dr. Gindorf, this plan was approved unanimously.

COMMENTS FROM TRUSTEES

Dr. Gindorf spoke in support of the appointments of Dr. Charles A. Owens and Dr. Richard V. Benya, both appointments are in the agenda for approval at this meeting.

Mr. Hollingsead thanked the board for approving the student fee for the recreation center at Springfield at the board meeting November 13, 2003.

Mr. Sperling commended Chancellor Cantor and Mr. Ronald Guenther, director of athletics, Urbana, for their handling of recent problems concerning student athletes who have received considerable media coverage. He stated that the chancellor and Mr. Guenther faced the problems and that the students have learned from their unfortunate experiences, and have matured as a result.

AGENDA

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

Mr. Shah asked for clarification on agenda item no. 10, "Award Contract for Job Order Contracting (JOC) System, Urbana." Specifically, he asked if all contracts eligible for payment from the fund this item recommends that were for \$250,000 or greater would be bid. Mr. Rugg assured him such contracts would be bid.

Resolution to Recognize University of Illinois Students, Faculty, and Staff Serving on Active Military Duty

(2) The Board of Trustees wishes to recognize those members of the University of Illinois family who have responded to the call to active duty with the military from fall 2002 to the present. These individuals have served at home and abroad in aid of security for our country and protection of others in these extremely threatening times. They have participated in Operation Iraqi Freedom; Operation Enduring Freedom (in Afghanistan); and Operation Noble Eagle (in our country).

Since fall 2002, 191 students, faculty, and staff from the University have been called to active duty. In addition, many alumni have been called to military service as well. The Board of Trustees wishes to express its deep regret at the loss of an alumnus of the University, Brian Donatus Slavenas, of Genoa, Illinois, who gave his life for our country in Iraq.

It is with pride that we take this opportunity to praise the courage and valor of these outstanding men and women of our extended University family. We send a heartfelt message of gratitude to them for all they have sacrificed in order to protect the lives of those in other parts of the world, and to provide security for our country. We also send words of comfort to the families of these students, faculty, staff, and alumni currently serving in the military away from home and family.

The Board of Trustees directs that this resolution be incorporated in the minutes of today's meeting, to become a part of the official public record.

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 3 through 8 inclusive. The recommendations were individually discussed but acted upon at one time.

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

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

(3) 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

*RICHARD V. BENYA, associate professor of medicine, College of Medicine at Chicago, on 100 percent time, beginning November 17, 2003 (AY), at an annual salary of \$88,000. Dr. Benya will continue to serve as physician surgeon in medicine, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), for a total salary of \$88,000.

RACHEL P. YUDKOWSKY, assistant professor of medical education, College of Medicine at Chicago, on 60 percent time, beginning October 17, 2003 (1), at an annual salary of \$78,000.

Emeriti Appointments

DAVID E. BOYCE, professor emeritus of civil and materials engineering, September 1, 2003

BRIAN HIGGINS, professor emeritus of English, January 1, 2004

RAJ V. KUMAR, associate professor emeritus of biochemistry, Department of Dermatology, College of Medicine at Chicago, October 1, 2003

GEORGE W. ORDAL, professor emeritus of biochemistry, Department of Basic Sciences, College of Medicine at Urbana-Champaign, August 1, 2003

JAYANT RADHAKRISHNAN, professor emeritus of surgery, College of Medicine at Chicago, September 1, 2000

WANDA L. SORGENTE, assistant professor emerita of Slavic and Baltic languages and literatures, January 1, 2004

STEPHEN SZEPE, associate professor emeritus of chemical engineering, May 21, 2003

Springfield

Emeriti Appointments

LARRY E. SHINER, professor emeritus, Philosophy Program, January 1, 2004

GARY A. STORM, associate professor emeritus, Teacher Education Program, January 1, 2004

Urbana-Champaign

TODD L. ALLEE, assistant professor of political science, on 100 percent time, beginning October 6, 2003 (1), at an annual salary of \$62,000.

JOANNA MARIA AUSTIN, assistant professor of aerospace engineering, on 100 percent time, beginning October 27, 2003 (N), at an annual salary of \$68,000.

KENNETH T. CHRISTENSEN, assistant professor of theoretical and applied mechanics, on 100 percent time, beginning January 1, 2004 (2), at an annual salary of \$72,000.

SHERRIE G. CLARK-DEENER, assistant professor of veterinary clinical medicine, on 100 percent time, beginning October 16, 2003 (NY), at an annual salary of \$80,000.

A. BRYAN ENDRES, assistant professor of agricultural and consumer economics, on 100 percent time, beginning November 16, 2003 (N), at an annual salary of \$75,000.

INDRANIL GUPTA, assistant professor of computer science, on 100 percent time, beginning September 19, 2003 (1), at an annual salary of \$77,000.

NANCY L. MCELWAIN, assistant professor of human and community development, on 100 percent time, beginning January 1, 2004 (N), at an annual salary of \$54,000.

KRISTINA C. MILER, assistant professor of political science, on 100 percent time, beginning October 6, 2003 (1), at an annual salary of \$62,000.

LEONARDO B. REZENDE, assistant professor of economics, on 100 percent time, beginning September 25, 2003 (1), at an annual salary of \$85,000.

Emeriti Appointments

JOSEPH E. GREENE, professor emeritus of materials science and engineering, December 1, 2003

JAMES L. WARDROP, associate professor emeritus of educational psychology, September 1, 2003

MITSUKO WILLIAMS, associate professor emerita of library administration, University Library, January 1, 2004

Administrative/Professional Staff

RICHARD J. ANZALONE, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$99,840. Dr. Anzalone was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Anzalone 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), for a total salary of \$99,840.

ANN T. ASSAM, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$102,720. Dr. Assam was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Assam 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), for a total salary of \$102,720.

ELABBAS BENMAMOUN, head of the Department of Linguistics, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$5,500, beginning February 16, 2004 (K). Dr. Benmamoun will continue to hold the rank of associate professor of linguistics, on indefinite tenure on an academic year service basis, on 100 percent time, effective February 16, 2004 (A100), at an annual salary of \$68,088, for a total salary of \$73,588.

RICHARD RUSSELL BETTS, vice provost for planning and programs, Office of the Provost and Vice Chancellor for Academic Affairs, Chicago, on an academic year service

basis, on 100 percent time, beginning January 16, 2004 (N), at an annual salary of \$130,143. He will receive an amount equal to 20 percent of three-ninths of his total annual salary for three months' service during each summer of his appointment as vice provost for planning and programs (\$8,676 for 2003-04). Dr. Betts was appointed to serve as interim vice provost for planning and programs under the same conditions and salary arrangement beginning December 15, 2003. He will continue to hold the rank of professor of physics, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$130,143.

MARGARET HAE YOUNG BYUN, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 16, 2004 (NY), at an annual salary of \$99,840. Dr. Byun was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Byun 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), for a total salary of \$99,840.

DEBORAH A. CASE, associate director of athletics-business affairs, Division of Intercollegiate Athletics, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$125,000. Ms. Case was appointed to serve as acting associate director of athletics-business affairs, under the same conditions and salary arrangement beginning December 1, 2003.

WILLIAM H. CHAMBERLIN, chief medical officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 88 percent time, beginning February 12, 2004 (NY88), at an annual salary of \$215,356. Dr. Chamberlin will continue to serve as associate dean for medical center affairs, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 12 percent time, effective February 12, 2004 (NY12), at an annual salary of \$30,140. He will continue to hold the rank of associate professor of medicine, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); associate professor of anesthesiology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); and physician surgeon in medicine, College of Medicine at Chicago, on zero percent time (N;N;NY), for a total salary of \$245,496.

CASWELL EVANS, associate dean for prevention and public health sciences, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$20,000, beginning August 1, 2004 (NY). In addition, he will be appointed to serve as director of the Center for Prevention and Public Health Sciences, College of Dentistry, on a twelve-month service basis, on zero percent time (non-tenured and non-salaried). Dr. Evans will also be appointed to the rank of clinical professor of pediatric dentistry, College of Dentistry, on a twelve-month service basis, on 100 percent time, beginning August 1, 2004 (NY100), at an annual salary of \$160,000, for a total salary of \$180,000.

M. RYAN GANTES, chief ambulatory officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$157,000.

YVONNE HARRIS, special assistant to the head, Department of Neurology and Rehabilitation Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning January 19, 2004 (NY), at an annual salary of \$100,000. Ms. Harris was appointed to serve as visiting special assistant to the head under the same conditions and salary arrangement beginning December 8, 2003.

DIANE L. HODGES, director of community relations, Office of the Vice Chancellor for External Affairs, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$120,000. Dr. Hodges was appointed to serve as interim director of community relations under the same conditions and salary arrangement beginning December 1, 2003.

RICHARD JOSEPH JUREVIC, director of oral medicine and radiology graduate studies, Department of Oral Medicine and Diagnostic Sciences, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$10,000,

beginning January 16, 2004 (NY). Dr. Jurevic was appointed to serve as visiting director under the same conditions and salary arrangement beginning January 1, 2004. He was also appointed to the rank of associate professor of oral medicine and diagnostic sciences, on a twelve-month service basis, on 100 percent time, January 1, 2004-August 15, 2007 (QY100), at an annual salary of \$115,900, for a total salary of \$125,900.

ROSE ANN LAURETO, chief information officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), with an annual salary of \$250,000. Ms. Laureto was appointed to serve as visiting chief information officer under the same conditions and salary arrangement beginning January 5, 2004.

VALERIE LINDGREN, director of Cytogenetics Laboratory, Department of Pathology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 71 percent time, beginning January 16, 2004 (NY71), at an annual salary of \$91,800. Dr. Lindgren was appointed to the rank of associate professor of pathology, College of Medicine at Chicago, on a twelve-month service basis, on 29 percent time, September 1, 2003-August 15, 2006 (QY29), at an annual salary of \$36,000, for a total salary of \$127,800.

DAVID H. LOFFING, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.

*CHARLES A. OWENS, chief of section, Peripheral Vascular and Interventional Radiology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 15 percent time, beginning February 15, 2004 (NY15), at an annual salary of \$50,000. In addition, Dr. Owens will be appointed to the rank of associate professor of radiology, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$90,000; and physician surgeon in radiology, College of Medicine at Chicago, on a twelve-month service basis, on 34 percent time, at an annual salary of \$160,000, effective February 15, 2004 (AY51;NY34), for a total salary of \$300,000.

DARRYL D. PENDLETON, associate dean for student and multicultural affairs, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$34,000, beginning May 21, 2004 (NY). Dr. Pendleton was appointed to serve as visiting associate dean for student and multicultural affairs under the same conditions and salary arrangement beginning December 16, 2003. He will continue to hold the rank of clinical assistant professor, Urban Health Program, College of Dentistry, on a twelve-month service basis, on 100 percent time, effective May 21, 2004 (NY100), at an annual salary of \$101,000, for a total salary of \$135,000.

STEVEN GLENN PUEPPKE, director, National Soybean Research Laboratory, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$6,000, beginning January 16, 2004 (NY). Dr. Pueppke was appointed to serve as interim director under the same conditions and salary arrangement beginning November 1, 2003. He will continue to serve as associate dean for research, College of Agricultural, Consumer and Environmental Sciences on a twelve-month service basis, on 100 percent time, effective January 16, 2004 (NY100), at an annual salary of \$169,500, with an administrative increment of \$6,000. In addition, he will continue to hold the rank of professor of crop sciences, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$181,500.

THOMAS M. RACHUBINSKI, special assistant to the head, Department of Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 18 percent time, beginning January 16, 2004 (NY18), at an annual salary of \$20,000. Mr. Rachubinski was appointed to serve as visiting special assistant to the head under the same conditions and salary arrangement beginning October 1, 2003. He will continue to serve as assistant to the director of general surgery, Department of Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 82 percent time, effective January 16, 2004 (NY82), at an annual salary of \$89,890, for a total salary of \$109,890.

- ANDREW J. REID, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- JOHN W. RICHARDSON, chief of police, Office of the Vice Chancellor for External Affairs, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$125,000. Mr. Richardson was appointed to serve as visiting chief of police under the same conditions and salary arrangement beginning January 5, 2004.
- IAN MCLEAN ROBERTSON, head of the Department of Materials Science and Engineering, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$3,500, beginning January 16, 2004 (K). He will receive an amount equal to one-ninth of his academic year total salary for one month's service during each summer of his appointment as head (\$16,889 for 2003-04). Dr. Robertson was appointed to serve as interim head under the same conditions and salary arrangement beginning March 21, 2003. He will continue to hold the rank of professor of materials science and engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, effective January 16, 2004 (A100), at an annual salary of \$148,500, for a total salary of \$152,000.
- ALISON BECKER SCHMULBACH, executive assistant dean for administration and finance, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY100), at an annual salary of \$115,000. Ms. Schmulbach was appointed to serve as interim executive assistant dean for administration and finance, on a twelve-month service basis, on zero percent time, with an administrative increment of \$18,600, beginning December 1, 2003 (NY).
- STEVEN M. SCOTT, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- EDWARD M. SLAZNIK, director, Illini Union, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$105,676.
- JANET MARIE SPUNT, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- ARTHUR NICHOLAS STRAUB, director, Clinical Practice and Business Development, Department of Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$105,000. Mr. Straub was appointed to serve as visiting director, clinical practice and business development, under the same conditions and salary arrangement beginning November 16, 2003.
- MARGARET A. STROBEL, director, Jane Addams Hull House Museum, College of Architecture and the Arts, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY100), at an annual salary of \$106,836. In addition, for service as director, Dr. Strobel will receive an administrative increment of \$15,000, on a twelve-month service basis (NY). She will continue to hold the rank of professor, Gender and Women's Studies Program, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on zero percent time (A) (non-salaried), and professor of history, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$121,836.
- CAROL D. WAKEFIELD, director of budget and resource planning, College of Liberal Arts and Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$107,500. Ms. Wakefield was appointed to serve as visiting director of budget and resource planning under the same conditions and salary arrangement beginning December 16, 2003.
- SUSAN R. WINKLER, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 16, 2004 (NY), at an annual salary of \$98,000. Dr. Winkler was appointed to serve as

visiting assistant director under the same conditions and salary arrangement beginning November 3, 2003. Dr. Winkler will continue to hold the rank of clinical associate professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$98,000.

CHIEN HENG WU, associate head for undergraduate studies, Department of Civil and Materials Engineering, College of Engineering, Chicago, on an academic year service basis, with an administrative stipend of \$12,455, beginning April 16, 2004 (N). Dr. Wu was appointed to serve as visiting associate head for undergraduate studies under the same conditions and salary arrangement beginning August 15, 2003. He will continue to hold the rank of professor of mechanical engineering, Department of Civil and Materials Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, effective April 16, 2004 (A100), at an annual salary of \$112,097, for a total salary of \$124,552.

[Also, the chair of the Board of Trustees, after consultation with the president of the University, and in accord with Section 7, Article VI of the *Bylaws of the Board of Trustees*, reports the appointment of Douglas E. Beckmann, as deputy comptroller of the Board of Trustees, effective May 1, 2004.]

DOUGLAS E. BECKMANN, senior associate vice president for business and finance, University Administration, on a twelve-month service basis, on 100 percent time, and deputy comptroller, on zero percent time, beginning May 1, 2004 (NY100;NY), at an annual salary of \$195,000.

TINA A. HOWARD, assistant dean for development, College of Business, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$98,000.

JENNIFER M. QUIRK, associate director for research and external affairs, Institute for Genomic Biology, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$136,000. Dr. Quirk was appointed to serve as interim associate director under the same conditions and salary arrangement beginning January 5, 2004.

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

Establish M.S. in Bioinformineering, and an Option in Computer Science, Urbana

(4) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Graduate College to create an M.S. in Bioinformatics with an option in chemical and biomolecular engineering and an option in computer science.

Rapid advances in genomics have led to the need for a new breed of scientist and engineer that can process the massive amounts of data produced by new techniques such as gene sequencing. Bioinformatics—a rapidly evolving discipline at the interfaces of biological, chemical, computer, engineering, and medical sciences—provides students with the knowledge and training in informatic tools to work successfully with these massive biomolecular data sets. Given the broad application of bioinformatics to fields in engineering, science, and medicine, Urbana proposes a campus-wide M.S. in Bioinformatics with options in a variety of fields with bioinformatic applications. The M.S. in Bioinformatics was developed jointly by the Colleges of Liberal Arts and Sciences, Engineering, Veterinary Medicine, and the College of Agricultural, Consumer and Environmental Sciences, under the auspices of the Graduate College. Departments in each of these units may submit proposals for a bioinformatics option that reflects the particular focus of their departments and the skills needed by their students.

The M.S. in Bioinformatics requires eight units for the thesis option and nine units for the non-thesis option. For either option, at least three units must be at the 400-level and a minimum of one course must be taken in each of the three core bioinformatics areas. The remaining courses will be approved by the student's advisor based on the student's particular educational and occupational interests.

Two departments have proposed options within the M.S. in Bioinformatics. The Department of Computer Science proposes a computer science option with a focus on techniques, such as combinatorial search techniques for sequence matching and optimization techniques for structure determination. The computer science option will require nine units including two required computer science courses, three additional computer science courses from an approved list, one core biological science course, one core statistics course, one core bioinformatics course, and one elective.

The Department of Chemical and Biomolecular Engineering proposes a chemical and biomolecular engineering option with a focus on metabolic engineering. The chemical and biomolecular engineering option will require nine units including five and one-half units of core courses and three and one-half units of elective/concentration area courses.

The vice president for academic affairs concurs in 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. Schmidt, this recommendation was approved.

Discontinue B.S. in Economics, College of Business, Urbana

(5) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the Department of Economics in the College of Business to discontinue the B.S. in Economics.

Urbana currently offers both a B.S. in Economics through the College of Business and a B.A. in Economics through the College of Liberal Arts and Sciences. The discontinuation of the B.S. in Economics is the first step in a larger reorganization of the Department of Economics and its eventual transfer to the College of Liberal Arts and Sciences. Currently, more than 90 percent of students pursuing an economics degree choose to pursue the B.A. in Economics through liberal arts and sciences. Eliminating the B.S. in Economics in the College of Business will have minimal impact on students, will be more consistent with student interests, and will reflect the ongoing shift of economics to the College of Liberal Arts and Sciences. No additional funds will be needed and there will be no impact on faculty.

The vice president for academic affairs concurs in 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. Schmidt, this recommendation was approved.

Discontinue B.S. in the Teaching of Computer Science, College of Liberal Arts and Sciences, Urbana

(6) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Liberal Arts and Sciences to discontinue the B.S. in the Teaching of Computer Science.

The B.S. in the Teaching of Computer Science (historically referred to as the curriculum preparatory to the teaching of computer science) no longer meets the Illinois State Board of Education requirements for teacher education certification. As such, no students have pursued this degree for several years and we propose its discontinuation. There is no impact on students since students wishing to pursue certification in the teaching of computer science may enroll in the teacher education minor in computer science.

The vice president for academic affairs concurs in 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. Schmidt, this recommendation was approved.

Revocation of Baccalaureate Degree, Chicago

(7) The College of Liberal Arts and Sciences on the Chicago campus has conducted a thorough review of a matter concerning conduct by a former student who had received a Bachelor of Science degree in Mathematics and Computer Science. The college provided the former student with appropriate due process rights, including notice, and the right to a hearing and appeal. The former student chose not to participate in the process. The dean of the College of Liberal Arts and Sciences reviewed the matter and recommended to the chancellor at Chicago that the degree be revoked. The chancellor concurs that the degree be revoked.

The president of the University recommends approval.

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

Delegate Authority for Changes in Enrollment Deposits

(8) As an enrollment management tool, the board has approved enrollment deposits for selected programs at all three campuses. An enrollment deposit is not an additional fee and is not intended to generate additional revenue, but is a small down payment on the tuition that a student would eventually pay. Although enrollment deposits are generally a small percentage of the total tuition, they provide the academic unit with better measurements of student intent and enrollment projections. In stringent budget times with many units experiencing limited capacities to meet instructional demands, enrollment deposits are especially useful in assisting those units in planning their instructional workload.

All three campuses of the University have had Board approved Enrollment Deposits for selected programs for use as an enrollment management tool. All three campuses have experienced strong enrollment demands, especially in selected fields of study. Some examples of these programs include pharmacy at the Chicago campus, the Capital Scholars Program at the Springfield campus, and law at the Urbana-Champaign campus.

Periodically the administration has requested the board approve small changes in the enrollment deposit. As enrollment demands change among individual programs, often quite rapidly, and as enrollment pressures continue to intensify across many programs at all campuses, University officers desire additional flexibility to adjust enrollment deposits periodically for high demand programs.

The management of enrollment deposits has been reviewed by the Academic Affairs Management Team and it is recommended that authority be delegated to the vice president for academic affairs to establish, modify, or rescind enrollment deposit requirements.

The president of the University concurs.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 9 through 13 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Award contract for West Campus Recreation Center, Chicago

(9) At its meeting September 12, 2002, the board approved the campus recreation expansion and renovation project. In a student referendum on this project, February 2002, 81 percent of the students voting approved of a \$70 per semester fee increase to pay for the improvements and new construction. In accordance with Illinois Statutes, the Illinois Board of Higher Education approved this non-instructional capital improvement.

The project consists of a renovation of parts of the existing facility and an addition of approximately 21,000 square feet to include a new weight training and cardiovascular equipment area, new fitness/martial arts equipment area, and new fitness/martial arts studios.

The president of the University with the concurrence of the appropriate University officers recommends that the following construction contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus the acceptance of the indicated bid alternates.¹

Division I—General Work

FHP Tectonics/F. H. Paschen, Chicago	Base Bid	\$3,740,000
	Alt. G-1	210,000
	Alt. G-2	55,000
	Alt. G-3	32,000
	Alt. G-4	21,000
	Alt. G-5	31,000
	Alt. G-6	29,000
	Alt. G-7	13,000
	Alt. G-9	59,000
	Alt. G-10	<u>16,000</u>
		\$4,206,000

Total All Divisions of Work \$5,902,915²

Funds for the project are available from Auxiliary Facilities System Revenue Bonds.

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

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

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

Award Contract for Job Order Contracting (JOC) System, Urbana

(10) The Job Order Contracting (JOC) System enhances the contracting operations for repairs, minor remodeling, and new construction at the Urbana campus. Budgets will be developed on an individual project basis in connection with specific job orders.³ Based on past records of the campus' existing contracts for repairs, minor remodeling, and new construction, it is anticipated that the Urbana campus will order an estimated \$14.0 million in construction work under the JOC System over the designated three and one-half year contract period.

The president of the University with the concurrence of the appropriate University officers recommends that the following Job Order Contracting System contract be awarded to T. A. Brinkoetter and Sons, Inc., Decatur. Competitive bidding procedures in

¹Description of Alternates: G-1—Track mezzanine; G-2—existing track renovation; G-3—window replacement; G-4—racquetball court renovation; G-5—gymnasium curtain divider and backstops; G-6—natatorium ceiling grid replacement; G-7—lower level multi-purpose room B037 finishes; G-9—B62 and B63 locker rooms replacement; and G-10—fitness room 2210 upgrade from carpet to rubber.

²Contracts for other bid packages were awarded that were within the delegated approval levels (Plumbing: Mecon Industries, Inc., Lansing—\$265,000; Heating, Piping, Refrigeration & Temperature Control: Monaco Mechanical, Inc., Westmont—\$447,000; Ventilation & Air Distribution: Qu-Bar, Inc., Oak Forest—\$589,215 [includes Alt. V-1 adds ductwork to be extended below the new track—\$20,100 and Alt. V-7 adds ductwork, grilles, and other ventilation and apparatuses associated with the fit-out of multi-purpose room B037—\$1,115]; Electrical: Loyola Electric Construction, Chicago—\$395,700 [includes Alt. E-1 adds electrical work associated with the fit-out of multi-purpose room B037—\$5,200, Alt. E-5 provides electrical work associated with installation of new backstop and curtain divider in existing gymnasium—\$3,300, and Alt. E-8 adds lighting below track—\$3,200]) making a total award of \$5,902,915.

³An individual project cost will be determined by the quantities of work required to complete the project, multiplied by the unit prices published in the industry unit price book for the Champaign-Urbana area, multiplied by the applicable price adjustment factor (one of four that was competitively bid by the job order contractor).

accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of the lowest combined adjustment factor as described below:

<i>Division I—General</i>	<i>Combined Adjustment Factor</i>
T. A. Brinkoetter and Sons, Inc., Decatur	.8259
F. H. Paschen, Chicago	.9898
Broeren Russo Construction, Champaign	1.2746

Funds will be identified on a project-by-project basis and may include State appropriated, institutional, or restricted funds available in the campus operating budget during each fiscal year.

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

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

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

Purchases

(11) 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 \$6,465,529.

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

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

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

Authorization for Settlement

(12) The university counsel recommends that the board approve payment of \$3,000,000 as its contribution to the settlement of *Samuels v. Jackson, et al.* This amount represents the University's self-insured retention for the relevant policy year. St. Paul Insurance, as the excess insurance provider, was the lead negotiator and reached a settlement with the plaintiff that is subject to a confidentiality agreement. The plaintiff alleges improper handling of her labor and the delivery of the infant, Abbigail Samuels, resulting in profound permanent neurological injury to the child due to cerebral hypoxia suffered during her birth.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Authorization for Settlement

(13) The university counsel recommends that the board approve settlement of *Coney v. Yoo, et al.* in the amount of \$575,000. The plaintiff, Sharon Coney, alleges that the delay by the defendants in properly diagnosing and treating Maurice Coney for diabetic ketoacidosis as well as the delay in resuscitation resulted in his death.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

President's Report on Actions of the Senate

(14) The president presented the following report:

Establishment of a Bachelor of Arts/Master of Urban Planning 4+1 Program in Urban and Regional Planning

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a Bachelor of Arts/Master of Urban Planning (MUP) 4+1 Program in Urban and Regional Planning. Students in the joint program would take the 400-level M.U.P. core courses in the senior year of their B.A. program. They are then admitted to the M.U.P. program for one year, where they take the courses that a M.U.P. student would normally take in their second year. The 4+1 joint program would help to attract talented undergraduate students to the urban and regional planning program and encourage them to stay at the University of Illinois for graduate school rather than attend another institution.

Establishment of the Minor in Environmental Economics and Law in the Department of Agricultural and Consumer Economics

The Urbana-Champaign Senate has approved a proposal from the College of Agricultural, Consumer and Environmental Sciences to offer a new minor in environmental economics and law. This minor will provide undergraduate students with basic skills in economics and legal analysis, and will teach them how to apply those tools to environmental problems. Completion of the minor requires 18 or 19 credit hours. Students are required to take a first course in microeconomic theory and in law, two courses in environmental and natural resource economics, and a course in environmental law. They complete the minor by taking one additional course from a list of options that applies law and/or economics to issues such as environmental protection, land use, and sustainability.

**Establishment of a Study Abroad Option for the Ph.D.
in Chemical Engineering**

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a study abroad option for the Ph.D. in Chemical Engineering. Students will complete 24 units of graduate credit, spending approximately equal proportions of their degree programs at Urbana and the National University at Singapore (NUS). The Ph.D. joint program will build upon the success of the M.S. study abroad option in chemical engineering between Urbana and NUS, and will allow students the opportunity to think and function globally within the field of chemical engineering by providing a truly international graduate experience.

This report was received for record.

**Comptroller's Financial Report
Quarter Ended September 30, 2003**

(15) The comptroller presented his quarterly report as of September 30, 2003. A copy has been filed with the secretary of the board.

This report was received for record.

**Report, Vice Chancellor for Health Affairs
January 1 to December 9, 2003**

(16) The vice chancellor for health affairs presented a report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations of all medical staff appointments and resignations for 2003. A copy has been filed with the secretary of the board.

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on December 22, 2003.

Summary

Graduate Degrees

Doctor of Musical Arts	5
Doctor of Philosophy	110
<i>Total, Doctors</i>	(115)
Master of Accounting Science	6
Master of Architecture	13
Master of Arts	33
Master of Business Administration	10
Master of Computer Science	10
Master of Education	24
Master of Fine Arts	1
Master of Human Resources and Industrial Relations	60
Master of Landscape Architecture	2
Master of Music	4

Master of Science	383
Master of Social Work	47
Master of Urban Planning	7
<i>Total, Masters</i>	(600)
Advanced Certificate in Education	3
<i>Total, Graduate Degrees</i>	718
<i>Professional Degrees</i>	
College of Law	
Juris Doctor	11
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	100
College of Applied Life Studies	
Bachelor of Science	59
College of Business	
Bachelor of Science	175
College of Communications	
Bachelor of Science	33
College of Education	
Bachelor of Science	9
College of Engineering	
Bachelor of Science	286
College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	8
Bachelor of Fine Arts	26
Bachelor of Landscape Architecture	1
Bachelor of Music	10
Bachelor of Music Education	12
Bachelor of Science	19
<i>Total, College of Fine and Applied Arts</i>	(76)
College of Liberal Arts and Sciences	
Bachelor of Arts	294
Bachelor of Science	227
<i>Total, College of Liberal Arts and Sciences</i>	(521)
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	6
<i>Total, Undergraduate Degrees</i>	1,265
<i>Total, Degrees Conferred December 22, 2003</i>	1,994

CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES AWARDED

The secretary presented for record the following list of certified public accountant (CPA) certificates awarded to candidates on the dates indicated. (Awards are made to candidates who have fulfilled all legal requirements based upon sections in the Illinois Public Accounting Act of 1994.)

Summary

<i>Certificates Awarded January 17, 2003</i>	
By Reciprocity	22
By Transfer of Examination Credit	<u>11</u>
<i>Total, Certificates Awarded January 17, 2003</i>	33

<i>Certificates Awarded January 22, 2003</i>	
By Passing Written Examination on November 6-7, 2002, in Illinois	657
<i>Certificates Awarded February 7, 2003</i>	
By Reciprocity	14
By Transfer of Examination Credit	<u>8</u>
Total, <i>Certificates Awarded February 7, 2003</i>	22
<i>Certificates Awarded March 7, 2003</i>	
By Reciprocity	31
By Transfer of Examination Credit	<u>11</u>
Total, <i>Certificates Awarded March 7, 2003</i>	42
<i>Certificates Awarded April 11, 2003</i>	
By Reciprocity	63
By Transfer of Examination Credit	<u>18</u>
Total, <i>Certificates Awarded April 11, 2003</i>	81
<i>Certificates Awarded May 9, 2003</i>	
By Reciprocity	64
By Transfer of Examination Credit	<u>7</u>
Total, <i>Certificates Awarded May 9, 2003</i>	71
<i>Certificates Awarded June 13, 2003</i>	
By Reciprocity	46
By Transfer of Examination Credit	<u>17</u>
Total, <i>Certificates Awarded June 13, 2003</i>	63
<i>Certificates Awarded July 11, 2003</i>	
By Reciprocity	45
By Transfer of Examination Credit	<u>10</u>
Total, <i>Certificates Awarded July 11, 2003</i>	55
<i>Certificates Awarded July 30, 2003</i>	
By Passing Written Examination on May 7-8, 2003, in Illinois	704
<i>Certificates Awarded August 8, 2003</i>	
By Reciprocity	24
By Transfer of Examination Credit	<u>6</u>
Total, <i>Certificates Awarded August 8, 2003</i>	30
<i>Certificates Awarded September 12, 2003</i>	
By Reciprocity	79
By Transfer of Examination Credit	<u>11</u>
Total, <i>Certificates Awarded September 12, 2003</i>	90
<i>Certificates Awarded October 10, 2003</i>	
By Reciprocity	17
By Transfer of Examination Credit	<u>7</u>
Total, <i>Certificates Awarded October 10, 2003</i>	24
<i>Certificates Awarded November 21, 2003</i>	
By Reciprocity	51
By Transfer of Examination Credit	<u>20</u>
Total, <i>Certificates Awarded November 21, 2003</i>	71
<i>Certificates Awarded December 5, 2003</i>	
By Reciprocity	10
By Transfer of Examination Credit	<u>7</u>
Total, <i>Certificates Awarded December 5, 2003</i>	17

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider the following subjects: pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

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.

EXECUTIVE SESSION

Mr. Eppley reminded his colleagues that this would be the first time that the executive session would be taped and a verbatim transcription prepared.

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

Mr. Bearrows stated that he had reports on two cases, one for which he would recommend proceeding to trial, the [REDACTED], and another for which he would recommend settlement, the [REDACTED].

Mr. Bearrows then described the [REDACTED] case that involved a 61-year-old male who came to the University Hospital for cancer surgery. He said that the patient was in stage II cancer, with a history of diabetes and coronary artery disease when first seen at the hospital. Mr. Bearrows said that the surgery, performed in December 1998, to remove part of the patient's stomach went well. He described two things that were done to assist the patient's healing; one was a procedure to allow feeding through a tube through the jujunem, to allow his stomach to heal and the other was the insertion of a nasogastric tube to reduce pressure and remove secretions. Mr. Bearrows stated that about six days after surgery the patient was improving and the surgery oncology resident considered whether to remove the nasogastric tube and decided to leave it in. The next day the patient pulled the tube out and the nurses could not reinsert it necessitating help from two residents, one of whom was the physician who examined the patient the day before. Mr. Bearrows said the residents decided to leave the nasogastric tube out unless the patient began to vomit, and then reinsert it in radiology under a fluoroscopy to assist in locating it properly and avoiding damage to the surgical site. The patient then did begin to vomit and the physicians reinserted the nasogastric tube as planned. At that time they also took a chest x-ray, since the patient had exhibited some post-surgery problems with pneumonia. The patient vomited at the time of the chest x-ray and his heart rate dropped; a suction was sought to clear his air-

ways; there was some delay in obtaining this; CPR was started; and oxygen was administered to stabilize the patient, but he was unresponsive. Mr. Bearrows said that the patient was transferred to the surgery intensive care unit (SICU) in a vegetative state, and later transferred to a nursing facility where he died of pneumonia in March 1999.

Mr. Bearrows indicated that suit is being brought alleging that the nasogastric tube should have been reinserted immediately and not in radiology under fluoroscopy, but in the SICU. He said that the plaintiff also states that the patient vomited then aspirated and choked, which led to the cardiac event. Mr. Bearrows commented on the expert witness that has been hired by the plaintiff, and stated that this physician had not practiced in 12 years, and that he had never inserted a nasogastric tube. Also, he said that this expert had stated that the patient might have had a life expectancy of 20 more years. Mr. Bearrows said that defense counsel would try to have the witness barred from testifying. He then indicated that the University's outside attorney had retained three experts who all said that the standard of care was appropriate, and two of these witnesses had stated that the patient might have had a 5 to 10 percent of surviving three years.

Discussion followed and Mr. Bearrows reported the plaintiff demanded \$1.5 million, but the University's outside counsel has advised that settlement value for the case might be in the range of \$150,000 to \$200,000. He stated that a trial date of March 15, 2004, had been set and he indicated that plans were to proceed unless a modest settlement were reached.

Mr. Bearrows then presented the Alford case that involved a fourteen-year-old girl who died due to strep pneumonia. He described the facts of the case, beginning with the girl's appearance in the emergency room at the University Hospital with a cough producing some blood, and a pain on her right side, reporting that she had been in this condition for several days when she was seen at Cook County Hospital a few days earlier. He reported that the patient had had the symptoms for approximately six days when she was first seen at the University Hospital. He said that Cook County Hospital had diagnosed her condition as flu, and he added that she was also asthmatic. He then stated that the patient's temperature upon arrival at the emergency room at the University Hospital was 101.6 degrees, and that she was given an asthma treatment approximately one hour after she arrived and again about two and one-half hours later, then given a chortical steroid, prednisone. Mr. Bearrows said that a Dr. Marcinak, the only defendant in the case and a University Hospital attending physician specializing in pediatric infections disease, examined the patient, noting some troubled breathing, and did a pulse oximetry test that showed that the oxygen in the hemoglobin looked fairly good, and her lungs sounded good; therefore, since the patient was feeling better after the asthma treatments and the medication he sent her home after diagnosing her condition as asthma with flu. Mr. Bearrows then explained that the patient returned to the emergency room two days later still coughing up blood. He said tests revealed that she had group A strep pneumonia and her condition deteriorated over the next two days. He said a CT scan revealed that her lungs

were involved and she was scheduled for surgery, 11 days after she first appeared in the emergency room, and expired in surgery.

Mr. Bearrows discussed the views of outside experts that indicate that the patient presented classic symptoms of pneumonia. He reported one stated that he would have prescribed antibiotics upon first seeing the patient, and another suggested that the prednisone might have suppressed the immune system and made things worse. Mr. Bearrows reported that the University's attending physician claims that he was told that an x-ray he ordered shortly after the patient first appeared was normal. However, Mr. Bearrows said that this is not helpful because the diagnosis was incorrect and the x-ray taken a few days later clearly showed the patient's condition. Discussion with the trustees followed. Mr. Bearrows concluded the presentation telling the trustees that settlement in the \$2.5 to \$3.0 million range would be advised in this case, because the facts are bad and the experts' reviews were unsupportive.

RECESS FOR LUNCHEON AND COMMITTEE MEETINGS

There being no further business, the executive session was adjourned and the board meeting was recessed for a luncheon¹ followed by committee meetings.

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE

In Mr. Shah's absence, Mr. Sperling chaired this committee and asked Mr. Lyle D. Wachtel, associate vice president for facilities planning and programs, to introduce the representatives of Teng & Associates, Inc., for a design presentation for the Micro and Nanotechnology Laboratory addition and remodeling at Urbana. Mr. Wachtel introduced Mr. Jerry Cibulka, vice president, and Mr. Tom Hoepf, design architect.

Mr. Hoepf described the design of the building referring to illustrations of the design and said that the goal was to create more space in the Microelectronics Laboratory by adding 28,000 square feet to the current 95,000 square foot building. He said that the addition would provide space for laboratories and office space and that a new façade would be added. He indicated that the building materials would include brick, glass, and limestone for accents.

Mr. Wachtel then described the process by which the campus is involved in the design process and explained that since this is a project of the Capital Development Board (CDB), the campus representatives work with an architect chosen by the CDB within the bounds of the budget. He said construction would begin one year from now with a completion target date of October 2006. Mr. Eppley asked when faculty and researchers would get involved in planning the new addition and Chancellor Cantor stated that they have been intensely involved in this signature building in terms of the research to be done within the building and in the design. The chancellor also said that the campus plans to be a leader in nanotechnology as the

¹Guests of the board at luncheon included members of the Chicago Senate.

trend now is to move to ever-smaller technology. She said that the campus' plan is to combine research in nanotechnology and microtechnology, and for this the clean rooms in this facility would be very important. She added that the potential for technology transfer is tremendous in these areas.

In response to a question from Dr. Schmidt about future expansion of the facility the architect described that the modular design for building the laboratories made it possible to add successive modules.

On motion of Dr. Schmidt, this design was approved.

Mr. Wachtel announced that a new master plan for the Urbana campus would be presented to the board in late spring 2004.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE¹

Dr. Gindorf, chair of this committee, convened the meeting and asked Mr. Rugg to comment and to introduce the presenters. Mr. Rugg told the board that representatives of Moody's Investors Service had been invited to brief the board on their evaluation of the University's financial status with regard to debt. He noted that it had been some time since the board had been presented a picture of the University's debt and that it was important to apprise them of the amount of debt the University had and considerations for handling that and gauging the amount of additional debt prudent for the University. He then introduced Diane F. Viacava, vice president/senior credit officer, and Susan Fitzgerald, senior vice president, of Moody's. Ms. Viacava made the presentation to provide an independent view of the University's debt capacity (materials on file with the secretary). She described the concepts used by Moody's in evaluating investments, and explained the rating scale. She told the board that Moody's rates 90 percent of the public colleges and universities in the country, and stated that public universities are generally highly rated. She discussed the factors considered that include: the quality of students, the ratio of admissions to enrollments, and research funding and stated that these are strengths for the University. Also, the quality of the faculty, with two recent Nobel winners, was considered a strength, and the University's commitment to economic development in partnership with the State was seen as a strength. As a weakness, she mentioned the health care enterprise, because health care is volatile in every setting. She also said that the ability to increase tuition was a strength and that with the introduction of the guaranteed tuition program in fall 2004, that that is now an unknown factor. She indicated that the rating for the State of Illinois had been downgraded, and that this was having an effect on higher education because of attendant budget cuts. She added that the State of Illinois is rated weaker than neighboring states now. She also noted that the ability of the University to raise private funds through the Foundation was a strength. She told the board that the University still had debt capacity sufficient to fund some key projects that might be forthcoming in a few years.

¹Mr. Sperling left the meeting at 2:00 p.m.

She also briefly discussed the draft of a debt policy for the University and stated that this was quite important and that the format varied tremendously among institutions. She suggested that the board adopt a debt policy in order to have guidelines in place for considering debt. Mr. Douglas E. Beckmann, senior associate vice president for business and finance, commented that a debt policy would provide a toolkit for managing debt.

There was discussion of when it is prudent for the University to accept greater debt for a short time period in order to improve the University's resources in the long run. Mr. Eppley commented that the value of debt for the University is often well beyond the numbers, if it means the University will be significantly improved.

MEETING OF THE ACADEMIC AFFAIRS COMMITTEE

Dr. Schmidt, chair of this committee, convened the meeting. Dr. Schmidt stated that the faculty was the greatest asset to the University and announced that the committee would receive presentations from two outstanding faculty members at Chicago. He then turned to Chancellor Manning to introduce Professor Hayat Onyuksel, professor of pharmaceuticals and bioengineering in the Department of Biopharmaceutical Sciences. Dr. Manning commented on Professor Onyuksel's record for mentoring students and providing research experiences to students. The chancellor noted that among her many tributes, Professor Onyuksel had been named Woman of the Year for the Chicago campus recently and also named Inventor of the Year, the first woman to receive this honor. Professor Onyuksel then told the board that her research is in the area of drug delivery for treatment of breast cancer and rheumatoid arthritis, and expounded on this. She stressed that she seeks drug therapies that have low toxicity.

Chancellor Manning then introduced Professor Peter B. Hales, professor of art history in the Department of Art History, stating that his current research was on post-war American landscapes. She also recalled for the board that Professor Hales had provided excellent service to the campus in assisting in the selection of a design for the approach to University Hall a few years ago.¹

Professor Hales added that he is currently working on a study of the freeways of the United States, as dominant creations of the culture as evidenced by the ways they changed the environment.

His presentation to the board was a review of Levittown, Long Island, one of the first American suburbs that developed soon after World War II. He emphasized ways in which this "built environment" was developed, indicating that the creation of Levittown evoked a new sense of community and an enhancing of optimism for Americans. He also gave information about how he contacted early residents of Levittown via a website and the kind of written history and photographic history that he was able to study from contacts made by way of the Internet.

¹Dr. Carroll left the meeting at 2:40 p.m.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: March 11, Urbana; April 15, Chicago; June 17, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair