

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

September 9, 2004



This meeting of the Board of Trustees of the University of Illinois was held in Conference Rooms C & D, Public Affairs Center, Springfield campus, Springfield, Illinois, on Thursday, September 9, 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, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann,¹ Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. The following members of the board were absent: Governor Rod Blagojevich, Dr. Frances G. Carroll. Ms. Natalie A. Garcia, voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Matthew T. Diller, Urbana-Champaign campus; Mr. Andrew M. Hollingsead, Springfield campus.

PRESENTATION OF RESOLUTION TO SENATOR DEANNA DEMUZIO

Mr. Eppley announced that board was very pleased to welcome State Senator Deanna Demuzio to the board meeting, and the board recognized the senator by standing and applauding. Mr. Eppley then asked Trustee Bruce

¹Mrs. Sodemann joined the meeting telephonically.

to read a resolution approved by the board at an earlier meeting in honor of the senator's late husband, Senator Vince Demuzio. After Mr. Bruce's reading, Senator Demuzio thanked the board for this tribute to her husband and remarked that one of Senator Vince Demuzio's goals was to acquire a degree from the University of Illinois, which was accomplished when the former Sangamon State University joined the University of Illinois. She pledged to provide support and advocacy for the University in her new role as a State senator.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

Mr. Eppley asked President Stukel to introduce the University officers and senate observers. President Stukel introduced the following: Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Richard H. Herman, interim chancellor, University of Illinois at Urbana-Champaign; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. The president also introduced: Mr. Richard M. Schoell, executive director for governmental relations; and Mr. Thomas P. Hardy, executive director for university relations. In addition, the following persons were also in attendance: Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary. President Stukel then stated that the following persons were joining the meeting today: Patricia Langley, professor of women's studies/legal studies, Springfield, representing the University Senates Conference; Gerald S. Strom, professor of political science, and secretary of the UIC Senate, representing the Chicago Senate; Carol S. Rankin, assistant professor, human resources, representing the Springfield Senate; and Tom R. Ward, professor, School of Music, representing the Urbana-Champaign Senate. Also in attendance was Dr. Michael Grossman, professor of genetics in the Department of Animal Sciences, Urbana-Champaign, and chair of the University Senates Conference.

SEPTEMBER 10, 2004, PRESIDENT JAMES J. STUKEL DAY

Mr. Eppley informed all present that by proclamation of Governor Blagojevich, September 10, 2004, was designated as President James J. Stukel Day in Illinois. This was in honor of the president's long service to the University and was announced at a retirement reception for President and Mrs. Stukel the day before.

PUBLIC COMMENT

Mr. Eppley stated that one individual had applied to address the board during this session and invited Ms. Normajean Niebur to make her comments, explaining that she would be permitted five minutes according to the board's procedures.

Ms. Niebur introduced herself as a secretary IV employed at the Springfield campus, and a member and chapter president of Local 4100. She told the board that she was concerned about the board's diminished attention to the core missions of the University—teaching, research, and service and its directive to reduce staff to address budget cuts. She said that reduced staff means reduced services for the University, and stated that she was disappointed that the board had not pressed the governor more for additional funding. She went on to state that the staff is working under great stress in learning to utilize the Banner System and that this new system is causing more difficulties for all, citing difficulties in the student registration process as an example. She indicated that the board does not show sufficient concern for support staff and emphasized that secretaries and building service workers are needed to help keep academic programs functioning. In closing, she urged the board to realize the importance of support staff to the University.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley spoke to agenda item no. 3, "Award of the Board of Trustees' Distinguished Service Medallion," stating that this seemed self-evident, that the board proposes a resolution honoring Thomas M. Siebel for his contributions to the improvement of programs at the Urbana campus.

Mr. Eppley then asked President Stukel to comment on agenda item no. 2, "Policy to Preserve and Recognize the State's American Indian Heritage." President Stukel commented that this resolution focuses on the importance of the American Indian heritage to the State, rather than on Chief Illiniwek. He said that the current policy regarding Chief Illiniwek provides for just one outcome, whereas this provides a new rhetoric for the future that reminds the State's citizens and students of the State's heritage. He said the question is whether there can be something that reminds us of our heritage. He said that this resolution does not state anything about the future of Chief Illiniwek, it merely calls for some kind of celebratory activity appropriate for public events that would pay homage to the American Indian heritage of the State of Illinois. He said that the response to this resolution will determine whether there can be a kind of celebration related to our American Indian heritage.

Interim Chancellor Herman expressed appreciation to the board for the resolution and stated that it is a proactive approach to engaging the issue.

President Stukel next explained the need for a change in the *General Rules*, recommended by agenda item no. 10, "Amend *The General Rules Concerning University Organization and Procedure* [Article I, Section 2, Paragraph (d) and Article III, Section 7, Paragraph (j)]." He stated that the change recommended is necessary for clarification of the responsibilities of the vice president for technology and economic development due to recent changes. He thanked Trustees Eppley, Gindorf, and Schmidt for their advice in this matter.

Mr. Eppley then called on Chancellor Manning to comment on agenda item no. 6, "Dean, College of Liberal Arts and Sciences, Chicago." Dr. Manning told the board that Professor Christopher Mark Comer was recommended for this position and gave his qualifications. Trustee Garcia indicated that the students at Chicago were pleased with this recommendation.

Next, Mr. Eppley asked Interim Chancellor Herman to address agenda item no. 8, "Acting Dean, College of Liberal Arts and Sciences, Urbana." Dr. Herman spoke to the qualifications of Professor Sarah C. Mangelsdorf for this position and saluted her for her perspective on the Urbana campus.

Following this, Mr. Eppley asked Chancellor Ringeisen to comment on agenda item no. 7, "Interim Dean, College of Public Affairs and Administration, Springfield." Dr. Ringeisen stated that he recommended Professor Pinky S. Wassenberg for this position and stated that he was confident she would be a good dean. Trustee Hollingsead concurred.

Mr. Eppley called on Vice President Rugg next for comments on the following items. For agenda item no. 11, "Revisions to *Policy and Rules* (Policy 10, Sick Leave)," Mr. Rugg explained that this recommendation intended to make this policy consistent with a change to *The General Rules Concerning University Organization and Procedure* that the board had approved earlier. For agenda item no. 12, "Academic Appointments for Contract Year 2004-2005," he stated that all academic appointments are fully covered by the budget and that the basis for establishing all of these salaries is merit. He also noted that salary competitiveness with peer institutions is a major concern. On agenda item no. 15, "Renewal of Fiscal Year 2005 Agreements for University of Illinois Alumni Association and University of Illinois Foundation," he stated that this recommendation meets the requirement that the Board of Trustees contract with these two organizations each year for services rendered from their records offices. Mr. Rugg then addressed agenda item no. 16, "Award Contracts for Temporary Resources for Java, Business Objects, and SAS Analysis and Development," and informed the board that three contracts are recommended by this item to provide development services for enhancements to the University-wide administrative information systems. He explained that the three firms are to be used on a project basis as needed. He then thanked Trustee Shah for assisting with the selection procedures for these contractors. Chairman Eppley also thanked Mr. Shah for his help in finding efficient ways to negotiate these contracts. Mr. Shah expressed appreciation to Mr. Rugg for his receptivity

to certain changes that were suggested and to the staff for commendable implementation.

Next, Mr. Rugg asked Mr. Wachtel to present agenda item no. 9, "Designate Alice Campbell Alumni Center, Urbana." Mr. Wachtel indicated that this building is to be named for the donor, Alice Campbell, and this requires board approval. Then, Mr. Wachtel described agenda item no. 17, "Contract Award for Doris Kelley Christopher Hall, Urbana," stating that this is a recommendation based on bids for construction. Mr. Wachtel said all the bids for this project were close. Next, Mr. Wachtel presented information for agenda item no. 18, "Employment of Architect/Engineer and Construction Manager for South Campus Mixed Use Development, Chicago," and described the terms of the contracts for construction manager and for the architect/engineer. Mr. Shah stated that he supported this because more firms would be involved in this development, and that two African-American firms were awarded contracts. He also said that he wanted a professional manager over all the construction to supervise the contractors. Dr. Schmidt commented that the South Campus Development Project had a development team and he was curious about why a new contractor was being hired at this time. Mr. Wachtel explained that the South Campus Development Team was hired to carry out the overall project and to provide interface with the city of Chicago, and that the University was responsible for managing all construction projects within this overall project. Discussion followed about the responsibilities of the construction manager and Mr. Wachtel stated that this position was recommended as a way to save funds for the project. Mr. Shah agreed with this and stated that the University's staff was not able to handle the scope of this job.

Mr. Eppley turned again to Chancellor Herman for a presentation of agenda item no. 19, "Lease of Space, University of Illinois Extension Building in Matteson, Illinois, Urbana," and Dr. Herman explained that the recommendation contains a lease at a constant rate for five years. He said that this would be a good value given that property taxes would probably be increased in that space of time. Mr. Vickrey commented on the rate of rent.

Mr. Eppley next asked Michael Bass to present agenda item no. 20, "Purchases," and Mr. Bass described each of the purchases, beginning with the contract with BearingPoint that is intended to produce more revenues for the University of Illinois Hospital, and provided a brief description of each entry in the purchases item. Mr. Bruce inquired about insurance for physicians and Messrs. Beckmann and Rugg assured him that due diligence had been done in selecting a firm for this service contract. Dr. Schmidt raised a question about joint ventures and asked if another insurance contract might be required in this case. He was assured that since this was a service contract that another policy was not required.

Following the presentations of the items, Mr. Eppley called attention to the new language that appears in each board item and asked Mr. Bearrows to comment on this. Mr. Bearrows stated that this additional language attests to compliance by the University in these recommendations with all

relevant statutes and regulations related to the items, and that this had been requested by the chair of the Board of Trustees. Mr. Eppley added that this statement on each board item was intended to ensure that all laws, procedures, and regulations had been followed.

RECESS FOR COMMITTEE MEETINGS

The board recessed for a meeting of University Hospital Committee and a meeting of the board as a Committee of the Whole.

MEETING OF THE UNIVERSITY HOSPITAL COMMITTEE

Mr. Vickrey, chair of this committee, convened the meeting and asked Dr. Charles L. Rice, vice chancellor for health affairs, to present a financial report to the board.

Dr. Rice reviewed each section of the financial report (materials on file with the secretary) and summarized the data noting the following: discharges from the hospital fell by 2.4 percent, patient days in the hospital were down by 0.7 percent, and the average length of days in the hospital was up by 1.6 days. He assured the board that these fluctuations were normal and also reported that the bad debt for the hospital was at 3.1 percent which was an improvement over the number of 6.0 percent recorded three years ago.

He also told the board that the costs for agency nurses were kept down for Fiscal Year 2003, and he reminded the board of the desirability of using agency nurses to cover absences of staff nurses.

Dr. Rice also stated that a \$2.6 million loss by the hospital was due to no increase in Medicaid reimbursement. He reported that the hospital had incurred a total of \$11.0 million in expenses and losses that were not planned in the budget, and that there were significant revenue and expense issues looming for the coming year.

Mr. Vickrey asked if the board had questions and Dr. Schmidt asked if the increase in personnel was for purposes outside of patient care and Dr. Rice responded that this was the case and that the increase was due to changing the status of some personnel to full-time to avoid the costs of overtime for part-time staff.

Mr. Vickrey then asked for an explanation for the decrease in discharges per day. Dr. Rice explained that this was due to a decrease in patients in medicine, pediatrics, surgery, and rehabilitation related to departures of physicians and patients following those physicians. Dr. Rice also explained the decline in out-patient surgeries as a factor of limited facilities for out-patient surgery. He then noted that more complicated referrals are coming to the University of Illinois Hospital with many attendant problems related to cost-control.

In closing, Dr. Rice stated that in addition to other cost-saving approaches, managing the cost of supplies would be a goal for the next year.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE**Operating Budget, Fiscal Year 2005**

As chair of this committee, Mr. Eppley convened the meeting and asked Mr. Rugg to present information about the operating budget for FY 2005 (agenda item no. 13).

Mr. Rugg told the board that as oversight and accountability for the University's budget were key responsibilities for the board he would expect questions about the budget from the board at its meetings. He noted that the governor's Office of Budget and Management has provided new guidelines for budget preparation that rely on objects of expenditure and that the University is leading the way in compliance with this directive. In describing the current status of the budget, he noted the lengthy legislative session of 2004 that resulted in a delay for the University in receiving its appropriation this year and the fact that the introduction of the new administrative information system at the University (the Banner system) compounded problems in preparing the budget documents for FY 2005. He said that given all this, the presentation of the budget to the board is different than usual and that agenda item no. 13 is an executive summary of the budget for the board's information at this meeting. He indicated that a full explanation of the budget would be sent to the board in a few weeks and discussed further at the board meeting, November 11, 2004.

Mr. Rugg then reviewed the board's directive concerning accountability issued in early 2003 and recalled the limits on presidential authority to transfer funds. He stated that the new caps on transfers of funds and on expenditures are carefully monitored and referred to the State Finance Act as basically mirroring this policy. He then asked Mr. Douglas E. Beckmann, senior associate vice president for business and finance, to review the operating budget for FY 2005 (materials on file with the secretary).

Mr. Beckmann commented on trends in the budget and noted that the category, "payments on behalf of the University," is the fastest growing part of the budget and Mr. Rugg reminded the board that these funds do not come to the University but are sent to the appropriate State agency for retirement and other employee benefits.

Mr. Beckmann reviewed all the categories in unrestricted funds in the University's appropriation and noted that this was a positive picture. He also spoke to tuition and stated that this source of revenue is up due to the introduction of the guaranteed tuition that produced a higher amount this year as the first year of the four-year guarantee. He added that State support is still relatively strong and that the funds from indirect cost recovery continue to increase due to the productivity of the faculty in research. Next, he reviewed the status of restricted funds and reported an increase in funding from external sources for grants and contracts. Mr. Beckmann stated that the total State appropriation was \$700.0 million, the same as last year, and that the total budget had increased by 5.4 percent. He said he

would continue to brief Mr. Bruce, chair of the Budget and Audit Committee, on matters related to the operating budget for FY 2005 and the budget request for FY 2006.

Operating Budget Request, Fiscal Year 2006

Mr. Eppley then asked Vice President Gardner to review the budget request for FY 2006. Dr. Gardner summarized the steps in the budget process that lead up to legislative and gubernatorial approval of the budget and referred to materials in the board packet for this meeting (materials on file with the secretary). He described the major elements of the budget and said that the request is 7.61 percent or \$87.8 million more than this year's base budget of \$1.1 billion from State funds and tuition income.

Next, Dr. Gardner reviewed the following academic program initiatives and the bases for these: a request for a special appropriation for medical malpractice claims, since the costs in this area have increased 350.0 percent; special enhancements to health professions training programs at Chicago, to avert reduction in quality threatened by recent budget cuts; \$2.0 million for expansion of the general education program at Springfield; and \$4.0 million for research infrastructure improvements for science and engineering education at Urbana. Dr. Gardner stressed that salary competitiveness was a high priority in the budget request as well as addressing critical academic needs, such as those listed above. Dr. Gardner said that the focus for investments in this budget is the same as has been true for the last few years.

Capital Budget Request, Fiscal Year 2006

Mr. Eppley asked Vice President Rugg to report on the request for capital projects for FY 2006. Mr. Rugg reminded the board that the 2004 legislative session concluded in the summer without any action on the capital budget for FY 2005 and that the University must wait to learn what that might be before projecting the capital budget for FY 2006. However, he said he would state that the emphasis of the capital budget for FY 2006 would be on facilities renovation and continued attention to the multiple missions of the University (materials on file with the secretary).

Mr. Rugg reviewed the top 10 items on the capital priorities list that total about \$295 million. The first is \$10.7 million for repair and renovation of facilities, the second is \$20.1 million for deferred maintenance, and the third is \$48.6 million for remodeling Lincoln Hall at Urbana. He stated that the fourth entry on the list represents two things for the Chicago campus, infrastructure improvements and renovation of the College of Dentistry building, for a total of \$23.5 million, and that the fifth priority is \$31.2 million for a new College of Business instructional facility at Urbana. The sixth is \$30.0 million for a match for a new Electrical and Computer Engineering Building at Urbana. The seventh is \$67.0 million for the Advanced Pharmacy Research Pavilion at Chicago. The eighth is \$12.0 million for a building addition at Rockford, the ninth is \$4.0 million for rehabilitation of

the metal buildings at Springfield, and the tenth is \$48.0 million for the south campus development at Urbana. Mr. Rugg also added that planned improvements to University facilities might be addressed within the State's Opportunity Returns program. President Stukel commented that the priority list for capital projects is a strategic list based on what the Illinois Board of Higher Education (IBHE) is likely to recommend and the legislature might approve. Mr. Rugg then reviewed the process for constructing the list of priorities, noting that timing plays a role and that the longer a project has been on this list the higher the probability it will be funded. Mr. Eppley confirmed that the priority list is for the budget request that will go to IBHE and that other projects might be funded through special initiatives and Mr. Rugg concurred.

BOARD MEETING RECONVENED

Following a brief break, the board meeting reconvened in regular session at 11:00 a.m. The board members noted as present at the time of the roll call were still in attendance. Mrs. Sodemann continued to participate telephonically.

MOTION FOR EXECUTIVE SESSION

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

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

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

EXECUTIVE SESSION

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Collective Negotiating Matters

Interim Chancellor Herman reported on negotiations with Local 3700 of the Urbana campus that represents 1600 employees. He stated that a multi-year agreement is under discussion and the block to settlement is agreement on salary increases. He said the union wants steps for salary increases built into the plan plus contributions towards parking for the members. He noted that the colleges where these employees work cannot afford the salary program recommended and have already laid off staff to meet budget cuts; therefore, they cannot reduce staff further.

Chancellor Ringeisen referred to the speaker who addressed the board during the public comment session and told the board that that speaker's union was in mediation with the administration at Springfield, following lack of success in coming to agreement through negotiations.

SPECIAL EXECUTIVE SESSION

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EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 1:00 p.m.

BOARD RECESSED FOR LUNCHEON

The board recessed for luncheon and reconvened in regular session at 1:40 p.m.²

BOARD MEETING RECONVENED

When the board reconvened at 1:40 p.m., all board members noted as present earlier in the day were still in attendance.

²Guests at luncheon were the deans at the Springfield campus and the members of the Steering Committee of the Springfield Senate.

APPROVAL OF MINUTES

(1) The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of January 15, February 19, and March 11, 2004, copies of which had previously been sent to the board.

On motion of Mr. Sperling these minutes were approved.

AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 2 through 11 inclusive. The recommendations were individually discussed but acted upon at one time.

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

**Policy to Preserve and Recognize the State's
American Indian Heritage**

(2) *Whereas*, at its June 17, 2004, meeting, the Board of Trustees resolved to reach a consensus conclusion to the issue of Chief Illiniwek. In respect of that resolution and in recognition of the heritage of the State of Illinois and the culture and traditions of the American Indians, it is the board's belief that the University should pursue a solution that recognizes the heritage of the State and the culture and traditions of the American Indians; and

Whereas, many opinions expressed on the issue share a mutual concern for finding ways to preserve and celebrate the State's heritage and American Indian culture and traditions; and

Whereas, an essential step toward reaching a consensus conclusion to the issue of the Chief is the establishment of a board policy that affirms that the core of the issue concerns the preservation and celebration of the State's heritage and American Indian culture and traditions; and

Whereas, the University's Urbana-Champaign campus, the State of Illinois' great land-grant university, has long drawn on and paid tribute to the culture and traditions of the native people of Illinois; and

Whereas, the State's name is a French transliteration of Illiniwek, a confederation of American Indian tribes that thrived throughout the State and the region; and

Whereas, the term Illini, taken from the State's name, has been used in referring to students, alumni, the campus' student newspaper since 1874, and later to its athletic teams; and

Whereas, the campus possesses rich collections of research materials and art works related to American Indian culture and traditions that attract scholars and students at all levels; and

Whereas, these resources provide the basis for education and appreciation of our State's heritage and American Indian culture and traditions; and

Whereas, the preservation of the State's heritage and American Indian culture and traditions is a fitting goal for the Urbana-Champaign campus; and

Whereas, the Board of Trustees has resolved to reach a resolution on the issue of the Chief through consensus; and

Whereas, a solution must best serve the University rather than particular interest groups;

Now, Therefore, Be It Resolved that in implementing a consensus solution, it shall be the policy of the University and the Urbana-Champaign campus that the State's heritage and its American Indian culture and traditions shall be preserved, affirmed, and publicly celebrated.

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

Award of the Board of Trustees' Distinguished Service Medallion

(3) The Trustees' Distinguished Service Medallion was created to recognize individuals whose contribution to the growth and development of the University of Illinois, through extraordinary service or benefaction, has been of unusual significance.

At this time Thomas M. Siebel is recommended as the recipient of the medallion. Mr. Siebel has been a generous supporter of the College of Engineering at the University of Illinois at Urbana-Champaign in many ways. He has served as a member of the college's Board of Visitors since 1996, as a charter member of the External Advisory Board of the Department of Computer Science that was established in 2003, and he has been a frequent guest lecturer to the faculty and students of the Department of Computer Science. He is chairman and chief executive officer of Siebel Systems, Inc.

Mr. Siebel's firm, the world's leading provider of eBusiness applications, established the Siebel Scholars Program in computer science that provides an award of \$25,000 to students to defray tuition costs and expenses for the second year of graduate study in computer science. Five students are now selected each year as Siebel Scholars.

In 2004, the Thomas M. Siebel Center for Computer Science, made possible by a gift from Mr. Siebel, was dedicated on the Urbana campus. This gift to the Department of Computer Science was by far the largest in the department's history or in the college's history. The goal for this 225,000 square foot center for research and teaching is to make the computer science program the best in the world, and to attract outstanding scholars who will redefine computing for the 21st century.

Mr. Siebel received a B.A. degree in history in 1975, an M.B.A. in 1983, and an M.S. in computer science in 1985, all from the Urbana campus.

In 2001, President James J. Stukel presented the Presidential Award and Medallion to Mr. Siebel in recognition of "commitment to excellence in software engineering, computer science research, and graduate education, and to his continuing commitment and generosity to his alma mater."

Indeed Mr. Siebel's contributions to the University of Illinois have exemplified "extraordinary service and benefaction and of unusual significance."

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

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

Appointments to the Faculty

(4) 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.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Chicago

*ROBERT S. DANZIGER, associate professor of cardiology, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$56,552, beginning August 16, 2004. Dr. Danziger will continue to serve as physician surgeon, College of Medicine at Chicago, non-tenured, on zero percent time, non-salaried, effective August 16, 2004, for a total salary of \$56,552.

*LESLIE WO-MEI FUNG, professor of chemistry, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$115,000, beginning August 16, 2004. Dr. Fung will continue to hold the rank of adjunct professor, Center for Pharmaceutical Biotechnology, College of

Pharmacy, non-tenured, on zero percent time, non-salaried, beginning August 16, 2004, for a total salary of \$115,000.

JAMES HANSEN, assistant professor of accounting, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$105,000, beginning August 16, 2004.

PING HE, assistant professor of finance, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, beginning August 16, 2004.

*ANTHONY T. LO SASSO, associate professor, Division of Health Policy and Administration, School of Public Health, on indefinite tenure on an academic year service basis, on 65 percent time, at an annual salary of \$58,500, beginning August 16, 2004; and senior research scientist, Division of Health Policy and Administration, School of Public Health, non-tenured, on an academic year service basis, on 35 percent time, at an annual salary of \$39,375, beginning August 16, 2004, for a total salary of \$97,875.

*JAMES A. RADOSEVICH, professor, Center for Molecular Biology of Oral Diseases, on indefinite tenure on a twelve-month service basis, on 75 percent time, at an annual salary of \$82,500, beginning August 1, 2004.

YANMING WANG, associate professor of medicinal chemistry and pharmacognosy, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$77,000, for four years beginning August 16, 2004.

Emeriti Appointments

SUZANNE L. FEETHAM, professor emerita of maternal-child nursing, August 16, 2004

CHRISTOPHER B. KEYS, professor emeritus of psychology, September 1, 2003

GLENN K. MANACHER, associate professor emeritus of mathematics, statistics and computer science, July 1, 2004

Springfield

JOHN BARKER, assistant professor, Philosophy Program, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$40,000, beginning August 16, 2004.

*JEFFREY G. BLODGETT, associate professor of business administration, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$108,000, beginning August 16, 2004.

KEITH BURTON, assistant professor, Psychology Program, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$43,000, beginning August 16, 2004.

KAMAU KEMAYO, assistant professor, African-American Studies Program, probationary faculty on tenure track year three, on an academic year service basis, on 100 percent time, at an annual salary of \$50,000, beginning August 16, 2004.

LIONEL KIMBLE, JR., assistant professor, African-American Studies Program, probationary faculty on tenure track year one, on an academic year service basis, on 83 percent time, at an annual salary of \$38,595, beginning August 16, 2004; and assistant professor, History Program, probationary faculty on tenure track year one, on an academic year service basis, on 17 percent time, at an annual salary of \$7,905, beginning August 16, 2004, for a total salary of \$46,500.

CINDY NIMCHUK, assistant professor, History Program, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$40,000, beginning August 16, 2004.

DENNIS RENDLEMAN, assistant professor of legal studies, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$50,000, beginning August 16, 2004.

Emeriti Appointments

WILLIAM BLOEMER, dean emeritus, College of Liberal Arts and Sciences, July 1, 2003

WILLA MARIE BRUCE, professor emerita of public administration, September 1, 2004

JEFFREY A. CHESKY, professor emeritus, Human Services Program, August 1, 2004
LAWRENCE GOLDEN, professor emeritus of legal studies and professor emeritus of political studies, August 1, 2004
JONATHAN L. HESS, professor emeritus, Psychology Program, August 16, 2004
WILLIAM D. WARREN, professor emeritus of environmental studies, August 1, 2004

Urbana-Champaign

- *DALE BAUER, professor of English, summer appointment, on 100 percent time, \$13,056, July 16-August 15, 2004, and continuing as professor of English, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$117,500, effective August 16, 2004. In addition, she will be appointed to the rank of professor, Program in Gender and Women's Studies, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning November 2, 2004, for a total academic year 2004-05 salary of \$117,500.
- *MARILYN L. BOOTH, associate professor, Program in Comparative and World Literature, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$67,500, beginning August 16, 2004.
- CONNIE MARGARET BORROR, assistant professor of general engineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$82,000, beginning August 16, 2004.
- LISA MARIE CACHO, assistant professor, Asian American Studies Program, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$29,000, beginning August 16, 2004; assistant professor, Latina/Latino Studies Program, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$29,000, beginning August 16, 2004; and assistant professor of English, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2004, for a total academic year 2004-05 salary of \$58,000.
- XIN CHEN, assistant professor of mechanical and industrial engineering, summer appointment, on 100 percent time, \$12,333, July 1-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$74,000, effective August 16, 2004.
- CARLOS ARMANDO DUARTE, assistant professor of civil and environmental engineering, summer appointment, on 100 percent time, \$8,111, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$73,000, effective August 16, 2004.
- MARY MARGARET EDWARDS, assistant professor of urban and regional planning, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$53,000, beginning August 16, 2004.
- *JOHN WESLEY FOUNTAIN, professor of journalism, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, beginning August 16, 2004.
- REBECCA GINSBURG, assistant professor of landscape architecture, summer appointment, on 100 percent time, \$8,667, July 1-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$52,000, effective August 16, 2004.
- *DONALD HACKMANN, associate professor of educational organization and leadership, summer appointment, on 50 percent time, \$4,278, July 16-August 15, 2004, and continuing on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$77,000, effective August 16, 2004.
- WAIL SEDDIQ HASSAN, assistant professor, Program in Comparative and World Literature, probationary faculty on tenure track year four, on an academic year service basis, on 100 percent time, at an annual salary of \$58,000, beginning August 16, 2004.
- KIMBERLY M. HILL, assistant professor of theoretical and applied mechanics, probationary faculty on tenure track year two, on an academic year service basis, on 100 percent time, at an annual salary of \$71,500, beginning August 16, 2004.

- BRAD R. HUMPHREYS, associate professor of leisure studies, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$73,000, for four years beginning August 16, 2004.
- *GORDON HUTNER, professor of English, summer appointment, on 100 percent time, \$11,944, July 16-August 15, 2004, and continuing on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$107,500, effective August 16, 2004. In addition, he will be appointed to serve as liberal arts and sciences coordinator for programming in American literature, culture and society, non-tenured, on an academic year service basis with an administrative increment of \$2,200, beginning August 16, 2004, for a total academic year 2004-05 salary of \$109,700.
- *DAVID ANDREW HYMAN, professor of law, summer appointment, on 100 percent time, \$17,813, June 16-August 15, 2004, and continuing on indefinite tenure on an academic year service basis, on 50 percent time, at an annual salary of \$71,250, effective August 16, 2004. In addition, he will be appointed to the rank of professor, Institute of Government and Public Affairs, on indefinite tenure on an academic year service basis, on 25 percent time, at an annual salary of \$35,625, beginning August 16, 2004. Dr. Hyman will be appointed to the rank of visiting professor of basic sciences, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, on 25 percent time, at an annual salary of \$35,625, beginning August 16, 2004, for a total academic year 2004-05 salary of \$142,500.
- KEVIN JACKSON, assistant professor of accountancy, summer appointment, on 100 percent time, \$32,222, June 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$145,000, effective August 16, 2004.
- PATRICK J. KEENAN, assistant professor of law, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$96,000, beginning August 16, 2004.
- *SUSAN KOSHY, associate professor of English, on indefinite tenure on an academic year service basis, on 50 percent time, at an annual salary of \$37,000, beginning August 16, 2004; and associate professor, Asian American Studies Program, on indefinite tenure on an academic year service basis, on 50 percent time, at an annual salary of \$37,000, beginning August 16, 2004, for a total academic year 2004-05 salary of \$74,000.
- CLARENCE E. LANG, assistant professor, Afro-American Studies and Research Program, summer appointment, on 100 percent time, \$6,000, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 75 percent time, at an annual salary of \$40,125, effective August 16, 2004. In addition, he will be appointed to the rank of assistant professor of history, probationary faculty on tenure track year one, on an academic year service basis, on 25 percent time, at an annual salary of \$13,375, beginning August 16, 2004, for a total academic year 2004-05 salary of \$53,500.
- ALEJANDRO LLERAS, assistant professor of psychology, summer appointment, on 100 percent time, \$6,778, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$61,000, effective August 16, 2004.
- CHRISTY L. LLERAS, assistant professor of human and community development, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$55,000, beginning August 16, 2004.
- CHRISTOPHER LUBIENSKI, assistant professor of educational organization and leadership, probationary faculty on tenure track year four, on an academic year service basis, on 100 percent time, at an annual salary of \$66,000, beginning August 16, 2004.
- HAIYUN LUO, assistant professor of computer science, summer appointment, on 100 percent time, \$9,000, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$81,000, effective August 16, 2004.

- KEERIL MAKAN, assistant professor, School of Music, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$51,000, beginning August 16, 2004.
- JOSEPH MANFREDO, assistant professor, School of Music, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$50,000, beginning August 16, 2004.
- JESSICA MILLWARD, assistant professor of history, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$26,750, beginning August 16, 2004; and assistant professor, Afro-American Studies and Research Program, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$26,750, beginning August 16, 2004, for a total academic year 2004-05 salary of \$53,500.
- DAVID QUINTO-POZOS, assistant professor of speech and hearing science, summer appointment, on 100 percent time, \$5,556, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$50,000, effective August 16, 2004.
- JUNAID RANA, assistant professor, Asian American Studies Program, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$53,000, beginning August 16, 2004; and assistant professor of anthropology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2004, for a total academic year 2004-05 salary of \$53,000.
- DUSAN M. STIPANOVIĆ, assistant professor of general engineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$74,000, beginning August 16, 2004.
- REBECCA STUMPF, assistant professor of anthropology, probationary faculty on initial/partial term, on an academic year service basis, on 100 percent time, at an annual salary of \$53,000, beginning April 29, 2004.
- DAVID GEORGE SUSSMAN, assistant professor of philosophy, probationary faculty on tenure track year three, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, beginning August 16, 2004.
- RENÉE TRILLING, assistant professor of English, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$50,000, beginning August 16, 2004.
- ANNA-MARIE VAN PUymbROECK, assistant professor of recreation, sport and tourism, summer appointment, on 100 percent time, \$5,667, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$51,000, effective August 16, 2004.
- EDELYN VERONA, assistant professor of psychology, probationary faculty on tenure track year two, on an academic year service basis, on 100 percent time, at an annual salary of \$63,000, beginning August 16, 2004.
- TERRY L. VON THADEN, assistant professor, Institute of Aviation, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning August 16, 2004.
- YONGMEI MICHELLE WANG, assistant professor of statistics, summer appointment, on 100 percent time, \$7,556, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$34,000, effective August 16, 2004. In addition, she will be appointed to the rank of assistant professor of psychology, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$34,000, beginning August 16, 2004, for a total academic year 2004-05 salary of \$68,000.
- CHARLES W. WHITFIELD, assistant professor of entomology, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$57,000, beginning August 16, 2004; and affiliate, Institute for Genomic Biology, non-tenured, on an academic year service basis, on zero percent

time, non-salaried, beginning August 16, 2004, for a total academic year 2004-05 salary of \$57,000.

DMITRI C. WILLIAMS, assistant professor of speech communication, summer appointment, on 100 percent time, \$7,111, July 16-August 15, 2004, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$64,000, effective August 16, 2004.

KENNETH WILUND, assistant professor of kinesiology, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$53,500, beginning August 16, 2004.

To the Rank of Associate Professor on Indefinite Tenure:

*JOSEPH JOHN MOHR, from assistant professor of astronomy, to associate professor of astronomy, on indefinite tenure, effective August 16, 2004

Emeriti Appointments

HUGH S. CHANDLER, associate professor emeritus of philosophy, June 21, 2004

RICHARD C. CODDINGTON, associate professor emeritus of agricultural and biological engineering, July 1, 2004

PAUL A. FRIEDMAN, professor emeritus of English, August 16, 2004

MICHAEL GLASER, professor emeritus of biochemistry, June 1, 2004

GARY H. HEICHEL, professor emeritus of crop sciences, September 1, 2004

CARL G. JOCKUSCH, JR., professor emeritus of mathematics, July 16, 2004

FREDERICK V. LAWRENCE, professor emeritus of civil and environmental engineering, May 16, 2004

LYNN MCLINDEN, professor emeritus of mathematics, August 16, 2004

M. DENNIS MICKUNAS, associate professor emeritus of computer science, July 1, 2004

THOMAS W. O'ROURKE, professor emeritus of community health, August 16, 2004

ROSCOE L. PERSHING, professor emeritus of agricultural and biological engineering, September 1, 2004

ESTHER PORTNOY, associate professor emerita of mathematics, August 16, 2004

PAUL J. QUIRK, professor emeritus of political science, July 16, 2004

ROBERT D. SKEEL, professor emeritus of computer science, August 1, 2004

JOHN S. WALKER, professor emeritus of mechanical and industrial engineering, August 16, 2004

JAMES G. WARD, professor emeritus of educational organization and leadership, May 16, 2004

TIM L. WENTLING, professor emeritus, Graduate School of Library and Information Science, May 16, 2004

EHUD YAIRI, professor emeritus of speech and hearing science, August 16, 2004

Administrative/Professional Staff

AHMED RASHAD ABDEL-KHALIK, director, Ph.D. Program in the Department of Accountancy, College of Business, Urbana-Champaign, non-tenured, on an academic year service basis with an administrative increment of \$15,000, beginning September 13, 2004. Dr. Abdel-khalik was appointed to serve as interim director, Ph.D. Program, under the same conditions and salary arrangement beginning August 16, 2004. In addition, he will continue to hold the rank of professor of accountancy, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$202,500, effective August 16, 2004. Dr. Abdel-khalik will also continue to serve as director, The Vernon K. Zimmerman Center for International Education and Research in Accounting, non-tenured, on an academic year service basis with an administrative increment of \$15,000, effective August 16, 2004, for a total salary of \$232,500.

S. BALACHANDAR, associate head of Theoretical and Applied Mechanics, College of Engineering, Urbana-Champaign, non-tenured, on an academic year service basis with an administrative increment of \$1,500, beginning September 13, 2004. Dr. Balachandar will receive an amount equal to one-ninth of his academic year salary for one month's service during each summer of his appointment as associate head (\$11,444

for 2004-05). He was appointed to serve as interim associate head under the same conditions and salary arrangement beginning August 16, 2004. Dr. Balachandar will continue to hold the rank of professor of theoretical and applied mechanics, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$101,500, effective August 16, 2004, for a total salary of \$114,444.

JEFFREY TODD BEAVERS, assistant dean and director of engineering career services, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$92,500, beginning September 13, 2004. Mr. Beavers was appointed to serve as interim assistant dean and interim director of engineering career services under the same conditions and salary arrangement beginning June 6, 2004.

J. STEVEN BECKETT, director, Trial Advocacy Program, College of Law, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$95,000, beginning September 13, 2004. Mr. Beckett was appointed to serve as interim director, Trial Advocacy Program, under the same conditions and salary arrangement beginning August 16, 2004. In addition, he will be appointed to serve as lecturer, College of Law, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning September 13, 2004, for a total salary of \$95,000.

JOHN F. CLARKE, managing director, Technology and Management Program, College of Engineering and College of Business, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$132,000, beginning September 13, 2004. Dr. Clarke was appointed to serve as interim managing director under the same conditions and salary arrangement beginning August 16, 2004.

MICHAEL D. COLVARD, director of emergency medicine readiness training, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis with an administrative increment of \$32,970, beginning September 20, 2004. Dr. Colvard will continue to hold the rank of assistant professor of oral medicine and diagnostic sciences, College of Dentistry, probationary faculty on tenure track year four, on a twelve-month service basis, on 100 percent time, at an annual salary of \$82,425, effective August 16, 2004, for a total salary of \$115,395.

LINDA COX, director, Counseling Center, Office of the Vice Chancellor for Student Affairs, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$95,000, beginning September 13, 2004. Dr. Cox was appointed to serve as interim director under the same conditions and salary arrangement beginning August 9, 2004.

MARY E. DICIG, assistant vice chancellor for research and director of the Office of Technology Management, Office of the Vice Chancellor for Research, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$200,000, beginning October 11, 2004.

MARK DONOVAN, executive director of facilities management and capital programs, Office of the Vice Chancellor for Administrative Services, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$155,000, beginning September 13, 2004. Mr. Donovan was appointed to serve as visiting executive director of facilities management and capital programs under the same conditions and salary arrangement beginning August 16, 2004.

STANLEY E. FISH, chair, Religious Studies Program, College of Liberal Arts and Sciences, Chicago, non-tenured, on an academic year service basis with an administrative increment of \$7,000, beginning September 13, 2004. Dr. Fish will continue to hold the rank of professor of English, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$217,155, effective September 13, 2004; and professor of criminal justice, on indefinite tenure on an academic year service basis, on zero percent time, non-salaried, effective September 13, 2004. He will continue to hold the rank of UIC Distinguished Professor of English, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective September 13, 2004, for a total salary of \$224,155.

- *ROGER WILLIAM GEISS, chair of the Department of Pathology, University of Illinois College of Medicine at Peoria, non-tenured, on a twelve-month service basis with an administrative increment of \$20,000, beginning September 13, 2004. Dr. Geiss was appointed to serve as interim chair of the Department of Pathology under the same conditions and salary arrangement beginning August 16, 2004. He was appointed to the rank of professor of pathology, University of Illinois College of Medicine at Peoria, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$92,000, beginning August 16, 2004; and physician surgeon, University of Illinois College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$88,000, beginning August 16, 2004, for a total salary of \$200,000.
- FRANK GOLDBERG, vice provost for resource planning and management, Office of the Provost and Vice Chancellor for Academic Affairs, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$156,000, beginning November 1, 2004.
- *ANDRÉ A. KAJDACSZY-BALLA, director of anatomic pathology, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 54 percent time, at an annual salary of \$122,000, beginning September 13, 2004. In addition, Dr. Kajdacszy-Balla will be appointed to the rank of professor of pathology, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 24 percent time, at an annual salary of \$54,900, beginning September 13, 2004; director of the Tissue Bank, Cancer Center, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 16 percent time, at an annual salary of \$35,100, beginning September 13, 2004; and physician surgeon, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 6 percent time, at an annual salary of \$13,000, beginning September 13, 2004, for a total salary of \$225,000.
- STACEY KOSTELL, director of undergraduate admissions, Office of Admissions and Records, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$97,000, beginning September 13, 2004. Ms. Kostell was appointed to serve as visiting director of undergraduate admissions under the same conditions and salary arrangement beginning July 16, 2004.
- ARTHUR F. KRAMER, co-director, Biomedical Imaging Center, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, non-tenured, on a twelve-month service basis with an administrative increment of \$20,000, beginning September 16, 2004. Dr. Kramer was appointed to serve as interim co-director under the same conditions and salary arrangement beginning August 16, 2004. He 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 100 percent time, at an annual salary of \$155,250, effective September 16, 2004; and professor, Beckman Institute for Advanced Science and Technology, non-tenured, on an academic year service basis with an increment of \$35,000, effective September 16, 2004, for a total salary of \$210,250.
- PETER J. NEWMAN, JR., university director of treasury operations, Office of Business and Financial Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$107,625, beginning September 13, 2004. Dr. Newman was appointed to serve as interim university director of treasury operations, at an annual salary of \$105,000, July 16-August 15, 2004, and at an annual salary of \$107,625, August 16-September 12, 2004.
- SUSAN C. ODMARK, executive director of human resources and administration, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$102,500, beginning September 16, 2004. Ms. Odmak was appointed to serve as visiting executive director of human resources and administration under the same conditions and salary arrangement beginning December 1, 2003.
- ANNETTE H. PACIGA, associate dean for administration, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual sal-

ary of \$135,000, beginning September 20, 2004. Ms. Paciga was appointed to serve as visiting associate dean under the same conditions and salary arrangement beginning July 16, 2004.

KATHLEEN ANN PECKNOLD, associate chancellor, Office of the Chancellor, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$145,500, beginning September 16, 2004.

JASTI SAMBASIVA RAO, head of the Department of Biomedical and Therapeutic Sciences, University of Illinois College of Medicine at Peoria, non-tenured, on an academic year service basis with an administrative increment of \$25,000, beginning September 13, 2004. Dr. Rao was appointed to serve as interim head of the Department of Biomedical and Therapeutic Sciences under the same conditions and salary arrangement beginning August 16, 2004. He will continue to hold the rank of professor of biomedical and therapeutic sciences, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$275,000, effective September 13, 2004; professor of neurosurgery, non-tenured, on zero percent time, non-salaried, effective September 13, 2004, for a total salary of \$300,000.

SOL MARK SHATZ, associate dean for research and graduate studies, College of Engineering, Chicago, non-tenured, on an academic year service basis with an administrative increment of \$1,000, beginning September 16, 2004. Dr. Shatz was appointed to serve as acting associate dean for research and graduate studies under the same conditions and salary arrangement beginning August 16, 2004. In addition, he will continue to hold the rank of professor of computer science, College of Engineering, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$122,000, effective September 16, 2004, for a total salary of \$123,000.

DAVID M. SINOW, director, Office of Risk Management and Insurance Research in the Department of Finance, College of Business, Urbana-Champaign, non-tenured, on an academic year service basis with an administrative increment of \$10,000, beginning September 13, 2004. Dr. Sinow was appointed to serve as interim director under the same conditions and salary arrangement beginning August 16, 2004. He will continue to hold the rank of clinical professor of finance, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$82,000, effective September 13, 2004, for a total salary of \$92,000.

KENNETH A. SPELKE, associate dean for information technology and research, Graduate School of Library and Information Science, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning September 13, 2004. Mr. Spelke was appointed to serve as interim associate dean for information technology and research under the same conditions and salary arrangement beginning July 16, 2004.

JUDITH I. STORFJELL, associate dean for academic nursing practice, College of Nursing, Chicago, non-tenured, on an academic year service basis with an administrative increment of \$25,900, beginning September 13, 2004; and director of signature health partnerships, College of Nursing, Chicago, non-tenured, on an academic year service basis with an administrative increment of \$25,900, beginning September 13, 2004. Dr. Storfjell will receive an amount equal to two-ninths of her administrative increments for two months' service during two summers of her appointment as associate dean for academic nursing practice and director of signature health partnerships (\$11,511 for 2004-05). She will continue to hold the rank of clinical associate professor of public health, mental health and administrative nursing, College of Nursing, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$83,200, effective September 13, 2004, for a total salary of \$146,511.

*KUAN CHONG TING, head of the Department of Agricultural and Biological Engineering, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis with an administrative increment of \$4,000, beginning November 1, 2004. He will receive an amount equal to

two-ninths of his academic year base salary for two months' service during each summer of his appointment as head (\$27,778 for 2004-05). In addition, Dr. Ting will be appointed to the rank of professor of agricultural and biological engineering, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$125,000, beginning November 1, 2004, for a total salary of \$156,778.

BRIDGET G. VAUGHN, director of Development, Office of the Associate Chancellor for Development, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$107,500, beginning September 27, 2004.

LAURA A. VOSSMAN, director of foundation investments, University Office of Business and Financial Services, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$130,000, beginning September 13, 2004. Ms. Vossman was appointed to serve as interim director under the same conditions and salary arrangement beginning August 16, 2004.

On motion of Dr. Gindorf, these appointments were confirmed. (Mr. Bruce asked to be recorded as not voting on this item.)

Sabbatical Leaves of Absence, 2004-05

(5) On motion of Dr. Gindorf, one leave of absence recommended by the chancellor at Urbana-Champaign was granted. This leave will be included in the annual compilation of 2004-05 sabbatical leaves of absence to be made a part of the board *Proceedings*.

Dean, College of Liberal Arts and Sciences, Chicago

(6) The chancellor at Chicago has recommended the appointment of Christopher Mark Comer, currently professor of bioengineering, College of Engineering, and professor of biological sciences and senior associate dean, College of Liberal Arts and Sciences, as dean, College of Liberal Arts and Sciences, on a twelve-month service basis, on 100 percent time, beginning August 16, 2004, through August 15, 2006, at an annual base salary of \$123,690 (equivalent to an annual nine-month base salary of \$101,200 plus two-ninths annualization of \$22,490) and an additional increment of \$51,310, on a twelve-month service basis, for a total salary of \$175,000.

Professor Comer will continue to hold the rank of professor of biological sciences on indefinite tenure on an academic year service basis on zero percent time and professor of bioengineering (non-tenured) on an academic year service basis on zero percent time.

Professor Comer will succeed Stanley E. Fish, who will return to the faculty in the College of Liberal Arts and Sciences.

This recommendation is made with the advice of the faculty and the Executive Committee of the College of Liberal Arts and Sciences.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was confirmed.

Interim Dean, College of Public Affairs and Administration, Springfield

(7) The chancellor at Springfield has recommended the appointment of Pinky S. Wassenberg, currently professor of political studies, as interim dean of the College of Public Affairs and Administration, beginning September 10, 2004, on a twelve-month service basis, on 100 percent time, at an annual salary of \$74,058 (equivalent to an annual nine-month base salary of \$60,593 plus two-ninths annualization of \$13,465), and an adminis-

trative increment of \$10,942 on a twelve-month service basis, for a total annual salary of \$85,000.

Dr. Wassenberg will continue to hold the rank of professor of political studies on indefinite tenure on an academic service basis on zero percent time. She succeeds Glen Hahn Cope, who served as dean from July 16, 1996, through August 15, 2004. Dean Glen Hahn Cope resigned August 15, 2004.

This recommendation is made with the advice of the provost and vice chancellor for academic affairs in consultation with the Executive Committee of the college.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Acting Dean, College of Liberal Arts and Sciences, Urbana

(8) The interim chancellor at Urbana has recommended the appointment of Sarah C. Mangelsdorf, presently head and professor, Department of Psychology, as acting dean of the College of Liberal Arts and Sciences, on a twelve-month service basis, on 100 percent time, beginning August 16, 2004, at an annual salary of \$182,000. She will receive a monthly administrative increment of \$4,000 for the duration of this acting appointment.

Dr. Mangelsdorf will continue to hold the rank of professor of psychology on indefinite tenure on an academic year service basis, on zero percent time (non-salaried). She is succeeding Dean Jesse G. Delia who, effective August 16, 2004, will serve in the role of acting provost and vice chancellor for academic affairs at the Urbana campus while Provost Richard H. Herman is serving as interim chancellor at the Urbana campus until a permanent chancellor is identified.

This nomination is made with the advice of the Executive Committee of the College of Liberal Arts and Sciences.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was confirmed.

Designate Alice Campbell Alumni Center, Urbana

(9) The interim chancellor has recommended that the building currently known as Alumni Center be renamed Alice Campbell Alumni Center in recognition of Robert and Alice Curtis Campbell's \$5.0 million dollar gift which has provided the anchor funds for this facility. The center will be located adjacent to the Hallene Gateway Plaza, just east of the new Admissions and Records Building. The building, which will become the corporate offices for the Alumni Association, is designed to complement the brick-and-limestone Georgian architecture that predominates on the Urbana campus. The three-story building will comprise 54,000 square feet, with a reception gallery, library, conference rooms, lounges, administrative offices, and a patio for outdoor activities.

It is fitting that the new facility now known as Alumni Center be renamed Alice Campbell Alumni Center in recognition of Robert and Alice Campbell's many contributions to the University, as well as their generous support of the University of Illinois Alumni Association.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for academic affairs concurs.
The president of the University recommends approval.

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

**Amend *The General Rules Concerning University Organization
and Procedure* [Article I, Section 2, Paragraph (D)
and Article III, Section 7, Paragraph (J)]**

(10) Revisions are proposed to Articles I and III of *The General Rules Concerning University Organization and Procedure* to clarify the administrative responsibilities of the vice president for technology and economic development. The position of vice president for economic development and corporate relations was created as a University officer by the board at the July 20, 2000, board meeting to serve as advisor to the president and the board on technology commercialization and economic development. The board appointed David L. Chicoine to this position on July 12, 2001. The appointment item adopted by the board provided that the position have direct authority over the University's major offices and entities involved in technology commercialization. At the May 15, 2003, board meeting a change in the title of the position to vice president for technology and economic development was adopted.

The proposed revisions to Article I of the *General Rules* are reflective of changes to the position description for the vice president for technology and economic development. Other proposed revisions clarify the responsibility of the vice president for technology and economic development and the relationship between the responsibilities of the vice president for technology and economic development and of the respective campus vice chancellors for research regarding technology management and commercialization. These revisions are important to continue to advance the fulfillment of the University's role in and responsibilities for fostering growth in Illinois' high-technology sector through innovation and technology commercialization and related economic development activities and to capture advantages of intercampus coordination, while recognizing and supporting campus individuality and strengths.

The proposed revision incorporated into Article I and Article III are attached to this item and incorporated herein.

The University Senates Conference has been consulted on the proposed revision to Article III.

The vice president for technology and economic development concurs.

The president of the University recommends approval.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

(Deleted material is lined-through; new material is underlined.)

The General Rules Concerning University Organizations and Procedure

Article I. University Organization

Section 2. Functions Of The University Administration

(d) Reporting directly to the president, the vice president for technology and economic development is the senior ~~research~~ officer of the University serving as an advisor to the president on matters of ~~research, state, federal, and corporate research relationships,~~ intellectual property, technology commercialization, and related economic development activities. The vice president for technology and economic development ~~and corporate relations~~ is responsible for coordinating and managing the University's technology commercialization and related economic development initiatives including relevant offices, policies, and programs, ~~and capital projects~~ and, in so doing, exercises direct line author-

ity over the University's major offices and entities involved in technology commercialization and related economic development.

Article III. Intellectual Property

Section 7. Intellectual Property Administration

(j) Administrative Responsibility. The president has ultimate authority for the stewardship of intellectual property developed at the University. Pursuant to Article I, Section 2, Paragraph (d) the vice president for technology and economic development has direct line authority for University offices and entities involved in technology commercialization and related economic development. In consultation with ~~Primary responsibility is delegated through~~ the vice president for academic affairs ~~to the~~ and vice chancellors for research, ~~on each campus, the vice president for technology and economic development will establish for establishing~~ operational guidelines and procedures for the administration of intellectual property, including but not limited to determination of ownership, assignment, protection, licensing, marketing, maintenance of records, oversight of revenue or equity collection and distribution, approval of individual exceptions, and resolution of disputes among creators and/or unit executive officers.

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

Revisions to Policy And Rules (Policy 10, Sick Leave)

(11) According to *The General Rules Concerning University Organization and Procedure*, Article IV, Section 4, (b), sick leave may be used for illness of, injury to, or need to obtain medical or dental consultation for the staff member, the staff member's spouse, children, parent, or members of the household. These provisions do not limit the use of sick leave to only those children of employees who are under the age of 18, or over 18 and incapable of self-care because of mental or physical disabilities.

Currently, *Policy and Rules* for civil service staff limits the use of sick leave for the employee's child, as follows: Accumulated sick leave may be used for illness of, injury to, or need to obtain medical or dental consultation for the employee, the employee's spouse, children, or parents, including parents-in-law. "Children" include biological, adopted, foster, stepchildren, legal wards, or those children for which an employee is standing *in loco parentis*, who are under 18 years of age, or over age 18 but incapable of self-care because of mental or physical disabilities.

To follow the intentions of the *General Rules*, it is recommended that *Policy and Rules*, Policy 10, be revised to contain consistent language.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for administration recommends that these revisions be made to the *Policy and Rules*.

The president of the University concurs.

(Deleted material is lined-through; new material is underlined.)

Policy and Rules **Policy 10, Sick Leave**

University Policy

Employees in trainee, apprentice, learner, provisional, or status appointments will accrue sick leave without limit at the rate of .0462 hours for each hour, exclusive of overtime, that such employees are in pay status.

Accumulated sick leave may be used for illness of, injury to, or need to obtain medical or dental consultation for the employee, the employee's spouse, children, or parents, including parents-in-law. "Children" include biological, adopted, foster, stepchildren,

legal wards, or those children for which an employee is standing *in loco parentis*. ~~who are under 18 years of age, or over age 18 but incapable of self care because of mental or physical disabilities.~~ "Parent" is defined as biological parent, stepparent, or an individual who stood *in loco parentis* to the employee. Sick leave may also be used for the above reasons for a member of the employee's household. An employee may use sick leave for pregnancy. During the 12-month period immediately following the adoption or birth of a child, sick leave may be used for a period of time, not to exceed twelve weeks, to care for that child. The use of accrued sick leave for Family and Medical Leave purposes does not extend the 12-week Family and Medical Leave entitlement.

Sick leave earned before January 1, 1984, and on or after January 1, 1998, shall be non-compensable and shall be used in full before any compensable sick leave earned between January 1, 1984, and December 31, 1997, is used.

Accrued and non-compensated sick leave shall be restored for a former employee who separates from the University in good standing and returns to employment within two (2) years.

Section 14a of the State Finance Act (30 ILCS 105/14a) provides that employees eligible to participate in the State Universities Retirement System or the Federal Retirement System are eligible for compensation at time of resignation, retirement, death, or other termination of University employment for one-half (1/2) of the unused sick leave earned between January 1, 1984, and December 31, 1997. Alternatively, accumulated unused sick leave may be used to increase creditable service in accordance with the rules of the State Universities Retirement System (40 ILCS 5/15-113.4).

The president may issue rules for the administration of sick leave and provisions of the State Finance Act as the president determines to be in the interest of the University.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 12 through 21 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Academic Appointments for Contract Year 2004-2005

(12) On June 17, 2004, the Board of Trustees approved an interim operating budget for Fiscal Year 2005. Recommendations for academic and administrative appointments beginning August 16, 2004, have been completed within the funds available to the University.

Accordingly, the president of the University recommends approval of the document entitled *Academic Personnel, 2004-2005* and requests authorization, in accord with the needs of the University and the equitable interests involved, and within total budgeted income: (1) to accept resignations; (2) to make such additional appointments as are necessary and to approve the issuance of notices of nonreappointment, subject to the provisions of the University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and *Policy and Rules*; and (3) to make such other personnel adjustments as needed, such adjustments to be covered in periodic reports to the Board of Trustees (Secretary's Report).

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

On motion of Mr. Shah, this recommendation was approved and authority was given as recommended by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Ms. Garcia, Dr. Gindorf, Dr. Schmidt, Mr. Shah,

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

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

Operating Budget for Fiscal Year 2005

(13) The vice president for administration recommends approval of the University's Fiscal Year 2005 operating budget, covering the allocation of estimated operating income from all sources, as presented in the executive summary attached to this item (filed with the secretary of the board for record). The recommended \$3.382 billion operating budget represents a \$97.5 million (7.1 percent) increase in unrestricted funds, a \$75.2 million (4.1 percent) increase in restricted funds, and a \$172.7 million (5.4 percent) increase in all operating funds from FY 2004.

Consistent with Board of Trustees' directives on the configuration of the internal operating budget adopted by the board at the March 13 and June 27, 2003, meetings, the vice president for academic affairs and the vice president for administration prepared the budget based upon: (1) the policies and institutional priorities established by the Board of Trustees in consultation with senior academic leaders, (2) recommendations of the chancellors, after consultation with deans, directors, and other University officers on the methods and means of best executing the board's policies and institutional priorities, and (3) recommendations from the president. The allocation of restricted funds is in accord with the terms and conditions of the restrictions, and the allocation of unrestricted funds follows the board's policies and institutional priorities.

The attachment to this item is the executive summary to the *Budget Summary for Operations* for Fiscal Year 2005 (the BSO, or "Orange Book"), and presents all University-level budget amounts by source of funds and object of expenditure customarily contained in the BSO document. At the time this board item was prepared, final determinations of campus-level detail were in progress, due to the delay in completing the legislative budget process for the State. Campus-level detail will be completed by the end of September and shared with the board at that time for review, with approval sought at the November board meeting.

The BSO executive summary is divided into four major sections. The section titled "University Revenue Budget FY 2005" defines the sources of University operating revenue for FY 2005, details the budget by those revenue sources, and analyzes the change in revenue from FY 2004 to FY 2005. The section titled "University Expense Budget FY 2005" defines and details the budget by object of expenditure category. The section titled "Board of Trustees Budgetary Oversight and Accountability" specifies the Board of Trustees requirement for prior board approval of specified budgetary transactions, the delegation of authority for specified budgetary transactions, and the required board reporting of budgetary activities. Lastly, the section titled "FY 2005 Board Budget Initiatives" provides an overview and status report of major issues addressed with the board during the past fiscal year.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The president of the University concurs.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Ms. Garcia, Dr. Gin-

dorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Requests for New Operating and Capital Appropriations, Fiscal Year 2006

(14) Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2005, are presented herewith for action by the Board of Trustees. Following board action, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *Fiscal Year 2006 Budget Request for Operating and Capital Funds*, provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2006 Operating Budget Request is outlined in Table 1. The University seeks \$87.8 million in new funds, an increase of 7.61 percent above the current year's budget. The FY 2006 request focuses primarily upon needs for salary competitiveness for faculty and staff, restoration of faculty strength, and a variety of academic program improvements including strengthening the academic base, recovering lost capacity in library materials in both print and electronic forms, and increased links to the State of Illinois. The FY 2006 request expands prior efforts to secure facilities renovation resources in the operating budget. The request introduces major initiatives in medical education and liability at UIC, general education expansion at UIS, and research infrastructure needs at UIUC. The request presents the most urgent funding needs confronting the University, recognizing the fiscal condition of the State of Illinois.

Table 2 identifies the ten projects in the FY 2006 Capital Budget Request in priority order. Together, these projects represent an investment of \$295.2 million, devoted to preserving and extending facilities already in place at the campuses and to critically important new initiatives. Remodeling and renovation projects comprise a large part of the total funds requested with the highest priority given to repair and renovation projects at the three campuses. In addition, the next highest priority is the deferred maintenance request. Both requests clearly emphasize the importance the University places on maintenance and upkeep of facilities, highlighting the need to adequately fund multiple aspects of the facility plant assets.

The operating and capital requests summarized here reflect the University's highest priority budget needs, focusing on the University's mission of instruction, research, public service, and economic development. Both the operating and capital requests presented here are consistent with the preliminary requests presented to the board in July.

The University's operating and capital requests for FY 2006 have been prepared by the vice president for academic affairs based upon advice from the Academic Affairs Management Team and review by the University Policy Council.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for academic affairs recommends approval.

The president of the University concurs.

Table 1
FY 2006 Operating Budget Request

I. Continuing Components		\$44,772.4
<i>% of FY 2005 Base*</i>		3.88 %
A. Compensation Improvements		\$25,835.7
1. Salary Improvements - 3%	\$ 25,835.7	
B. Other Payroll Costs		\$ 1,700.0
1. Medicare	\$ 300.0	
2. Workers' Compensation	900.0	
3. Legal Liability	500.0	
C. Price Increases		\$ 9,821.9
1. General Price Increases - 2%	\$2,951.4	
2. Utilities Price Increase - 7%	4,376.3	
3. Library Price Increase - 10%	2,014.2	
4. Technology Price Increases - 4%	480.0	
D. O & M New Areas		\$ 7,414.8
1. Chicago Project	\$3,834.6	
2. Urbana-Champaign Projects	3,580.2	
II. Statewide Initiatives in Higher Education		\$19,223.8
A. Recruitment & Retention of Critical Faculty & Staff - 2%	\$17,223.8	
B. Facilities Renovation Support	2,000.0	
III. Academic Program Initiatives		\$21,130.0
A. Strengthening the Academic Base	\$7,240.0	
B. Investing in Instructional Technology	1,790.0	
C. Increased Links to the State	1,100.0	
D. Medical Professional Liability Insurance	2,000.0	
E. Health Professional Education	3,000.0	
F. Expansion of General Education Program	2,000.0	
G. Research Infrastructure	4,000.0	
IV. Academic Program Initiatives (University-wide)		\$2,650.0
A. Online Instruction	\$250.0	
B. IGPA	150.0	
C. P-16 Programs	1,250.0	
D. Economic Development	1,000.0	
Total Request		\$87,776.2
<i>% of FY 2004 Base*</i>		7.61 %
V. Statewide Programs (IFSI, IDAL)	\$ 853.9	
VI. Statewide Economic Development	\$3,000.0	
VII. Addenda (DSCC)**	\$2,000.0	

All numbers are dollars in thousands.

* FY 2005 Base: \$1,154,125.7

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

Table 2
FY 2006 Capital Budget Request Summary by Priority and Campus
(Dollars in Thousands)

<i>Priority</i>	<i>Project</i>	<i>Chicago</i>	<i>Springfield</i>	<i>Urbana</i>	<i>Total</i>	<i>Cumulative</i>
1	Repair and Renovation	\$ 4,165.9	\$ 343.7	\$ 6,225.4	\$ 10,735.0	\$ 10,735.0
2	Deferred Maintenance	8,000.0	125.0	12,000.0	20,125.0	30,860.0
3	Lincoln Hall Remodeling			48,652.0	48,652.0	79,512.0
4	Infrastructure Program	23,500.0			23,500.0	103,012.0
5	Business Instructional Building (Match)			31,200.0	31,200.0	134,212.0
6	Electrical & Computer Engineering Building (Match)			30,000.0	30,000.0	164,212.0
7	Advanced Pharmacy Research Pavilion	67,000.0			67,000.0	231,212.0
8	Rockford Building Addition	12,000.0			12,000.0	243,212.0
9	Rehab Metal Buildings/Library		4,000.0		4,000.0	247,212.0
10	South Campus Development			48,000.0	48,000.0	295,212.0
	Total	<u>\$114,665.9</u>	<u>\$4,468.7</u>	<u>\$176,077.4</u>	<u>\$295,212.0</u>	<u>\$295,212.0</u>

On motion of Mr. Shah, the requests for operating and capital appropriations for Fiscal Year 2006 were approved as recommended by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Ms. Garcia, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Renewal of Fiscal Year 2005 Agreements for University of Illinois Alumni Association and University of Illinois Foundation

(15) The president of the University with the concurrence of the appropriate University officers recommends the renewal of agreements with the University of Illinois Alumni Association and the University of Illinois Foundation for Fiscal Year 2005. Since 1982, the Board of Trustees has designated the Alumni Association and the University of Illinois Foundation as University-related organizations and authorized basic service agreements for certain services. The award of these agreements is in accordance with the procedures of the Illinois Procurement Code, and the *University Guidelines* of the Legislative Audit Commission.

Alumni Association

The agreement requires the Association to provide management and supervisory services for data gathering, data entry, and maintenance of alumni records on the Foundation Alumni Constituency Tracking System (FACTS) and management services of the activities of the Alumni Career Center. The Association will publish periodicals that will be distributed to alumni. The Association will provide support to University field activities such as meetings of alumni groups and off-campus communications with alumni.

The University will provide direct support for the Association at an estimated amount of \$2,501,700 for FY 2005. This support will be provided during the course of the

year through contractual payments to the Alumni Association for the costs of services rendered and through funds allocated in the University's Office of Alumni Relations and Alumni Career Center for the maintenance of alumni support functions. The agreement also provides for the Association's use of FACTS to maintain membership records and for access to and joint ownership of such records. Ownership of the periodicals published by the Alumni Association resides with the Association. Also provided is the employer cost of benefits for University employees working in the Office of Alumni Relations and the Alumni Career Center.

Foundation

The agreement requires the Foundation to provide fund-raising services and other assistance to attract private gift funds to support University programs. The Foundation agrees to accept and administer such gifts according to terms specified by the donor, to inform the University of all gifts received for the benefit of the University, and to apply the same in accord with the terms of the gift or, as in the case of all undesignated gifts as the University may determine. The Foundation also will provide management and supervisory services for the maintenance of donor records on the FACTS. The Foundation assesses a management fee to Foundation gift accounts as a means to support some of its private gift fund-raising operations.

The University will provide direct support for the Foundation at an estimated amount of \$6,901,200 for FY 2005. The support will be provided through payments to the Foundation during the course of the year based upon actual costs incurred and through funds allocated to the University Office of Development for the maintenance of donor records and other fund-raising support functions. The FY 2005 contract provides for additional fund-raising staff, and reflects the transfer of the budget for the University Alumni Development Information Systems (UADIS) office. The University, Alumni Association, and Foundation have agreed that Foundation management of UADIS operations will provide more efficient and better targeted information technology services for fund-raising and constituent relationship activities. UADIS previously reported to the vice president for administration.

Certain routine business and financial services will be provided to the Foundation as needed. The agreement also provides the Foundation with access to the University's FACTS for the purpose of conducting fund-raising activities. Also provided is the employer cost of benefits for University employees working in the Office of Development.

Institutional funds, generated from a management fee assessed to University gift accounts, and State appropriated funds are available to support these agreements for FY 2005.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

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

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

Award Contracts for Temporary Resources for Java, Business Objects, and SAS Analysis and Development

(16) Administrative Information Technology Services has a continuing need for temporary staff to assist with the analysis and development of applications in Java, Business Objects, and SAS. This support will vary over time, depending on the number of administrative systems projects that are prioritized and funded. Contracts would be executed with three firms, Starpoint Solutions, LLC, Ciber, Inc., and TEK Systems, Inc., for a maximum

amount not to exceed a total of \$3.5 million per contract period, for all three vendors combined.

Awarding contracts to Starpoint Solutions, LLC, Ciber, Inc., and TEK Systems, Inc., will ensure that resources will be available at the time of need. Determination as to which contractor's resources will be utilized (and therefore the amount paid to each contractor) will be made at the time of the requirement and will be based on availability of qualified resources. Options to renew these contracts are available for an additional five one-year periods and may be exercised based on continuing need, availability of funds, satisfactory performance, and with authorization of the comptroller.

A request for proposal (RFP) process was used to select Starpoint Solutions, LLC, Ciber, Inc., and TEK Systems, Inc. The companies were selected based on their ability to provide the range of resources required for future application development projects. Funds are available from the Institutional Funds Operating Budget of the University administration and proceeds of the sale of Certificates of Participation, UI-Integrate Project, Series 2003.

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends approval to enter into contracts for the services described above. Procedures for renewing these contracts will be followed in accordance with the Illinois Procurement Code.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

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

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

Contract Award for Doris Kelley Christopher Hall, Urbana

(17) 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 I—General Work

Williams Brothers Construction, Inc.,	Base Bid	\$3,915,000	
Peoria	Alt. G3	-26,000	
	Alt. G4	78,000	
	Alt. G7	26,000	
	Alt. G11	<u>25,000</u>	
<i>Total</i>			\$4,018,000 ²

The Doris Kelley Christopher Hall will house a world-class center on family resiliency which will be the home to innovative research, education, and public engagement initia-

¹Description of Alternates: Alt. G3—Substitutes cast stone surrounds, bases, caps, etc., in lieu of pre-cast concrete window surrounds; Alt. G4—provides for the addition of concrete area walls/light wells and associated sub-surface drainage on the east side of the facility; Alt. G7—provides for the addition of a masonry chimney and associated steel support structure, vent piping, and lightning protection; and Alt. G11—adds operable windows in lieu of fixed windows.

²Contracts for other divisions were awarded that were within the delegated approval levels (Plumbing: A & R Mechanical Contractors, Inc., Urbana—\$163,945 includes Alt. P4 [\$4,200], Alt. P7 [\$1,500], and Alt. P12 [-\$11,500]; Heating, Refrigeration & Temperature Control: Nogle & Black Mechanical Contractors, Inc., Urbana—\$482,000 includes Alt. H13 [-\$4,500]; Ventilation: Nogle & Black Mechanical Contractors, Inc., Urbana—\$327,500; Electrical: Egizii Electric, Inc., Decatur—\$670,800 includes Alt. E-7 [\$3,500]; and Sprinkler Work: Superior Fire Protection Systems, Inc., Forsyth—\$68,400 includes Alt. S-10 [\$1,680]).

tives to enrich child, individual, and family well-being in context of communities. Christopher Hall will be situated on the east campus near Lincoln Avenue and Nevada Street, in proximity to the Child Development Laboratory and the recently completed Expanded Child Development Laboratory. The \$9.7 million project will provide a 25,000 gsf facility which will contain a family resource center, observational suite, commons area, classrooms, and offices.

Funds for the project are available from gift and institutional funds at the Urbana campus.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

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

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

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

Employment of Architect/Engineer and Construction Manager for South Campus Mixed Use Development, Chicago

(18) The Chicago campus administration has proposed a program that would support the continued development of the UIC campus housing program; the development of much-needed convocation space for commencements, conferences, and major events; and the satisfaction of terms and conditions of the redevelopment agreement previously entered into by the city of Chicago and the University.

In July 2004, the board approved a mixed use development project that includes a 750-bed residence hall with dining facilities and support services; a convocation center with a 3,000-seat auditorium or a 1,000-seat banquet facility; and 40,000 square feet for a retail and office space component.

As approved in July, the project will be implemented via two design paths representing multiple construction contracts. The first design firm was approved and the second firm Vasilko, Hauserman & Associates, Inc., Chicago, has now been identified in accordance with the requirements and provisions of the Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act (30 ILCS 535/1)¹ to provide related professional services for design through warranty phases of the housing and retail/office component.

As previously reported, the University has also advertised for construction management services to coordinate the construction packages for this project. The selection of the construction manager was made in accordance with service procurement procedures of the Illinois Procurement Code.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Accordingly, the chancellor at Chicago with the concurrence of the appropriate administrative officers recommends the following actions:

1. Vasilko, Hauserman & Associates, Inc., Chicago, be employed to provide professional services through warranty for the housing and retail/office component for a fixed fee of \$4,202,650 and reimbursable expenses not to exceed \$140,000; and

¹Committee consisted of: Mike Landek (associate vice chancellor for auxiliary facilities); Rob Rouzer (director, Campus Unions); Ron Giles (director, Office for Capital Programs); Boyd Black (director, Office for Capital Programs); Mark Donovan (Office of Facilities Planning); Mark Ingler (University Office for Facility Planning and Programming); Ken Buric (director, Utility Operations).

2. Power Construction Company, Schaumburg, be employed to provide construction management services for a fixed fee of \$5,565,447 and reimbursable expenses not to exceed \$300,000.

The president of the University concurs.

The project will be funded from the proceeds of future Auxiliary Facilities System Revenue Bonds. Any project planning costs incurred prior to the sale of the revenue bonds will be funded initially from other campus auxiliary operating funds with anticipated reimbursement from the subsequent proceeds of a revenue bond sale.

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

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

Lease of Space, University of Illinois Extension Building in Matteson, Illinois, Urbana

(19) The interim chancellor at Urbana, with the concurrence of the appropriate administrative officers, recommends, subject to the satisfactory agreement with the landlord of final lease terms, the comptroller be authorized to execute a renewal agreement to lease the entire 9,991 gsf of space in the building at 5527 Miller Circle Drive, Matteson. The space is required for University of Illinois Extension to continue to provide extension education to clientele in Cook County and northeast Illinois.

The building was built to the specifications of the University under terms of the original five-year lease agreements dated April 15, 1999, and August 12, 1999. The original lease and a five-year renewal period included annual increases of 2.5 percent and also required the University to pay real estate taxes. The annual taxes increased from \$78,000 to \$116,000 in the current lease year. These two components result in a current rate of \$27.66/gsf. Counsel has advised that real estate taxes might be reduced 30 percent upon appeal, with the resulting annual lease costs estimated to range from \$25.00/gsf to \$27.00/gsf during the renewal period.

In order to obtain greater savings, the University has negotiated new terms for the renewal period that incorporate the real estate tax component as part of the gross rent. Under this proposal, the University would pay gross monthly rent of \$19,154.75 or \$23.01/gsf per year for the term of the contract. The lease is scheduled to begin November 15, 2004, and terminate on November 15, 2009. The rental costs are competitive with the cost of comparable rental space in the community.

This lease renewal is exempt from competitive procedures under the Illinois Procurement Code and the Higher Education Procurement Rules since the property is less than 10,000 square feet.

County and local funds subsidize 31 percent of the lease payments and are included in the South Suburban Cook County Extension budget. University funds, which pay the remainder, will be included in the University of Illinois Extension Northeast Region and Matteson Extension Center budgets. It is the intent of the University to include the necessary funds in subsequent budgets throughout the lease term.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The president of the University concurs.

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

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

Purchases

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

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$2,496,826.

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. Bruce, Dr. Carroll, Mr. Eppley, Ms. Garcia, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Authorization for Settlement

(21) The university counsel recommends that the board approve settlement of *Cole v. Abrego, et al.*, in the amount of \$650,000. The plaintiff, 34-year-old Remi Cole, alleges that the defendants negligently performed a cesarean section, injuring her.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

President's Report on Actions of the Senate

(22) The president presented the following report:

Establishment of an Alternative Certification Option within the Master of Education in Curriculum and Instruction, College of Education

The Urbana-Champaign Graduate College, on behalf of the Urbana-Champaign Senate, has approved a proposal for the establishment of an alternative certification option within the Master of Education in Curriculum and Instruction, College of Education.

To address the recent shortage of qualified secondary science and mathematics teachers the State of Illinois passed the Alternative Teachers Certification Program (Illinois School Code: 15 ILCS 5/21b), which allows students to gain teacher certification through a variety of alternate means. This new option provides a means through which students can gain teacher certification while pursuing a Master of Education in Curricu-

lum and Instruction. Students will complete the courses required for certification during a two-semester residency, a year-long student teaching experience, and the course requirements for the Master of Education in the third and final year.

Establishment of a Joint Degree between the Master of Architecture and the Master of Science in Civil Engineering

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a joint degree between the Master of Architecture and the Master of Science in Civil Engineering. Students in this joint program must complete the requirements for both programs, with a maximum of five hours of complementary electives being applied to both degrees. The joint program serves the educational and professional interests of the students by preparing them to become leaders in today's multidisciplinary construction industry by facilitating their ability to procure professional licenses in both architecture and structural engineering. These complementary skills will make them highly attractive and successful in the marketplace.

This report was received for record.

Comptroller's Report of Contracts for the Period July 1, 2003-June 30, 2004

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

This report was received for record.

Capital Projects Status Report

(24) The 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.

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on August 9, 2004.

Summary

Graduate Degrees

Master of Accounting Science	2
Master of Architecture	8
Master of Arts	23
Master of Business Administration	3
Master of Computer Science	3
Master of Education	39
Master of Fine Arts	7
Master of Human Resources and Industrial Relations	1
Master of Landscape Architecture	1

Master of Laws	1
Master of Music	10
Master of Music Education	12
Master of Science	339
Master of Social Work	46
Master of Urban Planning	7
<i>Total, Masters</i>	(502)
Certificate of Advanced Study in Library and Information Science	8
<i>Total, Graduate Degrees</i>	510
<i>Professional Degrees</i>	
College of Law	
Juris Doctor	5
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	49
College of Applied Life Studies	
Bachelor of Science	42
College of Business	
Bachelor of Science	95
College of Communications	
Bachelor of Science	14
College of Education	
Bachelor of Science	13
College of Engineering	
Bachelor of Science	92
College of Fine and Applied Arts	
Bachelor of Fine Arts	7
Bachelor of Landscape Architecture	2
Bachelor of Music	5
Bachelor of Music Education	1
Bachelor of Science	2
<i>Total, College of Fine and Applied Arts</i>	(17)
College of Liberal Arts and Sciences	
Bachelor of Arts	205
Bachelor of Science	95
<i>Total, College of Liberal Arts and Sciences</i>	(300)
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	7
<i>Total, Undergraduate Degrees</i>	629
<i>Total, Degrees Conferred August 9, 2004</i>	1,144

RECESS FOR COMMITTEE MEETINGS

Following the approval of agenda items, the board recessed for meetings of the Finance and Investment Committee, the Buildings and Grounds Committee, the Academic Affairs Committee, the Technology and Economic Development Committee, and the Budget and Audit Committee.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE

Mr. Steve Voss, representing the University's financial adviser, Ennis Knupp, reported on the performance of the University's investments for the last quarter and told the board that investments in the U.S. equity market advanced 1.3 percent during the second quarter, non-U.S. equity markets returned -0.9 percent during the quarter, and that the bond market returned -2.4 percent for the quarter (materials on file with the secretary).

Next, he reviewed the investments for the University's endowment and indicated that the market values for the endowment improved by 17.0 percent. He then reviewed the performance of each fund manager for the endowment and the date each was appointed and noted that Ennis Knupp had issued a request for proposal (RFP) in a search for a new manager in the fixed income area to replace Morgan Stanley due to turnover in that team of managers. He said that Ennis Knupp would conduct due-diligence on the respondents to the RFP and then involve the chair and vice chair of the Finance and Investment Committee and the board's treasurer in the selection process.

Mr. Voss told the board the investments of the University's operating funds had produced stable returns for the second quarter.

Mr. Beckmann thanked Mr. Voss for his report and referred the board to the report in the board packet that concerns the University's endowment farms. At this time Mr. Vickrey asked Interim Chancellor Herman to comment on the leasing procedures for the farms. Dr. Herman stated that the market is changing and that cash rents for leased farmland was more the mode and the University planned to move more of the farmland into cash rents and away from crop shares. He also said that State law requires that tenants on such farmland must be notified by November 1 of any year of plans to change the arrangements for rent of such property. He stated that one option presented for change would be to move from 8.0 percent of the farms in cash rents to 20.0 percent for the next year. Mr. Vickrey supported this.

Mr. Beckmann also called attention to the comptroller's report in the board packet that is a report of investment transactions for Fiscal Year 2004 under the guidelines of the Finance and Investment Committee.

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE¹

Mr. Shah, chair of the committee, convened the meeting and asked Chancellor Manning to make an introduction. Dr. Manning introduced Martin S. Lipsky, M.D., regional dean, College of Medicine at Rockford, and said that Dean Lipsky had just assumed that position.

Next, Mr. Shah asked Mr. Wachtel to introduce the architects that would make a design presentation for an UIC National Center for Rural Health Professions at Rockford. He stated that the architectural firm, Larson and Darby Group, Rockford, that was also working on a master plan for the Rockford campus of the College of Medicine would present the pro-

¹Dr. Carroll and Mr. Sperling departed the meeting at 2:00 p.m.

posed design for this facility. He noted that partial funds for the facility had been secured by Congressman Donald Manzullo of Rockford.

The representative of the architectural firm began the presentation of the design by stating that the goals for the facility were twofold: one was to design a facility for the National Center, and the second was to improve the infrastructure for the entire campus, and he showed slides illustrating the new design and the change to the extant main building on campus. He said the firm's recommendation was to renovate the current campus building and add to it to provide space for the National Center. He cited several changes to the building, such as providing new windows and renovating the tower. He indicated that the new space would be to provide for an auditorium, classrooms, and clinical space.

Discussion of the design followed and Mr. Shah suggested making the main entrance to the remodeled and new facility more obvious.

On motion of Dr. Gindorf, the design was approved.

Mr. Wachtel told the board that more presentations would follow, as additional funding was acquired. Mr. Vickrey said he was planning to send out fundraising letters next week. Chancellor Manning thanked Mr. Vickrey for his leadership in assisting with fundraising for this facility.

MEETING OF THE ACADEMIC AFFAIRS COMMITTEE

Faculty Presentation

Dr. Schmidt, chair of this committee, convened the meeting and asked Chancellor Ringeisen to introduce the speaker for this meeting. Chancellor Ringeisen introduced Professor Robert McGregor, professor of history at Springfield, and said the title of Professor McGregor's presentation was "My Life as a Historian."

Professor McGregor spoke to the board of different aspects of his career as a scholar and teacher and of the many courses he had offered at the Springfield campus. He said that he had established a career in the study of history on the basis of two questions: "What is it to be human?" and, "What is the relationship between humanity and the environment?" He indicated that he had written three books and that one concerned Henry David Thoreau and Thoreau's interest in nature; a book on Dorothy Sayers, the 19th century English mystery writer; and a novel. He stated that his current research, supported by an award to him as a University Scholar, is focused on the relationship between Native Americans and the environment, and that he is exploring the Cahokia Mounds in Illinois as a part of this research. He stated that he wanted to convey the message that approaches to teaching must be varied for effectiveness.

Report from Springfield Senate

Dr. Patricia A. Langley, professor of women's studies and legal studies, and chair of the Steering Committee of the Springfield Senate, reported on activities of the senate for the past year and on activities of the University Senates Conference for the same time period.

For the senate at Springfield, she said that subjects concerning academic programs were the focus of its work for the last year and that several new programs had been reviewed and recommended for approval. In addition, she said that the senate had established a procedure for awarding honorary degrees from the Springfield campus. She also told the board of work with the other campus senates on changes in personnel policies and she noted that the Springfield Senate had worked with the Urbana-Champaign Senate to craft a resolution espousing retirement of Chief Illiniwek.

As for the University Senates Conference activities, Professor Langley stated first that this body is comprised of 20 members from the three campuses. She said that the conference had held ten meetings in the last year and that a major commitment of time was devoted to consideration of the composition of the Consultative Committee to Assist in the Selection of a President, and that the conference had several discussions with the board chair about this and had submitted a recommendation regarding the committee's composition. She said that other highlights of the business considered by the conference in the past year included: reviews of several University policies such as tuition, the University's budget priorities, and the introduction of the Banner suite of administrative information systems.

She stated that the University Senates Conference is an excellent example of shared governance in the University and that the members very much liked working with the president and vice president for academic affairs. She also noted that the conference meets with members of the board for informal meetings from time to time and has found these helpful.

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of the committee, convened the meeting and asked Vice President Chicoine to update the board on developments in commercializing University-based technology.

Dr. Chicoine began his remarks by thanking Trustees Eppley, Gindorf, and Schmidt for their support for technology commercialization and the research parks through their membership on the boards of managers of the research parks and IllinoisVENTURES, LLC. He then turned to a report on disclosures of University-based research and stated that the firm of Deloitte & Touche had just completed its engagement and had reviewed 261 pre-commercial technologies at Chicago and had indicated that 63 exhibited high potential. Dr. Chicoine said that a marketing strategy is now under development for these. He said that in Urbana a disclosure-mining technique has been developed for disclosures, and that screening is underway for 21 new technologies from the Center for Simulation of Advanced Rockets. He added that this screening system has attracted attention from other universities and a federal laboratory and is now regarded as the best approach for assessing technologies for potential commercialization.

Dr. Chicoine reported that the total of royalties for Fiscal Year 2004 was down and that some of this resulted from declines in sales. However, he said that he believed that this phenomenon was temporary.

Next, Dr. Chicoine stated that IllinoisVENTURES, LLC, was doing very well and thanked the following charter members of the Board of Managers for their guidance and assistance: James Foght, Warren Holtsberg, and Michael Tokarz. He said that the Illinois Emerging Technologies Fund closed at \$20.0 million of limited partner commitments, and that this represents a return of capital investment to the Midwest. He added that since January 1, 2002, the Illinois Emerging Technologies Fund had provided developmental funding to 27 entities.

Dr. Chicoine then reviewed the status of the research parks at Chicago and at Urbana, beginning with the Chicago Technology Park and its challenge to provide space for start-up businesses that have reached a certain stage of development and should be out of the incubator space, which is completely full at this time. He added that at the University of Illinois Research Park, LLC, Urbana, more incubator space is needed (materials on file with the secretary).

Mr. Eppley asked Dr. Chicoine to name the challenges for technology commercialization for the next few years. Dr. Chicoine answered that these would include continued growth in the number of disclosures and helping IllinoisVENTURES, LLC, grow.

Referring to Dr. Chicoine's earlier comments about the contributions of Foght, Holtsberg, and Tokarz, Dr. Gindorf mentioned that these three people have displayed a remarkable amount of endurance in helping develop IllinoisVENTURES, LLC, and praised them for their dedication.

MEETING OF THE BUDGET AND AUDIT COMMITTEE

Mr. Bruce, chair of this committee, convened the meeting and asked Dr. Richard O. Traver, executive director, Office of University Audits, to report on the highlights of that office's work for the past year. Dr. Traver explained the allocation of resources for audits (materials on file with the secretary). First, he stated that he and his staff interview about 45 administrators per year to discuss the risks involved in their operations. And, second, the auditors assess the risks that are probable in determining how to allocate scarce resources effectively in choosing areas to audit. As an example of potential for risk, Dr. Traver told the board of the large number of retail operations at the University.

Dr. Traver also described the compliance auditing done by the staff in his office and referred to the large body of law and the plethora of regulations that must be monitored. He stated that the audit office is engaged in continuous monitoring of certain things, such as the use of University charge cards and other vulnerable areas.

Dr. Traver explained that another dimension of the process of auditing is establishing metrics for units for performance and compliance. He said that a unit's performance that is outside the acceptable range might be eligible for an audit. He also noted that the new Illinois Auditor General has established reporting guidelines and that these may suggest other areas to audit.

BOARD MEETING RECONVENED

When the board reconvened in regular session, the following board members were present: Mr. Devon C. Bruce, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann (telephonically), Mr. Robert F. Vickrey. The following members of the board were absent: Governor Rod Blagojevich, Dr. Frances G. Carroll, Mr. Robert Y. Sperling. Ms. Natalie A. Garcia, voting student trustee from the Chicago campus, was present. The following nonvoting trustee trustees were present: Mr. Matthew T. Diller, Urbana-Champaign campus; Mr. Andrew M. Hollingsead, Springfield campus.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel introduced Professor James D. Anderson, head, Department of Educational Policy Studies, Urbana, and chair of the Search Committee for a Chancellor at UIUC, to report on progress in this search.

Professor Anderson provided an update to the board (materials on file with the secretary). The committee met six times this past summer and subcommittees have been formed to do the following thing: identify search firms; draft a "needs" statement for the campus to be shared with the Board of Trustees; draft a position description and criteria for the position; and develop a website and brochure for the search.

In addition, he stated in order to educate the committee on the campus' needs and future challenges, the committee interviewed individual campus officers and University officers.

Further, he said that the committee had interviewed two executive search firms to assist in the search process.

Professor Anderson then outlined the next steps planned for the search process that included: finalizing the position description; determining where to advertise the position; finalizing the "needs" statement and submitting it to the board; finalizing the selection criteria; and finalizing the website and/or brochure for the search.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

STUDENT TRUSTEES REPORTS

Mr. Eppley asked if the student trustees had business to report and Mr. Hollingsead urged the board to take a tour of the new building on campus, University Hall. He also commented that more students at Springfield are living on campus now. Further, he stated that since this meeting would be President Stukel's last board meeting on the Springfield campus, he wanted to thank the president for all he had done to advance the Spring-

field campus. He then yielded the floor to Chancellor Ringeisen who read a proclamation to honor President Stukel on the occasion of having September 10 declared President James J. Stukel Day in Illinois. The proclamation included the message that all classes would begin ten minutes early in deference to the president's pattern of always arriving early for meetings and other commitments.

Ms. Garcia reported that the new student orientation program at Chicago was an impressive success this year, and she praised the new Rebecca Port Center on campus.

Mr. Diller told the board that the tuition policy advisory committee at Urbana had met recently. He also noted that student government at Urbana had undergone a transformation and was now known as the Illinois Student Senate, comprised of 50 students that now elect the student officers. Mr. Diller said he hopes to help change this to a system of popular elections. In addition, he reported that the Martin Luther King Planning Committee had met to plan a commemoration of Dr. King on his birthday in January. In conclusion, he said that students at Urbana are pleased with the design for the new College of Business facility.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: November 11, Urbana; January 20, 2005 (Annual Meeting), Chicago; March 10, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair