

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

March 11, 2004



This meeting of the Board of Trustees of the University of Illinois was held in Illini Rooms A, B, and C, Illini Union, Urbana, Illinois, on Thursday, March 11, 2004, beginning at 8:40 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. 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.

Mr. Eppley welcomed all in attendance to the meeting of the board and stated that President Stukel would introduce the University officers and the senate observers in a few minutes, but before that he wished to outline the structure for the meeting. He said that in anticipation of a larger than usual audience, the board had relocated its meeting to this larger room in order to accommodate as many people as possible. He added that he and his colleagues extended a warm welcome to all who had taken time to attend the

¹Mr. Shah joined the meeting at 9:25 a.m.

meeting today. He then stated that the first order of business for the board would be the public comment session, and that he judged from the t-shirts, signs, hats, and other expressions of free speech that many in the audience had an opinion about Chief Illiniwek. Mr. Eppley then said that six individuals had been approved to address the Board of Trustees for five minutes each on the subject of Chief Illiniwek. He noted that the audience was probably aware that the Chief was not on today's agenda. He continued, stating that the guidelines for the public comment session are governed by State statute and the board's procedures. He asked the speakers and the audience to respect each other and to adhere to the time limit so that all scheduled speakers might be heard during their remarks. Mr. Eppley added that public comment session would move without break from one commentator to the next and that extended comments or audience reaction would take away time from the speakers that followed. He stated that constructive and meaningful dialogue among members of the University community—alumni and students, community leaders, and others—is important. He commented that while the Board of Trustees is where any decision on the issue resides, public opinion and debate are where the issue lives. Mr. Eppley then encouraged the audience to listen respectfully to the views and opinions expressed, and upon leaving to approach others with opposing views not with anger and mistrust, but with mutual respect. He asked that the audience consider and learn other viewpoints and the reasons for those, to seek common ground, and to have constructive dialogue.

After these remarks, Mr. Eppley told the audience that following the public comment session, the board would move immediately into executive session in an adjacent room. He then stated that at the conclusion of the executive session, the board would spend the rest of the day working on University business, ranging from committee business to the agenda for the day.

Next, Mr. Eppley introduced President James J. Stukel and asked him to introduce the University officers and the senate observers.¹

President Stukel proceeded to introduce Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas 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

¹University Senates Conference: Barclay G. Jones, professor of nuclear, plasma, and radiological engineering, and professor of mechanical engineering, Urbana; Chicago Senate: Gerald S. Strom, professor of political science and secretary of the UIC Senate; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate: R Linn Belford, professor of chemistry

relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

PUBLIC COMMENT

Mr. Eppley announced the public comment session, stated that there were numerous requests to address the board today and that the document, *Procedures Governing Appearances Before the Board of Trustees*, provided for six speakers at each meeting. He then introduced the first speaker, Dr. Debbie A. Reese.

Dr. Reese introduced herself as a Nambé Pueblo and said she had lived in Champaign-Urbana for 10 years. She indicated that she is a post-doctoral student in educational policy studies in the College of Education at Urbana. She noted that she had addressed the board before and had presented findings from her research on perceptions of Native Americans in children's books. Related to this, she commented that it is difficult to find true characterizations of Native Americans in children's books and that most images are of animals dressed like Native Americans or white boys dressed as such. She also stated that she knew of only four times that many Native Americans had been on the Urbana campus, one was for a pow-wow and another was for the Dialogue on Chief Illiniwek when Judge Louis Garippo conducted an intake session to collect views on the Chief. She said she does not support the continuation of the Chief or the idea of using Native American images in any form at the University. She called for the retirement of Chief Illiniwek and the name "Fighting Illini" as the name of the athletic teams at Urbana. In concluding her remarks, she noted that this may take a long time, but that Native Americans will persevere.

Mr. Eppley then invited Mr. Durango Mendoza to speak. Mr. Mendoza told the board he had lived and worked in the Champaign-Urbana community for 10 years and that his daughter and wife were graduates of the Urbana campus. He indicated that he was from the Muscogee Creek Nation of Oklahoma. Mr. Mendoza then related a series of incidents involving his daughter at the Urbana campus where she felt insulted as a Native American, and other incidents involving his son while in grade school in which the teachers were misinformed about Native Americans. He also said that his son had a difficult experience in high school because the teachers advocated continuing Chief Illiniwek, which his son and his family consider an affront to Native Americans. He urged the board to retire Chief Illiniwek and the name "Fighting Illini."

Next, Mr. Eppley invited Mr. Roger Huddleston to address the board. Mr. Huddleston said that people of good will had fueled his interest in honoring the Chief. He referred to Mr. Eppley's comments in November 2003 in which he spoke of the great divide between those in favor of continuing the Chief and those in favor of retiring the Chief and asked people to end the polarized debate on the subject. He also referred to Trustee Carroll's call for consensus. He urged consideration of consensus and compromise and suggested that mutual respect would result. He opined that the Chief is not a blatant symbol of the misuse of Native Americans, but that Chief Ill-

iniwek is a unique representation of an idea and a constant at the University. He said that the role of the Chief is to symbolize the high ideals of the University.

Following this, Mr. Eppley invited Mr. Adam P. Chaddock to address the board. Mr. Chaddock stated that he supports continuing Chief Illiniwek and referred to an article in *Sports Illustrated* that reported results of a poll showing the majority of Native Americans do not want to abolish symbols such as Chief Illiniwek. He said that certain activists oppose the Chief, but not Native Americans in general. He then referred to another poll conducted by a group known as Indian Country in which the results showed that Native Americans do not support the continuation of Chief Illiniwek, and stated that study was not scientifically conducted. He said that the population of students at Urbana-Champaign mirrors the population of the nation and that the views of students ought to be seriously considered. Further, he stated the presence of Chief Illiniwek does not discourage Native American students from enrolling at the Urbana campus. In addition, he said that Chancellor Cantor believes that the retirement of the Chief will quash the activities of the supporters of the Chief and that he disagrees.

Mr. Eppley then invited Ms. Victoria R. Wade to address the board. Ms. Wade greeted the board and stated that she was of Seneca descent. She indicated that she was a student in the College of Education at Urbana and that she advocated retirement of Chief Illiniwek, the mascot for the athletic teams. She added that for the last 15 years students, faculty, and Native Americans have asked to have the Chief retired, yet the board has been unresponsive. She maintained that Native American students do not wish to attend the Urbana campus because of Chief Illiniwek, and that those who do attend often feel intimidated by those that support the Chief. She said that for many years, Native Americans were not allowed to practice their culture, especially their religious customs, and that they see the Chief as a mockery of Native American religious beliefs. She asked the board to remove the Chief and all related imagery.

The last person Mr. Eppley invited to speak was Ms. Kara Huffman. Ms. Huffman introduced herself as a senior majoring in aerospace engineering and a member of the Marching Illini. She stated that the Chief was an integral part of her experience at the Urbana campus, that the Chief is not a racist symbol, and that the ugly characterization of the Chief as such must end. She said she saw the Chief as the head of the family, not a mockery, and referred to the authenticity of the Chief's regalia, stating that the Chief's dance does not have ceremonial or religious ties as some opponents suggest. She added that she would like to see the Chief perform on television in the short presentations about the University. She also noted that it seemed appropriate to borrow from other cultures and that this was an important part of ethnic diversity, and that she considered the Chief a representation of support for all cultures. Also, she said that she believed most of the students at Urbana support retention of the Chief, and that next week there will be a student referendum to determine that.

MOTION FOR EXECUTIVE SESSION

Chair Eppley, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

EXECUTIVE SESSION

The board met in the South Lounge of the Illini Union in executive session. Mr. Bruce was excused due to the nature of the material discussed, in order to eliminate the potential for any conflict of interest.

Mr. Eppley asked Mr. Bearrows to present information on two cases. Dr. Charles L. Rice, vice chancellor for health affairs, Chicago, joined the board for these discussions.

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

Mr. Bearrows began by stating that the cases that he and Dr. Rice would discuss are both from Rockford, and in both cases he would recommend settlement. He then discussed the case of *Erickson v. Wedel, et al.*, that involved failure to diagnose skin cancer on a woman's ankle. Mr. Bearrows described the patient as a 63-year-old woman (Pat Erickson) who was treated by Dr. Paul Wedel, a member of the family practice group at Rockford. Ms. Erickson first saw Dr. Wedel in July 1999, requesting removal of a mole on her ankle that she said she had put off tending to for years. Mr. Bearrows said that Ms. Erickson had other moles burned off without incident. He said that Ms. Erickson stated in her deposition that the mole had changed in color and texture shortly before her visit to Dr. Wedel. Mr. Bearrows said that Dr. Wedel does not recall that statement, and that it is not in the physician's notes. Mr. Bearrows said that Dr. Wedel wrote in his notes that he examined an oval shaped lesion and he diagnosed it as a seborrheic keratosis, an non-invasive benign tumor that might be removed without causing a problem, and that there would be no need for a biopsy or for requesting a pathology test on a specimen. Mr. Bearrows reported that Dr. Wedel gave Ms. Erickson several treatment options and she chose to have the mole cauterized. He said that approximately one year later Ms. Erickson returned to see Dr. Wedel with a lump in the same leg, in her right thigh, about one inch by one inch and that Dr. Wedel removed the lump and had a biopsy performed that showed that it was a lymph node that was stage three metastatic malignant melanoma. Mr. Bearrows said that Ms. Erickson was then referred to an oncologist who examined the tissue near her ankle and

found it malignant. After this the oncologist excised the initial site and performed a skin graft. Mr. Bearrows reported that the pathology reports indicated that the original lesion was also a melanoma, strongly suggesting that it had spread from her ankle. He said that Ms. Erickson underwent four weeks of chemotherapy, and is now considered cancer-free. However, her right leg continues to be very swollen below the knee.

Mr. Bearrows said that Ms. Erickson's attorney, David Schwartz, argues that a biopsy should have been ordered for the mole that was removed initially and that melanoma would have been diagnosed. Mr. Bearrows said that Mr. Schwartz alleges Ms. Erickson suffers from problems with her leg due to damage to the lymph system and also a reduced life expectancy.

Mr. Bearrows told the board that the University's attorney is Lou Varchetto, a Rockford attorney, who has consulted with two family practice physicians and a surgical oncologist. He stated that all physicians opined that a biopsy should have been ordered initially when the first lesion was removed, and the oncologist stated that the delay in diagnosis that allowed the cancer to spread to the lymph system probably reduced the patient's life by 25 to 27 percent.

Mr. Bearrows told the board that the plaintiff's demand for a settlement of the case is \$1.65 million, and that the University's counsel states that the range probably extends to \$1.0 million. Mr. Bearrows said that he and Dr. Rice have discussed this case and agree that it is not defensible. Thus, a settlement in the range of \$400,000 and \$900,000 is recommended.

Discussion followed regarding how one would estimate the probability of a reduced life expectancy. Dr. Gindorf commented that the only way melanoma is essentially cured is if it is treated at an early stage, and that depends on how quickly or how deep it has invaded the skin. He opined that the lesion should never have been burned off. Dr. Schmidt noted that melanoma is an extremely progressive malignancy, and that a biopsy should have been ordered. There was no objection to the range suggested for a settlement.

Mr. Bearrows then reported to the board the facts of [REDACTED], that involved complications occurring during delivery of a baby in which forceps were used, resulting in lacerations to a 37-year-old woman, [REDACTED]. He said the patient was admitted to Swedish American Hospital in Rockford in [REDACTED] 1999 in labor. He said she had previously delivered a baby by C-section but had elected to deliver naturally this time. Mr. Bearrows stated that the patient was admitted at about 12:00 p.m.; at 10:00 p.m. she was given Petosin to augment labor; at 11:15 p.m. she was completely dilated; and one hour and fifteen minutes later, [REDACTED], who was treating her, delivered the baby using forceps. He said that during the delivery [REDACTED] experienced a laceration, and the laceration was repaired at the time, but not completely. Mr. Bearrows said that in October 1999, [REDACTED] performed a surgical procedure to repair the laceration to [REDACTED], and that [REDACTED] notes indicate a complete breakdown of the previously repaired laceration. Further, Mr. Bearrows explained that

over the two years following [REDACTED] 1999 [REDACTED] was examined by various specialists and underwent several procedures and surgeries, yet she still has complications, such as incontinence. Mr. Bearrows stated that [REDACTED] husband has filed a lack of consortium claim.

Mr. Bearrows reported that the plaintiff's attorney, [REDACTED], argues that it was not necessary for [REDACTED] to use forceps, that they were not clinically indicated, and that the subsequent repair by [REDACTED] was inadequate, resulting in the extended serious complications his client continues to have.

Mr. Bearrows stated that the University's attorney is [REDACTED], who has consulted two experts on the case, and their reviews of the care given were mixed. He said that both indicated the use of forceps is a judgment call on the part of the physician. However, both opined that the labor of one hour and fifteen minutes was not prolonged, and that guidelines of the American College of Obstetrics and Gynecology for a patient with [REDACTED] history indicate that anything under two hours is not prolonged and would not have warranted the use of forceps.

Discussion followed and included comments on the condition of the baby during the labor. Mr. Bearrows stated that the baby was monitored and that the experts found nothing to suggest distress to the baby. He said that the experts found the laceration to [REDACTED] extreme, and not typical given all the facts.

Mr. Bearrows told the board that the settlement range is \$250,000 to \$400,000. Dr. Rice commented that \$400,000 or even a little higher would be acceptable to him, given the treatment the patient received from [REDACTED].

Other Reports from Mr. Bearrows

Mr. Bearrows reported on two cases the board had authorized for settlement at an earlier meeting. First, he noted that the settlement offer in the range of \$2.5 to \$3.0 million was not accepted in the case of *Alford v. Marcinak* that involved the death of a 14-year-old girl, Taadhameika Alford, due to an alleged failure to properly diagnose and treat group A strep pneumonia. He said the plaintiff is still demanding \$6.25 million, and that he might be back to discuss another settlement amount with the board.

Also, he told the board that the case of [REDACTED], that involved the matter of a 61-year-old man's death, after removal of a nasogastric tube and arguments that it was not replaced in a timely manner, is now scheduled for trial in September 2004.

In addition, he reported on the case, *Levert v. Board of Trustees of the University of Illinois*, that involved tickets to the Sugar Bowl game. He reviewed the case stating that there were two parts; in the first part, an injunction, plaintiffs demanded thousands of tickets be made available and the University settled for 53 tickets. This was based on statements that plaintiffs had relied on the University's web site to order tickets with the expectation that they would receive tickets ordered. Mr. Bearrows stated that these people

then ordered airline tickets and reserved hotel rooms based on this assumption. The second part he described as a lawsuit the plaintiffs filed in Louisiana and, as he reported to the board earlier, the Louisiana Appellate Court stated that the individuals should sue in Illinois. Mr. Bearrows reported that the Louisiana Supreme Court declined to hear the case, and that given the context of the suit, he believes the University does not have a problem.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned and the board reconvened in regular session.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that the items on the agenda for this meeting would now be presented and time allowed for discussion. He then stated that he wished to present two items. On agenda item no. 9, "Amend Composition of the Consultative Committee to Assist in the Selection of a President, 2004," he thanked the constituent groups for sending the names of nominees to the board and the student trustees for coordinating efforts to obtain nominees for the student positions on the committee. He described the membership of the consultative committee and referred to a letter he sent trustees last week listing the members of the committee. He then noted that when he approached Dean Avijit Ghosh about chairing the consultative committee, Dean Ghosh, in addition to confirming that he would be honored to do so, inquired about whether there would be opportunity for him to have input on the selection or recommendation of committee members. Mr. Eppley stated that that was a meritorious idea that would certainly enhance the prospects of a successful search, since so much responsibility would fall on the shoulders of the committee chair; however, because so much care was taken to develop a collaborative committee selection process, it was apparent that the best way to accommodate Dean Ghosh's request was to add to the committee one person to be recommended by the

committee chair for subsequent approval by the board. Accordingly, he stated that the board was amending the consultative committee composition to add Mr. Ayy H. Stein. Mr. Eppley then read the names of members of the committee. Mr. Sperling commented; stating that he had known Mr. Stein for many years and that he was confident that Mr. Stein would bring a valuable perspective to the committee's work.

Next, Mr. Eppley stated that with regard to agenda item no. 10, "Membership of the Consultative Committee to Assist in the Selection of a President, 2004," that he would have comments to make later when the agenda is considered and at that time he would introduce the chair of the committee.

Mr. Eppley then asked Chancellor Cantor to present agenda items concerning her campus. She said that agenda item no. 3, "Appoint Fellows to the Center for Advanced Study, Urbana," and agenda item no. 4, "Appoint Associates to the Center for Advanced Study, Urbana," both concerned appointments of outstanding faculty to positions in this distinguished center for interdisciplinary research on the Urbana campus. Dr. Cantor described the appointments as very significant. For agenda item no. 8, "Eliminate the Undergraduate Major in Consumer and Textile Marketing, Urbana," she explained that there is no longer faculty to support this major, and that plans had been made to permit students now enrolled to have time to complete their degrees.

Next, Mr. Eppley asked Chancellor Manning to present items concerning the Chicago campus. On agenda item no. 1, "Appoint Faculty Fellows to the Institute for the Humanities, Chicago," Dr. Manning said that these are all internal appointments. On agenda item no. 2, "Reappoint Members to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Office of the Vice Chancellor for Health Affairs, Chicago," she explained that these appointments are made annually and are reappointments of people currently serving on the board. On agenda item no. 7, "Reorganize Department of Biomedical and Therapeutic Sciences, University of Illinois at Chicago College of Medicine, Peoria," she explained that this represents the change, by vote of the faculty, from a chair as the leader of the department to a head of the department. Dr. Schmidt asked for explanation of the distinction between the two titles and Dr. Manning explained that a head has more independent authority than a chair, and that there are very few departments lead by chairs.

Following this, Mr. Eppley asked Vice President Gardner to comment on an item. Dr. Gardner commented on agenda item no. 6, "Sabbatical Leaves of Absence, 2004-05," stating that the University of Illinois *Statutes* provide for faculty to be granted sabbatical leaves for research and study with pay. He stated that the objective of this is to increase the faculty member's usefulness to the University. He also explained the differential amounts of leave available to faculty and noted the rigorous review process, and indicated that fewer than 40 percent of the faculty members eligible for a sabbatical are granted such a leave.

Mr. Eppley then asked Vice President Rugg to comment on several items. Mr. Rugg began by stating that two items on his list would be discussed in the meeting of the Finance and Investment Committee and proceeded to describe the purpose of agenda item no. 11, "Employ Professional Services Consultant for Fire and Life Safety Code Audit of University Facilities." He told the board that this contract, totaling \$560,000, was to hire the same firm that audited the University's facilities and produced the facility condition audit that led to the deferred maintenance program. He said that this contract would include the requirement of a report of the safety of the facilities, especially with regard to fire safety. He then spoke to agenda item no. 12, "Employ Architect/Engineer for Lincoln Hall, Urbana (Capital Development Board Project)," and said that this recommendation presented a milestone for bringing this project forward. He said this recommendation would be sent to the Capital Development Board, once approved by the Board of Trustees, and the employment of the firm would be made by the Capital Development Board. He noted the \$2.0 million that had been provided for planning for this project and said the work by the architect and engineer would provide the basis for the next steps in remodeling this facility, which is at the top of the University's list for remodeling projects for Fiscal Year 2005, and has a good ranking for funding from the Illinois Board of Higher Education. He stated that it remains to be seen what the General Assembly and governor will do regarding the project in the FY 2005 budget. On agenda item no. 15, "Award Contract for East Campus Utilities, Urbana," he said that this recommendation concerns the infrastructure for two projects, Doris Kelley Christopher Hall and the East Campus Commercial Center. Mr. Rugg said that the low bidder is recommended for this project. Mr. Shah advised care in distributing contracts to architecture and engineering firms in order to make participation by the greatest number of firms possible. He also suggested that Illinois firms be awarded contracts whenever possible. Dr. Gindorf said he agreed with Mr. Shah but that he thought that State law required the low bidder to receive the contract. Mr. Shah said that the criteria for selection were an issue and that this matter could be addressed. Mr. Rugg said that he would review the procedures for selecting firms and would work to spread the word about opportunity for contracts with the University. Mr. Rugg then asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to comment on agenda item no. 13, "Purchases." Mr. Provenzano described the purchase of a contract with a radiology group at Rush-Presbyterian-St. Luke's Medical Center to provide services in radiology, explaining that this was necessary due to the resignation of a radiologist at the University of Illinois Hospital. He said that this service was recommended from this point until a new faculty member can be appointed. He said that the cost was based on the number and types of procedures provided. Next, he told the trustees of a recommendation to purchase a mass spectrometer for use by the Department of Geology at Urbana. He said that this instrument would increase the functions possible in research, and would increase the volume of samples that may be tested.

Another item Mr. Provenzano discussed was a recommendation to provide electronic search capability and full-text retrieval for scientific and other scholarly publications. He said that this was to be a collective purchase by all the libraries at the University, and as such would allow for a discount of \$158,000. Dr. Gindorf asked if the hospital had lost an interventional radiologist that necessitated contracting with Rush-Presbyterian-St. Luke's Medical Center. Dr. Rice confirmed this, and stated that a new faculty member had been recruited who would begin in a few months. Mr. Shah congratulated the staff for efforts to obtain the best contracts possible for these purchases.

BOARD MEETING RECESSED

At this time, the board meeting recessed for committee meetings.

MEETING OF THE ACADEMIC AFFAIRS COMMITTEE

Dr. Schmidt, the chair of this committee, convened the meeting and asked Chancellor Cantor to introduce the faculty and students invited to participate in the presentations for the meeting. Chancellor Cantor stated that the presentations for today's committee meeting would be made by individuals from several of the fine arts disciplines on the campus. She stated that the arts are vital to a liberal education, and that faculty and students are transformed by good teaching and learning in these areas. Dr. Cantor then introduced the faculty to participate in the presentations: Ollie Watts Davis, associate professor in the School of Music, and her students Courtney Huffman and Casey Robards; and Robert Graves, professor and head of the Department of Theatre and his student Terry S. Flint. Dr. Cantor noted that Professor Davis has performed at Carnegie Hall, has several recordings, and travels widely to give concerts. Dr. Cantor commented that Professor Graves is a noted authority on Irish theatre and Asian theatre and is an authority on lighting and stage design, and sought after by theatres around the world.

Professor Graves spoke first and told the board that the curricula in theatre, music, and the other arts were professional programs designed to prepare students to pursue careers in the theatre, music, and other arts. He noted that admission to these programs is selective and that this factor contributes to the excellence of the programs. He said that auditions and interviews are competitive and this process ensures that the best students are recruited to the programs. Further, he noted that highly individualized teaching produces outstanding graduates.

Professor Davis then spoke and described the individual instruction provided students in the voice program. She said that students have special sessions of 90 minutes each and give recitals in their junior and senior years. Then she mentioned several graduates of the voice program who have gone on to become well-known opera singers. Professor Davis next introduced two students who each demonstrated the results of their education by singing for the board. The board was most appreciative.

Professor Graves introduced Ms. Flint who described the process of designing sets and staging a play.

Professor Graves summed up the session by saying that emotions, knowledge, and humor are essential to the training of such students.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE

Dr. Gindorf, chair of this committee, convened the meeting and asked Vice President Rugg for comments. Mr. Rugg outlined the plan for the meeting and introduced Mr. Steve Voss of Ennis Knupp + Associates, the University's financial advisers.

UI Investment Review for the Quarter Ended December 31, 2003

Mr. Voss presented the quarterly report of investments, including a report on the benchmarks and the performance of the managers. He noted that the work of Morgan Stanley had added value (materials on file with the secretary). He also told the board that the University has \$550.0 million in cash-like investments and that performance has been good even though interest rates are down. He then commented on performance of some of the managers, stating that Amervest, a firm that has \$50.0 million in operating funds, had doubled returns relative to the benchmark, and that Western Asset had performed well too.

He also reported that the category of private equity managers, a new addition to the investment strategy, was introduced to further diversify assets, and that the managers had been selected in response to a request for proposals.

Mr. Voss compared the University of Illinois to other Big Ten universities and noted that investment strategies seem similar, except that the University of Illinois has less invested in hedge funds, which pleases Ennis Knupp, as that firm advises against investing in hedge funds. Discussion followed about other institutions that do invest in hedge funds and why they do this. Mr. Voss told the board that the firm is now considering real estate as an asset class for University funds. He also stated that while results from investments with Morgan Stanley were good, Ennis Knupp advised issuing a request for proposals to consider other firms to manage this asset class because several key managers at Morgan Stanley who produced good results have left the firm. A discussion of investment allocation followed, and Mr. Beckmann observed that the University had been late to consider some investments. To this, Mr. Eppley responded that the mission of the institution was the basis for determining the allocation of investments and that these required constant review. Dr. Gindorf similarly advised that the University typically took more judicious risk in considering investments. Next, Mr. Vickrey asked how the University's investments performed relative to the benchmarks and was told that they tended to hug the benchmarks or perform slightly behind the benchmarks. President Stukel noted that the index funds seemed to be the best managed funds when the market is down, and in a rising market the index funds tend to reflect the mar-

ket, or stated differently, in a falling market the index funds do not outperform the market.

Presentation and Discussion of Agenda Items

Mr. Beckmann then turned to the financial items in the agenda and asked if there were any questions on agenda item no. 13, "Purchases." There were none. Next, he noted agenda item no. 16, "Policy for Issuance of Debt," and explained that this recommendation formalizes past good practices regarding debt. There was some discussion about refunding and whether the policy should include a statement about this. Mr. McKeever, treasurer of the board, stated that the guidelines developed to implement the policy should address that subject and Mr. Eppley reinforced this by stating that the goal was to have a policy for the University, and to have refunding guidelines that were responsive to the market rather than to a policy.

Overview of Annual Inventory Report for Year Ended December 31, 2003

Mr. Beckmann called attention to the fee disclosure on page nine of this report that lists all investment managers and all fees (copy filed with the secretary of the board). He reported that the University has low fees typically. Also, he noted that the University manages construction funds internally because there would be no savings in having these funds managed externally. In summary, he stated that the fund managers are of high quality and the fees are reasonable.

MEETING OF HUMAN RESOURCES COMMITTEE

Mrs. Sodemann, chair of this committee, began this meeting by stating that the complexity of the University requires a specialized and diverse workforce that enables the University to perform myriad tasks, and the workforce also affects the local economy in those locations where the University has a presence. She went on to state that in order for the board to understand this complexity, she had asked that the board receive a description of the University's workforce. She then introduced John Loya, associate vice president for human resources, and asked him to present this information.

Mr. Loya began his presentation stating that there are many methods for reporting the numbers of staff at the University. He stated that he would report total headcount for the year 2003, and that this would include temporary and casual employees. He referred the board to data in materials distributed at the table and noted that the University employed a total of 51,938 employees in fiscal year 2003 (materials on file with the secretary). Mr. Loya told the board that 19 percent of the employees at the University are represented by a union and he also reported the gender and ethnic characteristics of the employees.

Further, Mr. Loya stated that 64 percent of the University's budget is committed to human resources services and benefits. He then noted that among major employers in Illinois, the three campuses are significant

employers in their locations, with the Urbana campus ranking first among employers in numbers of employees.

In concluding his remarks, Mr. Loya listed several challenges for the University in the area of human resources. These included: the need to operate in multiple labor markets, including a volatile health care labor market; difficulties in competing for salary and benefits with other employers; diversity in the workforce and the need to increase it; changing skill sets that are required by every organization; and the need for the workforce to be more efficient and effective. He also told the board that he was involved in the review of all aspects of managing human resources within the University and planned a transformation of these activities in the near future.

Discussion followed and Mr. Eppley thanked Mr. Loya and stated that the board would like to learn more of the changes envisioned in the University's human resources management at future meetings.

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of this committee, called on Vice President Chicoine to report to the board. Dr. Chicoine presented the second quarterly report of the fiscal year on economic development activities (materials on file with the secretary). He added the goal of the University is to provide management for emerging technologies from inception in a laboratory to commercialization and drew attention to the metrics in the report on activities of the Offices of Technology Management. He stated that IllinoisVENTURES, LLC, is successfully engaged in supporting start-ups and working closely with the Offices of Technology Management. He praised the Board of Managers of IllinoisVENTURES, LLC, and noted how helpful those members had been to the development of the undertaking. He reported that IllinoisVENTURES had leveraged about \$6.00 in private investment for every \$1.00 invested in early stage start-ups.

Dr. Chicoine next reported on the research parks in Chicago and Urbana and on the incubators, stating that at Urbana, 52 percent of the jobs in the research park were related to start-up companies, and that 192 student interns were employed in this research park. He added that 77 percent of the space at Urbana was leased and that 75 percent of the space in the incubator facility was leased. He stated that at the Chicago Technology Park, the incubator was already fully leased. Dr. Chicoine also noted that John Parks, the first director of the research park at Urbana, had resigned recently to take a position as director of the research park at the University of Kentucky and he thanked him for his contributions to the research park at Urbana.

In closing, Mr. Eppley asked Dr. Chicoine to report on a recent survey. Dr. Chicoine told the board that in the 2002 survey by the Association of University Technology Managers, the University of Illinois was ranked among the top ten universities involved in the development of start-up companies.

RECESS FOR LUNCHEON

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

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley stated that this meeting was for the purpose of receiving a presentation on the sources of financial aid to students at the University, including the University's supplement to the State's Monetary Award Program (MAP) and the funding recommendation for this for Fiscal Year 2005. He invited Vice President Gardner to begin his presentation on this subject.

Dr. Gardner summarized the University's approach to providing financial aid to its students, stating that a principle of financial aid at the University of Illinois has been that no academically qualified student would be barred from attending the University for want of financial assistance. He also stated that the Illinois Student Assistance Commission (ISAC) had made recommendations for funding the MAP for FY 2005 (materials on file with the secretary). He said that the changes in the MAP would allow ISAC to make more awards in FY 2005. Dr. Gardner next explained to the board the practice known as "discounting" of tuition, that is a system of discounting the tuition for students with financial need, and noted that this began in the 1970s as a way to increase diversity among students enrolled at the nation's campuses. He said that in the beginning, 27 percent of colleges and universities followed this practice and that now 40 percent of the institutions in the country employ this approach to funding costs for students with financial need.

Dr. Gardner also described the initiation of the MAP awards and told the board that originally these were intended to pay the full tuition and fees at any Illinois university, but this full funding gradually changed to a shared funding for the University of Illinois when tuition and fees at the University were a few hundred dollars more than MAP. Dr. Gardner said that this changed in 2002 when tuition and fees at the University of Illinois were increased considerably and included a surcharge for the Chicago and Urbana campuses. He said that the University continued to fund the gap between the MAP award to students and the actual tuition and fees charged, which increased from \$2.2 million to \$14.0 million for FY 2003 and to \$16.2 million for FY 2004. He said that for FY 2004, 6.4 cents of every \$1.00 in tuition collected goes toward funding the gap, and that next year, the University's responsibility to fund the gap will increase to \$21.0 million, or \$0.07 of each \$1.00 collected in tuition. He contrasted this with Northwestern University's need to dedicate 25 percent of tuition collected to financial aid for students.

He then discussed the practice of discounting tuition and told the board that the practice has been increasing over the past few years and that the Lumina Foundation for Education had studied this (materials on file

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

with the secretary) and concluded that discounting does not always achieve desired results. He added that if tuition is too high then nearly all students receive financial aid, and cited a case of an institution that had decided to reduce tuition because most tuition revenue was going toward scholarships. He reported that research findings have revealed that 81 percent of students in independent institutions receive a tuition discount. He also commented on merit scholarships and apprised the board that these awards reduce the opportunity for aiding students with financial need. He informed the board that the University of Illinois awards financial aid on the basis of need only.

Next, Dr. Gardner related information regarding sources of financial aid for University of Illinois students. He began by telling the board that the cost for a typical University of Illinois student would be \$18,000, including transportation and incidental costs, and he listed the sources of financial aid available to students (material on file with the secretary). After this, he stated that with all sources of financial aid considered, there would be an unmet need of \$6,518, which would be addressed by student and family contributions, student work-study aid, loans, and other scholarships. He also told the board that students are limited to a total of \$23,000 in loans if they are dependents of their parents and to \$46,000 for independent students. He stated that half of the full-time undergraduates at the University of Illinois pay less than the full price of tuition and fees and that 40 percent to 50 percent of students take loans to pay their expenses at the University. He noted that students at Chicago and Urbana have an average debt from loans that is lower than the national average.

Dr. Gardner recommended to the board that the University limit the supplement to the MAP to four years, with an additional one year provided on advice of the financial aid officer at the campus; that undergraduates with financial need be moved as far as is prudent away from University-funded grants to loans; that the financial aid officers on each campus develop campus policies for awarding MAP supplemental funds; and that in order to manage future increases in tuition and fees, the campus MAP Supplemental Financial Aid pools be increased by percentages that are fixed multipliers of the percent increases in total undergraduate tuition income. He recommended that the multipliers be 2 at Chicago, 1.5 at Springfield, and 1 at Urbana. He also recommended that the methodology be reviewed at least every three years to ensure adequate and appropriate funding for the MAP Supplemental Financial Aid at each campus. He then stated that the recommended funding for FY 2005 for the MAP supplement was \$12.9 million for Chicago, a 15.5 percent increase; \$51,000 at Springfield, an increase of 0.7 percent; and \$21.0 million at Urbana, an increase of 7 percent. Dr. Gardner explained that the board would be asked to act on these recommendations when they consider the operating budget in September 2004.

Discussion followed and Mr. Eppley commented on a concern some of the trustees had regarding the exponential growth pattern in the MAP sup-

plement and stated that a goal would be to eliminate the need to fund this supplement. Mr. Vickrey concurred and stated that he thought it important to replace the MAP supplement with other funds; otherwise, the MAP supplement would continue to grow with regularity. Further discussion ensued on the matter of loans to students, with Dr. Gindorf commenting that the MAP supplement might be capped and the remaining need provided by endowment income or loans to students. Both Dr. Carroll and Ms. Garcia expressed concern about requiring students to take more loans, and said they feared students would drop out of the University or not enroll at all if more reliance on loans became a necessity. Dr. Gindorf stressed that the board must ensure that the University is accessible and affordable and that qualified students not be turned away because of financial need.

Chancellor Manning then commented, stating that increasing tuition provides for both academic program development and for discounting tuition for students with financial need. In addition, she stated that the Lumina study was not applicable to public institutions where tuition is much lower than at private institutions.

Dr. Carroll asked how the University of Illinois compared to its peers in providing financial aid to students and Dr. Gardner provided data showing that the University was comparable to peer institutions in this regard.

In closing this meeting, Mr. Eppley thanked Mrs. Sodemann and Mr. Vickrey for serving on the tuition review committee chaired by Dr. Gardner that met during the previous year and developed the recommendations presented.

MEETING OF THE UNIVERSITY HOSPITAL COMMITTEE

Mr. Vickrey, chair of this committee, convened this meeting and asked Dr. Charles L. Rice, vice chancellor for health affairs, Chicago, to report on the financial status of the University Hospital.

Dr. Rice presented financial performance data for the hospital for the period July 2003 to January 2004 (material on file with the secretary). He highlighted some of the data for the board, noting that bad debt for the hospital was below the amount budgeted; that through January 2004 the hospital revenue was \$3.0 million above budget, noting that this is sensitive to changes in volume of patients in the hospital; and that the hospital was managing the use of agency nurses much better than other urban hospitals. He also reported that the cost of supplies was down, and that the cash collected was higher than in any previous year.

In addition, Dr. Rice told the board that Medicaid payments had increased five percent over the previous year; however, the hospital had not received this from the State and that the Federal payments had been reduced. He reported that the hospital had an exceptional expense this year of \$2.3 million related to settlement of the case brought by the U.S. Department of Justice concerning the controversial liver transplant case.

He also reported that the volume of patients in hospital was up for February 2004, and he predicted that the next financial report in September

2004 would show better performance and increased revenue. He also noted that actuarial studies are under way to determine a cost of medical malpractice insurance for the next year, and he expected this information by the end of April 2004.

MEETING OF THE BOARD RESUMED

When the board reconvened in regular session, all members and officers of the board and University officers noted as present earlier in the day were still in attendance.

OLD BUSINESS

Dr. Carroll reported on a meeting she attended as a guest of the University Senates Conference on February 20, 2004, and stated she found it to be very informative and helpful. She stated that one concern she learned of was the members' desire to have a faculty member present at the board table at board meetings. She said that the conference members did not expect that this faculty member would have a vote, but that this person would be available to comment at appropriate times.

She also reported that she and Mrs. Sodemann had attended a meeting of the State Universities Civil Service Merit Board, and that this group presented impressive research on issues related to civil service employees at the public universities in Illinois. Mrs. Sodemann added that the new director, Thomas Moreland, is impressive and that all seems to be going well in the State Universities Civil Service System.

Next, Dr. Schmidt reported on a meeting of the Board of Managers of the University of Illinois Research Park, LLC, at Urbana on February 3, 2004. He noted that this was the first meeting of the newly constituted board, and that a good discussion of economic development and the campus' involvement was held. He also reported that positive developments are occurring in the Chicago Technology Park and in the DuPage County Technology Park. He stated that a continuing challenge of specifying the issues for each of these operations exists. He also said that he sees defining Dr. Chicoine's role in the overall management of the parks to be important.

Mr. Sperling then spoke and congratulated the chancellors and the athletic directors at Chicago and at Urbana on the performance of the campuses' basketball teams and stated that all should be proud of the performance of the athletic departments, in that there has been little difficulty in intercollegiate athletics on the campuses and the teams had won championships. Mr. Eppley also commented and extended congratulations to all the athletic programs. He said he would like the good news spread widely.

NEW BUSINESS

Dr. Schmidt asked that he, as chair of the Academic Affairs Committee, be kept apprised of the development of the financial aid policy. He also asked if recent national statistics indicating a high drop-out rate for students entering doctoral programs were reflective of the experience at the Univer-

sity of Illinois. Chancellor Cantor responded, stating that the national statistics were much higher than the experience at Urbana.

REPORTS FROM STUDENT TRUSTEES

Mr. Allen addressed the subject of Chief Illiniwek and said he was saddened by the divide on campus regarding Chief Illiniwek. He stated that he saw minority students as opposed to the continuance of Chief Illiniwek and white students in favor of continuation of the symbol. He then announced that he would place the issue of continuing Chief Illiniwek on the agenda for the meeting of the board in April 2004. He apologized to his colleagues for putting them in a difficult position with regard to this, and stated that he thought it would be best for the University to try to settle this matter.

Ms. Garcia reported that there had been many successful events at the Chicago campus since the last board meeting, including the UIC Scholarship Show, International Night, and the men's basketball championship. She also noted the availability of financial aid is a concern for students at Chicago.

Mr. Hollingshead commented on the Model United Nations, an annual event in Springfield that had recently concluded. He also told the board that CNN Headline News had reported on a grant received for research in mathematics at Springfield.

COMMENTS FROM BOARD MEMBERS

Mr. Eppley responded to Mr. Allen's announcement about asking the board to vote on the issue of Chief Illiniwek at the April meeting and said it was a disrespectful act to his colleagues. He then invited Mr. Bruce to comment on a matter on which he was working.

Mr. Bruce stated that he thought a change to the *Bylaws* of the Board of Trustees was in order to clarify how items reach the agenda for the board's consideration at board meetings. He said that he would propose an amendment to the *Bylaws* calling for specification about how many trustees would be required to make a request to place a matter on the agenda for the board's consideration.

REPORT FROM CHAIR, CONSULTATIVE COMMITTEE TO ASSIST IN THE SELECTION OF A PRESIDENT

Mr. Eppley invited Dean Avijit Ghosh, College of Business, Urbana, and the nominee for chair of the above committee to comment.

Dean Ghosh thanked the board for the opportunity to serve the University in this way and said that he approached this task with pride and humility. He pledged to assist the board and to work closely with it during the process of seeking a new president. He also said the consultative committee represents several constituencies of the University and that it will conduct a proactive search for one of the most important leadership posts in higher education in the United States.

He then proposed that the board consider appointing a faculty member to serve as co-vice chair of the committee and specifically recommended Dr. Elliot Kaufman, professor of biochemistry and molecular genetics, Chicago, for this assignment.

Mr. Eppley thanked Dean Ghosh for his remarks.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meeting of September 11, 2003, copies of which had previously been sent to the board.

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

AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 9 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Appoint Faculty Fellows to the Institute for the Humanities, Chicago

(1) The chancellor at Chicago with the recommendation of the director of the Institute for the Humanities, and with the concurrence of the dean of the College of Liberal Arts and Sciences, has recommended the following appointments of fellows to the Institute for the Humanities for the academic year 2004-05, and for the program of research or study as indicated in each case.¹ Fellows² are released from teaching and administrative duties, normally for one year, so they can devote full effort to their research.

JODY-CHIMENE BATEMAN, assistant professor, Department of Spanish, French, Italian and Portuguese, "Invocations of Desire: The Female Addressee in Medieval and Early Modern Literature"

PIETRO BORTONE, assistant professor, Department of Classics and Mediterranean Studies, "Language and Society on the Black Sea: The Case of the Muslim Greek Speakers of Turkey"

ANTHONY S. LADEN, associate professor, Department of Philosophy, "Practical Reason and the Unity of the Self"

VICTOR MARGOLIN, professor, Department of Art History, "A World History of Design"

VIRGINIA E. MILLER, associate professor, Department of Art History, "The Art and Architecture of Chichen Itza"

DAVID C. REISMAN, assistant professor, Department of Classics and Mediterranean Studies, "The Philosopher and the Mystic: A Study of the Avicenna—Abu Sa'id Correspondence"

SALLY SEDGWICK, professor, Department of Philosophy, "From Subjective to Absolute Idealism: Hegel's Critique of Kant"

¹Faculty fellows are chosen competitively by the Institute's Executive Committee through evaluation of research proposals.

²Alternates: (1) Waud H. Kracke, professor, Department of Anthropology, "The Parintintin World (in the Brazilian Amazon) Through the Eyes of Parintintin Artis Paulinho"; (2) Deirdre N. McCloskey, UIC Distinguished Professor, Departments of Economics and History, "The Bourgeois Virtues"; (3) Gayatri Reddy, assistant professor, Department of Anthropology and in the Gender and Women's Studies Program, "*Desi Paradesi*: Crafting Gay South Asian Spaces in the Contemporary U.S.A."

KRISTA A. THOMPSON, assistant professor, Department of Art History, "The Tropicalization of the Anglophone Caribbean: The Politics and Aesthetics of Space in Jamaica and the Bahamas"

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

**Reappoint Members to the Advisory Board of the Division
of Specialized Care for Children (DSCC) in Springfield,
Office of the Vice Chancellor for Health Affairs, Chicago**

(2) In 1957, the Illinois General Assembly created an advisory board for the Division of Specialized Care for Children (DSCC) to advise the administrators of the University of Illinois DSCC. The Board of Trustees is charged with appointing members to this advisory board.

The chancellor at Chicago recommends the following reappointments to the DSCC advisory board for a term ending June 30, 2007:

JOHN R. FISK, M.D., orthopaedic surgeon; professor, Division of Orthopaedic Surgery and Rehabilitation, Southern Illinois University School of Medicine, Springfield, IL; Hospital Privileges: Memorial Medical Center, Springfield, IL; St. John's Hospital, Springfield, IL

CHURPHENA ANDREA REID, M.D., pediatric urologist, Affiliated Urology Specialists, Peoria, IL; visiting assistant professor of clinical surgery and physician-surgeon, Department of Surgery, University of Illinois College of Medicine at Peoria; Hospital Privileges: St. Francis Medical Center, Peoria, IL; Methodist Medical Center, Peoria, IL; Proctor Hospital, Peoria, IL; Pekin Hospital, Pekin, IL; OSF Center for Health, Peoria, IL

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Appoint Fellows to the Center for Advanced Study, Urbana

(3) Each year the Center for Advanced Study awards appointments as fellows in the center, providing one semester of released time for creative work. Fellows are selected in an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of fellows selected for the 2004-05 academic year, and offers a brief description of their projects:

ADRIAN BURGOS, JR., assistant professor, history, *The Latinos from Manhattan: Latinos, Black baseball, and making urban communities*

This project historicizes Latino participation in the Negro Leagues as a window into Black-Brown relations in Harlem from 1910-1950, a period when native New Yorkers, southern Black migrants, and immigrants from the English-speaking and Spanish-speaking Caribbean confronted questions about the meaning of race, community, and social justice.

DEBRA HAWHEE, assistant professor, English, *At the edges of language: Kenneth Burke's theories of the body*

This project explores the body's relationship to language in the early work of the literary critic and rhetorician Kenneth Burke (1898-1992). Specifically, the study shows how Burke developed his monumental theories of language (dramatism and language as symbolic action) by drawing from scientific and religious discourses to explore how the body forms habits crucial for interpretive and communicative processes.

PAUL HERGENROTHER, assistant professor, chemistry, *Using small molecules to identify novel anti-cancer targets*

The protein target of a novel anti-cancer compound will be identified. This protein could represent a totally new anti-cancer target, and its discovery could pave the way for selective anti-cancer drugs with a completely novel mechanism of action.

ELIZABETH HSIAO-WECKSLER, assistant professor, mechanical and industrial engineering, *Prevention of falls in older adults: assessment and models of human balance*

In order to improve our understanding of the etiology of falls, Hsai-Wecksler will use novel methodologies based on control theory and statistical mechanics for understanding changes in balance and postural control due to age, disease, or exercise. Experimental and modeling studies, based on the impulse loading—impulse response paradigm, will explore response behaviors to sudden, transient perturbations to balance.

**ILIA KAPOVITCH, assistant professor, mathematics, *Genericity in Group Theory*

The project focuses on studying the phenomenon of genericity in Group Theory that often leads to the discovery of objects with new and interesting algebraic, geometric, and algorithmic properties. Our investigation of generic-case complexity of group-theoretic decision problems has already yielded a much better understanding of experimental behavior of group-theoretic algorithms, with possible future practical applications.

SILVINA MONTRUL, assistant professor, Spanish, Italian and Portuguese, *Understanding the long-lasting effects of early linguistic input in bilinguals*

This project tests effects for a critical period for language acquisition in low proficiency bilingual speakers who learned one of the languages (Spanish) at different times in their life: adult second language learners and heritage speakers (second-generation immigrants or their children living in the U.S.).

**DANIEL PACK, assistant professor, chemical and biomolecular engineering, *Design and construction of single-shot DNA vaccines*

New methods of administration are needed to capitalize on the potential of vaccination to prevent and even eradicate disease. This project will create drug delivery systems that can administer a vaccine and its required boosters with a single injection.

**SCOTT SILVERMAN, assistant professor, chemistry, *DNA as a catalyst for chemical reactions*

DNA will be used as a novel catalyst for chemical reactions. Biologically important compounds such as glycopeptides will be synthesized.

**BENJAMIN WANDELT, assistant professor, physics and astronomy, *Probing for new physics in cosmological data*

The anisotropy in the cosmic microwave background (CMB) is a uniquely powerful probe of cosmological physics. Wandelt will apply advanced statistical and computational techniques to probe for deviations from the standard cosmological paradigm both using CMB data alone and in the comparison between CMB data and other cosmological data sets.

**These faculty members have been recommended for appointment as Beckman Fellows in the Center for Advanced Study named for the donor of a gift that permits additional recognition for outstanding younger fellow candidates who have already made distinctive scholarly contributions.

The president of the University concurs.

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

Appoint Associates to the Center for Advanced Study, Urbana

(4) Each year the Center for Advanced Study awards appointments as associates in the center, providing one semester of released time for creative work. Associates are selected in an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of associates selected for the 2004-05 academic year, and offers a brief description of their projects:

**SCOTT ALTHAUS, associate professor, speech communication and political science, *Public deliberation and popular sovereignty in the choice between war and peace*

This project examines the processes of media-constructed public deliberation over the merits of going to war with Iraq that occurred in the months leading up to the 1991 Persian Gulf War. Special attention will be given to the relative power over the public deliberation process exercised by American political leaders, journalists, and citizens speaking through opinion polls.

SANDY BURGNER, associate professor, College of Nursing, *Optimizing quality of life outcomes in persons with dementia*

A book will be written based on the outcomes of a seven-year longitudinal study examining predictors of quality of life outcomes in persons with progressive dementia, such as Alzheimer's disease. Although the scientific findings have been disseminated in professional journals and meetings, this volume will utilize the quantitative and qualitative study findings presented in lay terms to provide guidance for persons with dementia, family members, and institutional caregivers.

JANET GAFFNEY, associate professor, special education, *High-impact late intervention in reading and writing*

This two-pronged project will forward the research on and implementation of a robust intervention for older students with persistent and significant difficulties in reading and writing. The two goals are to complete a book for publication and prepare a research proposal for submission on this intervention, which has been labeled a "High-Impact Late Intervention in Reading and Writing."

LAUREN GOODLAD, associate professor, English, *Liberal internationalism: Victorian literary encounters with the South*

Combining Victorian studies with humanistic inquiry into globalization, this project explores nineteenth-century liberal internationalism and its connections to the present day. By blending literary criticism with historical research and contemporary political theory, the book considers the experimental internationalism of Victorian novelists such as George Eliot, Anthony Trollope, and Wilkie Collins, alongside contemporaneous intellectuals such as John Stuart Mill and Harriet Martineau.

JAMES IMLAY, professor, microbiology, *Disruption of sulfur metabolism by oxidative stress*

Endogenous superoxide disrupts sulfur metabolism inside cells by a mechanism that has long eluded investigators. Lab experiments have obtained indirect but striking evidence that the sulfur metabolic defect may arise as a by-product of damage to the clusters. If this is correct, then the model will not only help explain the toxicity of oxidants, but it may also indicate that iron and sulfur metabolism are tightly linked. The project will focus on developing methods that will directly prove or refute this model.

CHANG LIU, associate professor, electrical and computer engineering, *Flexible sensitive skin: large area electronics and sensor integration*

This project focuses on the development of fundamental science and engineering for realizing artificial sensitive skins, which are large area, flexible surfaces with integrated sensors and semiconductor signal-processing electronics.

MICHAEL PALENCIA-ROTH, professor, comparative and world literature, *Acompañado por gabo: las pasiones otoñales de Gabriel García Márquez*

To write, in Spanish, the eleven chapters that will comprise *Acompañado por Gabo* (*Living with Gabo*), Palencia-Roth's second book on the 1982 Nobel Laureate in Literature, Gabriel García Márquez. This second book primarily considers García Márquez's career since 1982.

ELIZABETH PLECK, professor, history and human and community development, *Changing attitudes and public policy toward cohabitation, 1968-1990*

Living together without being married—that is co-habitation—is one of the most rapidly increasing social trends in the U.S. Pleck is interested in how and why law, public policy, and popular attitudes toward cohabitation have changed between 1968-1990 in the United States.

FAZAL RIZVI, professor, educational policy studies, *Identities 'on the move': student mobility and uses of international education*

Based on a large amount of interview data collected over the past five years in Australia and the United States, a book will be written exploring the manner in which international student identities are transformed by their education abroad and the ways in which they use their international education to enter or re-enter their professional and cultural communities.

TAHER SAIF, associate professor, mechanical and industrial engineering, *Deformation mechanisms in nano grained metal films*

Elastic modulus of nano grained metal films seems to decrease as the grain size decreases below 50nm. This project will explore grain boundary sliding as a potential mechanism for such decrease.

**EDMUND SEEBAUER, professor, chemical and biomolecular engineering, *Directed self-assembly of nanostructures from amorphous semiconductors*

A new surface self-assembly method for making nanometer-scale structures will be developed using amorphous semiconducting materials. The method represents a new strategy for nanofabrication that employs new physics discovered at UIUC and combines attractive features of the two broad classes of strategies currently employed: lithographic and thermodynamically-driven.

MATS SELEN, professor, physics, *An experimental study of nuclear forces using charmed quarks*

Using the CLEO-c detector at the Cornell Electron Storage Ring, the data obtained will open a new frontier of precision in our understanding of the strong and weak nuclear interactions. During this time Selen will serve as co-spokesman of the CLEO-c collaboration, a group of about 150 physicists from 15 leading universities.

ALEXANDRU ZAHARESCU, associate professor, mathematics, *Billiards and Farey fractions*

In recent joint work with F.P. Boca, using properties of the distribution of Farey fractions, some open problems on the periodic two-dimensional Lorentz gas were resolved. These techniques will be enhanced building more bridges between the subject of billiards and the periodic Lorentz gas, and the area of number theory concerned with Farey fractions and Kloosterman sums.

**These faculty members have been recommended for appointment as Beckman Associates in the Center for Advanced Study named for the donor of a gift that permits additional recognition for outstanding younger associate candidates who have already made distinctive scientific contributions.

The president of the University concurs.

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

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term

N—Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—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

ZHICHUN ZHU, assistant professor of electrical and computer engineering, on 100 percent time, beginning January 7, 2004 (N), at an annual salary of \$75,000.

Emeriti Appointments

JOHN A. GARDINER, professor emeritus of political science, May 16, 2004

Urbana-Champaign

EYAL AMIR, assistant professor of computer science, on 100 percent time, beginning January 2, 2004 (1), at an annual salary of \$80,000.

PAULA MAE CARNS, Spanish, Italian and Portuguese librarian and assistant professor of library administration, University Library, on 100 percent time, beginning December 1, 2003 (NY), at an annual salary of \$42,000.

ZACHARY ELKINS, assistant professor of political science, on 100 percent time, beginning December 18, 2003 (N), at an annual salary of \$58,190.

EDWARD FESER, associate professor of urban and regional planning, on 100 percent time, beginning January 1, 2004 (A), at an annual salary of \$70,000.

*PETER JAMES GARLICK, professor of animal sciences, on 100 percent time, beginning December 1, 2003 (A), at an annual salary of \$129,000.

DEANA C. McDONAGH, associate professor, School of Art and Design, on 50 percent time, beginning January 1, 2004 (N50), at an annual salary of \$29,500, and increasing to 100 percent time, for four years beginning August 16, 2004 (Q100), at an annual salary of \$59,885.

JORGE I. RAMIREZ, assistant professor of psychology, on 100 percent time, beginning February 16, 2004 (N), at an annual salary of \$60,148.

SRINIVASA M. SALAPAKA, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning January 1, 2004 (N), at an annual salary of \$67,000.

WENDY ALLEN SHELburne, electronic resources librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2003 (1Y), at an annual salary of \$43,000.

RAMANATH SUBRAMANYAM, assistant professor of business administration, on 100 percent time, beginning January 8, 2004 (N), at an annual salary of \$100,000.

Emeriti Appointments

JOHN W. DUDLEY, professor emeritus of plant genetics in the Department of Crop Sciences, February 1, 2004

RANDALL S. OTT, professor emeritus of veterinary clinical medicine, January 1, 2004

MARGARET A. CHAPLAN, associate professor emerita of library administration, University Library, September 1, 2004

Administrative/Professional Staff

MICHAEL B. BASS, executive assistant vice president for operations and external relations, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$165,000.

BERNADETTE BISKUP, associate executive director of hospital administration, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$250,000.

- JENNIFER LYNN BLOOM, associate dean for student affairs and the Medical Scholars Program, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$98,000. Dr. Bloom was appointed to serve as visiting associate dean for student affairs and the Medical Scholars Program under the same conditions and salary arrangement beginning February 16, 2004. She will continue to serve as adjunct assistant professor of internal medicine, University of Illinois College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried); and adjunct assistant professor of educational organization and leadership, College of Education, on zero percent time (non-tenured and non-salaried), for a total salary of \$98,000.
- KEVIN A. DORSEY, associate director of managed care, Office of Business Development, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$98,000. Mr. Dorsey was appointed to serve as visiting associate director of managed care under the same conditions and salary arrangement beginning February 1, 2004.
- CYNTHIA SCHMIEGELT, associate director of finance-reimbursement, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$95,000.
- SUSAN M. KIES, associate dean for curriculum management, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$109,775 (change in position only; no change in salary). Dr. Kies was appointed to serve as visiting associate dean for curriculum management under the same conditions and salary arrangement beginning February 16, 2004. She will continue to hold the rank of assistant professor of medical education, University of Illinois College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried), for a total salary of \$109,775.
- GREGORY A. MILLER, director, Biomedical Imaging Center, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning March 15, 2004 (N50), at an annual salary of \$58,628. In addition, for service as director, Dr. Miller will receive an administrative increment of \$10,000 on a twelve-month service basis (NY). This is a change in position only; no change in salary. He was appointed to serve as interim director beginning January 16, 2001. Dr. Miller will continue to hold the rank of professor of psychology, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 50 percent time, effective March 15, 2004 (A50), at an annual salary of \$58,540; professor, Beckman Institute for Advanced Science and Technology, on zero percent time (non-tenured and non-salaried); and adjunct professor of psychiatry, College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried), for a total salary of \$127,168.
- ALFRED S. PATE, assistant to the executive director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$110,000.
- SALLY A. PELG, executive director for University Accounting and Financial Reporting, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$135,685 (change in position only; no change in salary).
- LAURIE MUELLER PITNER, executive director for University Payroll, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$107,000.
- VERA STAMENKOVICH, human resources transformation director, Office of the Associate Vice President for Human Resources, University Administration, on a twelve-month service basis, on 100 percent time, beginning March 17, 2004 (NY), at an annual salary of \$125,000. Ms. Stamenkovich was appointed to serve as visiting human

resources transformation director under the same conditions and salary arrangement beginning February 2, 2004.

DEDRA WILLIAMS, associate dean for administration, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$93,000. Ms. Williams was appointed to serve as visiting associate dean for administration under the same conditions and salary arrangement beginning February 16, 2004.

GALEN J. WINCHIP, associate director for information technology services, Facilities and Services, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$93,938 (change in position only; no change in salary).

Intercollegiate Athletic Staff

MICHAEL J. DEE, head varsity coach, men's baseball, Division of Intercollegiate Athletics, Chicago, a second amendment to extend the current multi-year agreement, on a twelve-month service basis, on 100 percent time, effective October 1, 2004 through September 30, 2008 (NY100), on the following salary schedule:

<i>Time Period</i>	<i>Annual Salary</i>
October 1, 2004—September 30, 2005	\$67,259
October 1, 2005—September 30, 2006	69,950
October 1, 2006—September 30, 2007	72,748
October 1, 2007—September 30, 2008	75,658

This second amendment supercedes Coach Dee's current employment contract effective from September 7, 1998, through September 30, 2004, and extends the existing amendment.

In addition, the second amendment provides for changes in the amount of supplemental compensation for which Dee may be eligible in accordance with the following:

<i>Event</i>	<i>Bonus Compensation for One Year</i>	<i>Bonus Compensation for Three Consecutive Years</i>
Horizon League Regular Season Champion	\$ 3,000	\$ 6,000
Team wins Horizon League Tournament Championship	3,000	6,000
Team wins NCAA Regional Championship	5,000	7,500
Advancement to NCAA Super Regional Championship	10,000	15,000
Advancement to NCAA College World Series	10,000	15,000

MARK A. JOHNSON, head varsity coach, wrestling, Division of Intercollegiate Athletics, Urbana-Champaign, a fourth amendment to extend the current multi-year agreement, on a ten months' service paid over twelve months service basis, effective March 1, 2004, through March 31, 2007 (NB100), at an annual base salary of \$95,550. In addition, Coach Johnson will receive an increment for educational, public relations, and promotional activities on a ten months' service paid over twelve months' service basis, at an annual rate of \$10,000 (NB), for a total annual salary of \$105,550. A performance review will be held in December of each contract year to determine any compensation increases after February 29, 2004. This fourth amendment supercedes Coach Johnson's current employment contract effective from March 1, 2000, through February 28, 2003, and extends the existing amendments.

NANCY L. MUELLER, head varsity coach, women's volleyball, Division of Intercollegiate Athletics, Chicago, on a twelve-month service basis, with a multi-year contract, on 100 percent time, beginning March 15, 2004, through February 12, 2008 (NY100), at an annual salary of \$65,000. Coach Mueller shall be eligible to be paid at a merit raise level above the guaranteed base salary amount if justified by the periodic evaluations of the athletic director. Ms. Mueller was appointed to serve as visiting head varsity coach, women's volleyball, under the same conditions and salary arrangement beginning February 13, 2004.

Mueller shall have the opportunity to receive supplemental compensation in consideration of efforts contributing to exceptional team performance and participation in certain games or tournaments:

<i>Event</i>	<i>Bonus Compensation</i>
Regular Season Championship	\$2,000
Horizon League Tournament Championship	3,000
Advancement past first NCAA Round	5 percent bonus of annual salary
Advancement to NCAA Sweet 16	10 percent bonus of annual salary

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

Sabbatical Leaves of Absence, 2004-05

(6) The chancellors at the Chicago, Springfield, and Urbana-Champaign campuses have recommended that the following members of the faculty be given sabbatical leaves of absence in accordance with the provisions of the University of Illinois *Statutes* and on the terms and for the periods indicated.

The programs of research and study for which leaves are requested have been examined on the respective campuses. The vice president for academic affairs has reviewed the applications for the leaves and recommends approval of 49 leaves for Chicago; 6 leaves for Springfield; and 122 leaves for Urbana-Champaign. (A list of those recommended has been filed with the secretary of the board for record.)

(For the record and to provide an annual compilation, in 2003-04, 56 leaves were taken at Chicago; 2 leaves were taken at Springfield; and 122 leaves were taken at Urbana-Champaign.)

On motion of Dr. Schmidt, these leaves were granted as recommended.

Reorganize Department of Biomedical and Therapeutic Sciences, University of Illinois at Chicago College of Medicine, Peoria

(7) The dean of the College of Medicine with the advice of the regional dean of the College of Medicine at Peoria, has recommended that the governance of the Department of Biomedical and Therapeutic Sciences in the College of Medicine at Peoria be changed from its present structure of a department organized with a chair to a department organized with a head.

In accordance with Article IV, Section 4, of the University of Illinois *Statutes*, the regional dean at Peoria received a petition from at least one-fourth of the faculty of the department requesting that the form of departmental organization be changed. The regional dean called a special meeting of the faculty of the department to discuss the reorganization and the relevant statutes. Following the discussion, a poll was conducted of the departmental faculty by secret written ballot. A majority of the faculty (80 percent) favored the change to the headship form of organization.

The chancellor and provost and vice chancellor for academic affairs at Chicago and the vice president for academic affairs concur in this recommendation.

The president of the University recommends approval.

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

**Eliminate the Undergraduate Major in Consumer
and Textile Marketing, Urbana**

(8) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the Department of Agricultural and Consumer Economics in the College of Agricultural, Consumer and Environmental Sciences to eliminate the undergraduate consumer and textile marketing major.

The Department of Agricultural and Consumer Economics no longer has the faculty to support the major in consumer and textile marketing. Three of the four faculty with textile expertise who teach and administer the major have or will be retiring between Fiscal Year 2003 and FY 2005. Further, faculty lines and other budget resources have been shifted to maintain a high level of excellence in other programs considered more central to the college and department's mission. For these reasons, the department can no longer offer a consumer and textile marketing degree that meets the quality standards of the University of Illinois at Urbana-Champaign.

The department has a phase-out plan that will enable students matriculating in Fall 2004 to complete their studies in consumer and textile marketing within four years. Future students interested in consumer and textile marketing careers will be well served by four other state universities offering textile marketing degrees.

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.

**Amend Composition of the Consultative Committee to Assist
in the Selection of a President, 2004**

(9) At its special meeting on February 19, 2004, the Board of Trustees approved the "Composition of the Consultative Committee to Assist in the Selection of a President, 2004." This resolution amends that resolution by adding one additional member. This member shall be recommended by the chair of the Consultative Committee for approval by the board.

On motion of Dr. Schmidt, this resolution was adopted.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 10 through 16 inclusive. The recommendations were individually discussed but acted upon at one time.

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

**Membership of the Consultative Committee to Assist
in the Selection of a President, 2004**

(10) In accord with the direction of the Board of Trustees, the secretary of the board presents the following report and recommendation.

A. Consultative Committee to Assist in the Selection of a President

The various constituent groups asked to nominate members have done so and the following list of members is presented to the Board of Trustees for appointment:

1. FACULTY MEMBERS

Chicago Campus

MITRA DUTTA, professor and head, Department of Electrical and Computer Engineering; and Adjunct Professor of Physics

HENRI GILLET, professor, Department of Mathematics, Statistics and Computer Science

ELLIOT KAUFMAN, professor of biochemistry and molecular genetics, College of Medicine (co-vice chair)

Springfield Campus

NANCY L. FORD, professor, Department of Legal Studies, and Institute for Legal and Policy Studies

JAMES W. STUART, professor of anthropology, Department of Sociology/Anthropology; and director, Capital Scholars Program

Urbana-Champaign Campus

KAREN L. (KAL) ALSTON, associate professor, Gender and Women's Studies Program, and Department of Educational Policy Studies; and director, Gender and Women's Studies Program

MICHAEL GROSSMAN, professor of genetics, Department of Animal Sciences; and professor of biometrics, Department of Statistics

MICHAEL C. LOUI, professor, Department of Electrical and Computer Engineering; and research professor, Coordinated Science Laboratory

2. STUDENT MEMBERS

Chicago Campus

ANTONIO VASQUEZ, Ph.D. candidate in economics, College of Business Administration

Springfield Campus

CARLY HAWKINS, member of the first class of the Capital Scholars Program, and junior in political science

Urbana-Champaign Campus

AARON THOMAS, graduate student in the MBA Program, College of Business

3. ACADEMIC PROFESSIONAL STAFF MEMBER

VERA MAINZ, spectroscopist, School of Chemical Sciences, Urbana; and chair, University Professional Personnel Advisory Committee (UPPAC)

4. CIVIL SERVICE STAFF MEMBER

DAN SARHAGE, plant operating engineer, Chicago; and chair, University Employee Advisory Committee (EAC)

5. ADMINISTRATIVE OFFICER MEMBER

AVIJIT GHOSH, professor and dean, College of Business, Urbana (chair)

6. UNIVERSITY ALUMNI ASSOCIATION AND UNIVERSITY OF ILLINOIS FOUNDATION BOARDS' REPRESENTATIVES

DAVID J. DOWNEY, Class of 1963, marketing, '66 Law, Urbana; President's Council member; Alumni Association Life Member; current UI Foundation Board member; president, The Downey Group, Inc., Champaign, IL

EDWARD L. McMILLAN, Class of 1969, agricultural science, Urbana; President's Council member; Alumni Association Life Member; current Alumni Association Board member; current UI Foundation Board member; owner and chief executive officer, McMillan, LLC, Edwardsville, IL

ROGER L. PLUMMER, Class of 1964, engineering mechanics, Urbana; President's Council member; Alumni Association Life Member; current UI Foundation Board member; former Alumni Association Board president; president, Plummer & Associates Consulting, Chicago, IL

7. ALUMNUS AT LARGE

CARY McMILLAN, Class of 1980, accountancy, Urbana; chief executive officer, Sara Lee Corporation's worldwide branded apparel (co-vice chair)

Should any member be unable to serve for the duration of the search, the chair of the Board of Trustees shall appoint a replacement after consultation with the appropriate constituent group.

- B. The chair of the board recommends that the trustees formally name and appoint to membership those listed above and that the committee be charged in accord with the statement adopted by the board on February 19, 2004.

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

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

The chair-designate of the Consultative Committee to Assist in the Selection of a President recommends that the membership be amended to permit the naming of one of the committee's faculty members as co-vice chair of the committee and that this be Professor Elliot Kaufman.

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

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

Employ Professional Services Consultant for Fire and Life Safety Code Audit of University Facilities

(11) On July 20, 2000, the board delegated authority to the comptroller to execute the necessary documents to employ an architect/engineer for facility condition and audit services, including software and professional inspection services. In January 2001, the board confirmed the employment of Vanderweil Facility Advisors (VFA), Boston, Massachusetts, as the consultant for the project. It is now necessary to undertake a comprehensive fire and life safety code assessment of the University's academic and administrative facilities.

In order for the project to proceed in accordance with the established schedule, and given that the firm of VFA has completed the University-wide facilities condition audit, it would seem to be in the best interest of the University to employ this firm for the fire-life safety code assessment project. Pursuant to the provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act), the University has interpreted it to be in the "best interest of the State" to select a professional services consultant that has performed prior similar work or successfully completed prior phases of the same project/program. Accordingly, the president of the University with the concurrence of the appropriate University officers recommends the employment of VFA, Inc., Boston, Massachusetts, for the professional services required for the project. The firm's fee will be \$567,503. The anticipated completion date for the life safety assessment is July 31, 2005.

Funds are available from the institutional funds budget of the University.

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, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

**Employ Architect/Engineer for Lincoln Hall, Urbana
(Capital Development Board Project)**

(12) The Lincoln Hall project will make major improvements to support current and projected programs and changes required to bring it up to current standards and expectations. The renovation of the 1910 building will include a new configuration for instructional and office space build-out, and a new infrastructure for heating, air conditioning, electrical, data transmission, and telecommunications. Preceding employment by the Capital Development Board (CDB), the selected architect will update the previous (1999) feasibility study. The updated study will serve as the basis for defining the project. The study will develop concepts and costs of structural, mechanical, and architectural needs.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that the Board of Trustees request the Capital Development Board to employ OWP/P, Chicago, for the professional services required. The professional fee for the firm employed will be negotiated by the Capital Development Board in accordance with its procedure.

Funds for the feasibility study are available from the Fiscal Year 2004 State appropriated operating budget.

Funds for the renovation have been appropriated to the Capital Development Board.

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, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Purchases

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

The purchases were presented in two categories: purchases from appropriated funds (i.e., from State appropriations to the University); and purchases from institutional funds. The latter term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases were:

From Appropriated Funds

Recommended \$ 765,179

From Institutional Funds

Recommended 1,302,262

Grand Total \$2,067,441

¹A selection committee consisting of James Kirkpatrick (Liberal Arts & Sciences), Clif Carey (Facilities & Services), Helen Coleman (Facilities & Services), Edward Scopel (Facilities & Services), Kent Reifsteck (Facilities & Services), Terry Ruprecht (Facilities Management & Scheduling), and Steve Hesselschwerdt (Facilities Management & Scheduling) interviewed the following firms (listed in ranking order): (1) OWP/P, Chicago; (2) Booth Hansen, Chicago; (3) Harley Ellis, Chicago; and (4) DeStafano + Partners, Chicago. The committee recommends OWP/P, Chicago, as best meeting the criteria for the project.

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, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

**Establish a Contract for Investment Management Services
(Arch Development Partners, Hopewell Ventures,
and DFJ Portage Venture Partners)**

(14) In September 2002 the Board of Trustees approved a five percent allocation to private equity within the endowment pool investment program. The purpose of the allocation to private equity is to improve the endowment pool investment diversification and total return. To provide a diversified investment to anchor the private equity program, Adams Street Partners (a fund-of-funds private equity provider) was approved by the Board of Trustees in May 2003 as the initial private equity investment. This diversified investment represents seventy percent of the approximately \$10.0 million private equity allocation. The remaining thirty percent of the private equity allocation was to be allocated to venture capital firms located in the Midwest. At the May 2003 meeting, the board also approved an allocation of \$1.0 million to Edgewater Partners as the initial investment in this category. In order to complete the regional allocation, the University investment staff conducted a request for proposal to evaluate regional private equity management alternatives.

The request for proposal was mailed to 26 investment managers and listed on the University of Illinois procurement web site. Responses were received from six firms. The responses were carefully evaluated and interviews were conducted with a short list of managers. Diversifying the regional portfolio across a number of firms was deemed the most prudent investment option. The University's financial consultant, Ennis Knupp, concurs with this recommendation. The recommended allocation is \$1.0 million to DFJ Portage Venture Partners and \$0.5 million to both Arch Development Partners and Hopewell Ventures. The partnerships have both management and carried interest fees.¹ The management fees will be funded by the investment income earned on the Endowment Pool Investment Program.

Accordingly, the vice president for administration requests authority to establish an investment management contract with DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures and recommends adoption of the following resolution.

The president of the University concurs.

Resolution

Be It Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures, to provide private equity investment management services.

Be It Further Resolved, that the comptroller is authorized from time to time to designate in writing to DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures, those officers, employees, and other agents of the University of Illi-

¹DFJ Portage and Arch Development Partners have a 2.5 percent annual management fee of committed capital. Hopewell Ventures has a 2.25 percent annual management fee of committed capital. All firms have 20 percent carried interest such that 100 percent of each distribution is made to the limited partners until the limited partners have received an amount equal to their commitment. Thereafter, distributions are made in a ratio of 80 percent to the limited partners and 20 percent to the general partner.

nois authorized to give written or verbal instructions on behalf of the University of Illinois.

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until written notice of its rescission or modification has been received by DEJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures.

On motion of Mr. Shah, authority was given as requested and the foregoing resolution was adopted by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Award Contract for East Campus Utilities, Urbana

(15) The president of the University with the concurrence of the appropriate University officers recommends that the following 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 indicated alternates.¹

Division 34—Utilities Site Work

MidStates General & Mechanical

Contracting, Decatur	Base Bid	<u>\$2,683,300</u>
<i>Total</i>		\$2,683,300 ²

This \$3.1 million project will provide utilities (central steam, central chilled water, domestic water, and telecommunications) to several buildings either now in planning or under construction, including the Doris Kelley Christopher Hall and the East Campus Commercial Center. This project will provide the utility infrastructure to support the ultimate build-out of the east campus area as outlined in the Urbana campus master plan.

Funding for the contract is available from gift funds and the Fiscal Year 2004 Institutional Funds Operating Budget.

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, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Policy for Issuance of Debt

(16) The Office of Business and Financial Services has completed an analysis of the University's debt activities and debt capacity. This process included a strategic financial analysis by a rating agency, Moody's Investors Service. In recognition of the scale and importance of University debt activities, the vice president for administration recommends the adoption of the attached policy to govern debt issuance, debt refunding, and debt portfolio management activities. The action establishes existing University practices as board approved policy.

¹No alternates.

²No other contract divisions.

The president of the University concurs.

(A copy of the policy is 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, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

President's Report on Actions of the Senates

(17) The president presented the following report:

Redesignate Institute for Legal, Administrative, and Policy Studies, Springfield

The Springfield campus Senate has approved a request from the Institute for Legal, Administrative, and Policy Studies (a unit of the Center for State Policy and Leadership) to modify its name. The faculty and staff of the institute have found that the length of the current name makes it cumbersome and problematic to use in daily operations and requested that the name of the institute be shortened to the Institute for Legal and Policy Studies. This request was approved by the executive committee of the Center for State Policy and Leadership prior to its consideration by the campus senate.

Redesignate Russian and East European Center to the Russian, East European and Eurasian Center, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences to redesignate the Russian and East European Center as the Russian, East European and Eurasian Center.

Since the collapse of the Soviet Union more than a decade ago, the term Russia can no longer reasonably stand for all the former Soviet states. As a result, throughout the profession it has become common to use the term Eurasia to refer to the newly independent states of the former Soviet Union, especially in the Caucasus and Central Asia along with non-Soviet Central Asia. The new title will be both more accurate and better position the center to be a national leader in Russian, East European and Eurasian studies.

Establish Minor in Business for Non-Business Students, College of Business, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Business to offer a new minor in business for non-business students. This minor is designed for students outside the College of Business who wish to acquire some of the skills, perspective, and knowledge used in business, and to be exposed to several functional areas in business: management, marketing and finance. A total of 18 credit hours is required to complete the minor, and is designed to give students some business background to supplement their major field of study.

Revise Industrial Design Undergraduate Curriculum in the College of Fine and Applied Arts, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to revise the industrial design undergraduate curriculum. The professional practice of industrial design has expanded and become more collaborative and includes issues involving interface design, cultural meaning in products, business objectives, and product semantics. This revision would reduce the set of requirements to a core of six enhanced design studios with a total of 20 hours, and offer additional courses from a

pool of courses to total the minimum 39 hours required as set by the National Association of Schools of Art and Design. Through advising, this would also give students a more individual focus to their studies, as well as allow the department to introduce new offerings as needed to accommodate changes in the profession.

**Establish Options in the Undergraduate Curricula
in Early Childhood Education and Elementary Education,
College of Education, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Education and the Council on Teacher Education for the establishment of options in the undergraduate curricula in early childhood education and elementary education. The changes are in the area of concentration requirements for the early childhood education and elementary education majors. Under the proposed revision, the generic option in these curricula are being replaced with specific options in the following areas: anthropology, art, astronomy, biology, chemistry, dance, earth science, economics, geography, history, language arts, linguistics, mathematics, music, philosophy, physics, political science, psychology, sociology, theatre, and the following foreign languages: Arabic, Chinese, French, German, Greek, Hebrew, Italian, Japanese, Latin, Russian, and Spanish.

**Establish Options in Theatre,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish four options within theatre. The theatre major currently has an approved option in design and technology, which comprises several specialty areas. Under this proposal, the generic design and technology option will be replaced with four options that more accurately reflect the specialty areas students pursue. The new options are: costume design and construction; scene design; stage management and theatre technology; and lighting.

**Establish Options in Crafts,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish three options within crafts. Students in the crafts major commonly pursue one of three specialty areas. Under this proposal, these specialty areas are being formalized as options within the crafts major to more accurately reflect the specialty areas students pursue. The new options are: ceramics, glass, and metals.

**Establish Options in Music Education,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish three options within music education. Students in music education commonly pursue one of three specialty areas. Under this proposal, these specialty areas are being formalized as options within the music education major to more accurately reflect the specialty areas students pursue. The new options are: choral music, instrumental music, and elementary general music.

This report was received for record.

Report on Renewal of the Treasurer's Bond

(18) The comptroller reports that the University has renewed a treasurer's bond in the amount of \$500,000 with the Liberty Mutual Insurance Company as surety and Lester H. McKeever, Jr., as principal.

This report was received and confirmed.

**Comptroller's Financial Report
Quarter Ended December 31, 2003**

(19) The comptroller presented his quarterly report as of December 31, 2003. A copy has been filed with the secretary of the board.

This report was received for record.

Report, Vice Chancellor for Health Affairs

(20) The vice chancellor for health affairs presented the 2003 Annual Quality Improvement Report for the University of Illinois Medical Center at Chicago. This report was prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

Capital Projects Status Report

(21) Mr. Lyle D. Wachtel, associate vice president for facilities planning and programs, presented this report of active projects in excess of \$5.0 million. 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.

ANNOUNCEMENT

Dr. Schmidt stated that he would move to table any item appearing on the agenda for a board meeting that was so placed on the agenda by virtue of one trustee's wish. He said he preferred to wait for Mr. Bruce's amendment to the *Bylaws* of the Board of Trustees concerning how board members requested items to be included in the agenda before additional items from individual trustees are considered. Mr. Eppley commented on the disadvantage of setting arbitrary deadlines for board action on issues.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: April 15, Chicago; June 17, Chicago; July 14-15, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair