

UNIVERSITY OF ILLINOIS
TRANSACTIONS
OF THE BOARD OF TRUSTEES

Seventy-Second Report

(SEVEN ANNUAL AND SIXTY-FIVE BIENNIAL REPORTS)

JULY 1, 2002 TO JUNE 30, 2004

PUBLISHED BY THE UNIVERSITY OF ILLINOIS • URBANA

Urbana, Illinois, June 30, 2004

Honorable Rod R. Blagojevich, Governor of Illinois:

Sir: I have the honor to submit to you herewith, in compliance with the law, the seventy-second report of The Board of Trustees of the University of Illinois, for the two years ending June 30, 2004.

Respectfully yours,

Michèle M. Thompson, *Secretary*

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BOARD OF TRUSTEES

Member Ex Officio

Rod R. Blagojevich, Governor of Illinois, Springfield 62706

Members

(Term 1999-2005)

Jeffrey Gindorf, M.D., 6702 Oakwood Manor Drive, Crystal Lake 60012

Kenneth D. Schmidt, M.D., 100 N. River Road, DesPlaines 60016

Gerald W. Shea, 547 S. LaGrange Road, LaGrange 60525

(Resigned December 31, 2002)

Thomas R. Lamont, P.O. Box 2459, Springfield 62704

(Appointed January 1, 2003-January 10, 2005; Resigned May 16, 2003)

Framces G. Carroll, Ed.D., 605 East 33rd Place, Chicago 60616

(Appointed May 16, 2003-January 10, 2005)

(Term 2001-2007)

Lawrence C. Eppley, 70 W. Madison, Suite 3300, Chicago 60602

Marjorie E. Sodemann, 3202 Valley Brook Drive, Champaign 61822

Robert F. Vickrey, P.O. Box 100, Peru 61354

(Term 2003-2009)

Devon C. Bruce, 70 West Madison Street, Suite 5500, Chicago 60602

Niranjan S. Shah, 300 S. Wacker Drive, Suite 400, Chicago 60606

Robert Y. Sperling, 35 W. Wacker Drive, Chicago 60601

Student Members

(Term 2002-2003)

Arthur L. Moore, Jr., Springfield Campus (Nonvoting)

Keely J. Stewart, Urbana-Champaign Campus (Nonvoting)

Noah L. Wolfe, Chicago Campus (Voting)

(Term 2003-2004)

Nathaniel H. Allen, Urbana-Champaign Campus (Voting)

Natalie Garcia, Chicago Campus (Nonvoting)

Andrew M. Hollingsead, Springfield Campus (Nonvoting)

Officers of the Board

Gerald W. Shea, Chair, LaGrange (Elected January 2001, Reelected January 2002)

Lawrence C. Eppley, Chair, Chicago (Elected February 2003)

Michèle M. Thompson, Secretary, Urbana

Craig S. Bazzani, Comptroller, Urbana (Retired 2002)

Stephen K. Rugg, Comptroller, Urbana (Appointed 2002)

Lester H. McKeever, Jr., Treasurer, Chicago

Thomas R. Bearrows, University Counsel, Chicago

Executive Committee

Lawrence C. Eppley, Chair, Niranjan S. Shah, Robert F. Vickrey

UNIVERSITY AND CAMPUS EXECUTIVE OFFICERS

James J. Stukel, Ph.D., President

Nancy Cantor, Ph.D., Chancellor, Urbana-Champaign Campus

Sylvia Manning, Ph.D., Chancellor, Chicago Campus

Richard D. Ringeisen, Ph.D., Chancellor, Springfield Campus

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

July 17-18, 2002



This meeting of the Board of Trustees of the University of Illinois was held in Conference Rooms G, C, and D, Public Affairs Center, Springfield campus, Springfield, Illinois, on Wednesday and Thursday, July 17 and 18, 2002, beginning at 10:35 a.m. on July 17 in Room G.

In Chair Gerald W. Shea's absence, Trustee Kenneth D. Schmidt, M.D., served as chair *pro tem*. He called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Lawrence C. Eppley, Mrs. Susan L. Gravenhorst, Mr. Thomas R. Lamont, Mr. Roger L. Plummer, Dr. Kenneth D. Schmidt, Mrs. Marjorie E. Sodemmann, Mr. Robert F. Vickrey. The following members of the board were absent: Mr. Gerald W. Shea, Dr. Jeffrey Gindorf, Governor George H. Ryan. Mr. Noah L. Wolfe, nonvoting student trustee from the Chicago campus, was present. The student trustees from the Springfield and Urbana-Champaign campuses were not present, as these new student trustees for the coming year were to be installed at the meeting on Thursday, July 18, 2002.

Also present were President James J. Stukel and Dr. Michele M. Thompson, secretary.

MOTION FOR EXECUTIVE SESSION

Dr. Schmidt stated: "A motion is now in order to hold an executive session to consider the following subject: University employee matters."

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

(The student advisory vote was: Aye, Mr. Wolfe; absent, none.)

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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RECESS SPECIAL EXECUTIVE SESSION

The board recessed the special executive session, and returned to an open meeting to consider a motion for an executive session involving University officers who were available and waiting.

MOTION FOR EXECUTIVE SESSION

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

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

(The student advisory vote was: Aye, Mr. Wolfe; absent, none.)

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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Collective Negotiating Matters

Chancellor Manning reported that negotiations for a new contract were underway with the Illinois Nurses Association.

Litigation

Mr. Bearrows reported on the two settlements recommended in the agenda and said that one involved delivery of an infant that resulted in nerve damage to the arm of the child. He stated that a traumatic delivery was determined to be the cause of the damage. He went on to discuss the opinions of experts who had reviewed the case and noted some weaknesses in the case for the University, that he said led him to recommend settlement. Mr. Bearrows also mentioned a recent verdict in a similar case that was greater than what is recommended to the board in this case.

The second case he discussed dated to 1992 and involved a delayed C-section delivery of an infant that was born with cerebral palsy. Charles Rice, M.D., vice chancellor for health affairs, was present and gave the descriptive background on this case. He stated that the claim is that the child's condition is a result of the delay in delivery, and he said that the insurance company for the University suggested settlement of this case. Mr. Bearrows also recommended settlement.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, this portion of the executive session was adjourned and the special executive session was resumed.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

SPECIAL EXECUTIVE SESSION ADJOURNED

There being no further business, this special executive session was adjourned.

BOARD MEETING RECESSED

At this time, the board recessed to reconvene in regular session at 8:30 a.m. on Thursday, July 18, 2002.

BOARD MEETING, JULY 18, 2002

The board reconvened in regular session at 8:44 a.m. on Thursday, July 18 in Rooms C & D, Public Affairs Center, Springfield campus, Springfield, Illinois.

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

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M.

¹Mr. Shea participated telephonically.

²Mr. Lamont left the meeting at 2:30 p.m.

Schoell, executive director for governmental relations; Ms. Alexis M. Tate, interim executive director of the University Office of Public Affairs; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

INSTALLATION OF NEW STUDENT TRUSTEES

Dr. Schmidt asked Mr. Lamont, Mr. Moore, and Mr. Stewart to proceed to the podium for the installation of the new student trustees. Mr. Lamont read the responsibilities of student trustees (on file with the secretary) and the board welcomed Messrs. Moore and Stewart to the board.

PUBLIC COMMENT

Dr. Schmidt stated that there were six individuals who had requested time to address the board and had been scheduled for public comment. He indicated that he would call on each in turn and that each person would be permitted five minutes to address the board.

Dr. Schmidt then called on Catherine Miller who spoke in opposition to retention of Chief Illiniwek, citing several groups that were opposed to the continuation of Chief Illiniwek and the report of the Diversity Committee at Urbana to support her position. She criticized the board for delaying taking a vote on the future status of the Chief.

The next person called on by Dr. Schmidt was Roger Huddleston who spoke in favor of continuing Chief Illiniwek. He identified himself as a part of the Save the Chief group and stated that Chief Illiniwek represents high moral standards and that the chief has proudly served as a symbol of respect for many years. He urged the board to reaffirm the Chief.

Dr. Schmidt then called on Lydia Khuri who advocated provision of benefits for domestic partners of employees at the University. She described her own situation and that of her domestic partner and asked the board to extend all benefits currently available to spouses of employees to domestic partners, both same-sex partners and opposite-sex partners. She asked the board not to use the budget shortfall to defer the decision to grant benefits to employees' domestic partners and stated that she and others would continue to press for these.

Next, Jane Reid spoke, stating that her remarks were to the board and President Stukel. She stated that she was beginning her fifth year at the University working with parents and students, something she said was very important to her. She criticized the University for not offering benefits to domestic partners of employees and stated that this constitutes unequal compensation to unmarried employees. She also indicated that the failure to provide these benefits is not consistent with the University's nondiscrimination policy. She noted that the lack of benefits for domestic partners affects her and her partner. She stated that all three campus senates at the University had passed a resolution supporting this matter and that six of the Big Ten institutions already offer benefits to domestic partners of employees. She added that costs for providing these benefits had been proven to be minimal at other institutions.

Patricia Morey spoke next and said that she wanted to put a face on the issue of benefits for domestic partners of University employees. She said that she and her partner had been together for eight years and that health insurance for her partner is a major concern, since her partner works for a small organization that does not offer health benefits. She said she is worried about health insurance for her partner in the future and asked the board to support a health insurance benefit for domestic partners of employees.

Alex Bonich was the last speaker who introduced himself as a doctoral student at Chicago. He too cited the University's nondiscrimination policy, and said he was concerned that some benefits are not offered to domestic partners of University employees. He said it was unfair that those who do not marry are not given the same rights as those who marry. He also stated it was important that the University make all rights and benefits available to married employees also available to unmarried employees. In closing, he cited statistics regarding how many corporations, higher education institutions, and state and local governments offer health benefits to domestic partners and stated that the costs for offering this are low.

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

Mr. Shea asked that agenda item no. 15, "Renew Agreements, University of Illinois Alumni Association and University of Illinois Foundation," be withdrawn from the agenda. He said that he objected to the language in this item that gives the president authority to make adjustments in the budgets for these two entities. He added that reports of budget changes were to have been presented to the board, and that to date no such reports have been provided, thus he did not wish to approve this item today. Discussion followed and President Stukel assured the board that there were very few budget changes last year, and that he recalled just one of any significance and that involved reallocating \$1.0 million to Springfield for programs. He added that this was given up in the budget cuts of the past year. Mr. Plummer suggested that a threshold amount be established, and that changes to the budget that exceed this amount be presented to the board for approval.

On motion of Mr. Eppley, the word "reasonable" was inserted in the text of the item before the word "adjustments." This was approved unanimously. However, Mrs. Gravenhorst stated that she wished to be recorded as also being in favor of accepting the item as presented.

Mr. Rugg said that one purpose of this language was to allow the president to make necessary accounting changes throughout the year. He said that he hoped that the threshold established would apply to programmatic changes, and not to transactions for accounting purposes.

Mr. Vickrey then asked for more information about agenda item no. 25, "Lease Space at 1515 Fifth Avenue in Moline, Illinois, College of Nursing, Chicago." Specifically he wanted more information on the rental rates and if these would include operating costs. He also asked if the utility charges would be for all days of the week and all hours of the day. Michael B. Provenzano, senior associate vice president for business and financial

services, said that this was the case. Mr. Vickrey also asked about cost increases for the second year of the lease. Mr. Provenzano explained that cost increases associated with year two would be shared by all the tenants.

Dr. Schmidt, referring to agenda item no. 22, "Employ Architect/Engineer for Renovation and Expansion of the Intramural Physical Education Building and the Campus Recreation Center East, Urbana," asked if there had been a student referendum at Urbana regarding this. Chancellor Cantor answered that there had been such a referendum and that the students voted in favor of this. Next, Dr. Schmidt asked about agenda item no. 13, "Increase Students for Equal Access to Learning (SEAL) Fee, Fiscal Year 2003, Urbana," and whether there had been a student referendum regarding this. Chancellor Cantor responded that there had been such a referendum and that the students approved this.

BOARD MEETING RECESSED

The board meeting was recessed for a meeting of the board as a Committee of the Whole, and a meeting of the Committee on the University Hospital and Clinics.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Opening Remarks

Dr. Schmidt announced that this committee meeting was for the purpose of receiving a status report on the Fiscal Year 2003 budget, and for a presentation and discussion of the budget request for FY 2004. He turned to President Stukel for remarks. The president began by stating that the University of Illinois ranked among the top five to ten public universities in the country and that this was due in part to the decentralized management system at the University allowing decision making to occur at the most immediate level of activity, the level at which most faculty report. He noted that the faculty has been extremely successful in competing for research grants and in recruiting the best graduate students, because the system in place at the University is responsive and decisions can be made expeditiously. He stated that the University is now fourth in the nation in research and development due to the quality of the faculty and to the systems in place at the University to aid faculty in conducting research.

He then turned to the subject of the severe budget cuts experienced by the University during the past year and thanked the chancellors and all members of the University community for their cooperation in adjusting to the budget changes required. He indicated that the flexibility and initiative of the units throughout the University were what made adjustment to the large budget cuts possible. And, he added that this type of adaptation within the University at the unit level was a hallmark of the quality of the University. He said that Dr. Gardner would present the impact of these budget cuts that were made possible by the way in which the University's budget is structured.

Mr. Plummer said he wanted to speak in support of the budget system in place since he had learned much about it in the last few weeks through reviews with University administrators. He stated that the budget system is a reasonable one and that it will help the University in the next few years.

Fiscal Year 2003 Budget

Dr. Gardner presented information on the impact of the budget cuts of the past year on the budget for FY 2003 (materials on file with the secretary). These included canceled courses, larger classes, the loss of 180 faculty, who might have brought in revenue from grants, and reduced services at the University Hospital.

He then reviewed data regarding the funding of higher education in Illinois for the last 13 years (materials on file with the secretary), pointing out that most of the increases in the higher education budget had gone to the State Universities Retirement System (SURS) and to the Illinois Student Assistance Commission (ISAC). Dr. Gardner stated that the budget cut of \$73.0 million resulted in a loss of 900 positions. He then reviewed the allocation plans for the \$52.0 million that is expected from the tuition increase approved by the board in June 2002. At this point Mr. Shea asked for the total amount budgeted for addressing the gap created by reduced funding by the State for the Monetary Award Program (MAP) at the University and was told that this was \$16.1 million. Mr. Rugg added that the University awards approximately \$8.0 million to students in additional financial aid each year. Discussion followed about the possibility of giving students loans instead of grants for the gap between the University's tuition and the MAP award. Dr. Gardner said that making loans to students for the "MAP gap" would not be possible for next year, given the fact that classes will begin in August, but that this might be possible for the future. Mr. Shea indicated that he wanted a board discussion on the funding of the "MAP gap" soon, and Mr. Eppley agreed that this was necessary since the magnitude of the subsidy from the University had grown markedly in recent years. Mr. Plummer concurred with this suggestion and noted that Dr. Gardner was planning to bring a report to the board in the fall on recommendations for tuition policies. Mr. Vickrey asked if there were other ways to fund the gap other than through the subsidy from the University and Dr. Gardner said that he was hoping that there might be philanthropic sources available to assist with this, and he added that an expansion of institutional loans might also be a means.

In response Chancellor Cantor reported that the financial aid packages for students include substantial amounts in loans and work-study awards (for jobs on campus). She also noted that the Urbana campus raises funds for scholarships for students who come from modest income families.

President Stukel briefly recapped the issues regarding University support for students with financial need, and said that a report on tuition policy was in process and would be ready for the board in a few months. He also stated that he was aware of the board's concern about funding the fifth year for students who had received MAP awards for four years previously.

Fiscal Year 2004 Budget

Dr. Gardner presented the budget request for FY 2004 and told the board that \$18.0 million above the FY 2002 budget was requested, or an 8.47 percent increase above the FY 2003 budget (materials on file with the secretary). The first feature of the budget he discussed was a recommendation for a salary increase for faculty and staff for FY 2002. He emphasized that this was needed to compensate for the lack of a salary program for FY 2003. To illustrate the need for this increase he reviewed comparative data on salaries for faculty in other Big Ten institutions and peer institutions for each campus. He explained that salary decisions would be made on merit for all faculty and staff and recommended 4 percent for a merit salary increase with an additional 2 percent for those deemed critical to the institution, and an additional 3 percent for unusual merit increases for faculty. He noted that each 1 percent increase in salary for all faculty and staff would cost \$8.0 million.

Dr. Gardner then stated that another high priority for the budget is renovation of facilities. He said that there is a need for \$34.0 million for facility renovations and that there was \$12.0 million on hand currently.

He indicated that other priorities include the University-wide programs that address such important State initiatives as the P-16 program to assist the State in the preparation of teachers. Following that, each chancellor listed programs that were important to the campuses.

Chancellor Ringeisen said that priorities for Springfield included plans to increase the number of on-line courses, expand the teacher education program, strengthen the College of Business Administration in order to achieve accreditation, and add support for the Abraham Lincoln Presidential Center for Governmental Studies.

Chancellor Manning stated that the needs of the Chicago campus were to improve the general education course offerings, to develop a program in urban studies, to provide support in the biotechnology area, and to develop more cross-disciplinary programs.

Chancellor Cantor told the board that re-establishing the faculty excellence program at Urbana; building programs in the humanities and the social sciences; expanding Partnership Illinois; and increasing staffing in the Cooperative Extension Service are the priorities for the FY 2004 budget.

Dr. Gardner summarized the budget plans for FY 2003 and told the board that in order to meet the University's needs an increased State appropriation would be required, combined with tuition revenue, and reallocation within the University.

Capital Budget Request, Fiscal Year 2004

Mr. Rugg presented the request for capital programs for FY 2004 (materials on file with the secretary) and reviewed the appropriation for capital programs for FY 2003, not yet signed by Governor Ryan.

He recalled for the board that in the last four years the University has received approximately \$500.0 million in capital projects, and noted that the emphasis of the governor's VentureTech initiative and the State's economic development programs matched the University's needs ideally during this time. He also mentioned that the University received funds for the College of Medicine Research Building as a special State initiative, outside of the higher education capital budget. He said that, though unplanned, this total was approximately evenly divided between Chicago and Urbana.

Mr. Rugg then explained that FY 2004 will be a transition year for the State in that there will be a new governor and many new legislators, and there is a new executive director of the Illinois Board of Higher Education. He said that the University should stay the course and continue developing its multiple missions including commitment to the University's economic development role, and pay attention to thematic approaches of the new governor's administration in Springfield. Next, he reviewed the list of priorities for facilities for each campus (on file with the secretary).

COMMITTEE MEETING RECESSED FOR LUNCHEON

The board meeting as a Committee of the Whole recessed for 30 minutes for luncheon and then returned to complete the topics presented for discussion in this committee.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE RECONVENED

At this time the board reconvened to continue the meeting of the board as a Committee of the Whole.

Presentation and Discussion of Health Benefits for Domestic Partners of University Employees

President Stukel introduced this presentation and reported to the board that he had worked with the University Senates Conference for the past two years on the topic of benefits for domestic partners of University employees. He apprised the board that all three campus' senates had endorsed such benefits and that the University Senates Conference had asked him to advance this suggestion to the board. He explained that further investigation of costs for such a benefit needs research, but that the cost to peer institutions for this benefit has been very modest. He told the board that the University is at a disadvantage in recruiting and retaining faculty and staff because other comparable institutions offer this benefit. He also informed the board that he recommended this benefit be made available for employees with same-sex domestic partners but not for those employees with opposite-sex domestic partners, noting that the senates had suggested it for both sets of domestic partners. The president said that whenever it is possible he would bring a recommendation to the board concerning this. He added that the University must have access to excellent faculty, and that the absence of a policy for providing health benefits to domestic partners of employees hinders the University in its efforts to recruit and retain some

outstanding faculty. He then introduced Professor Karen Alston, associate professor of educational policy studies and Women's Studies Program; and director, Women's Studies Program, Urbana. Professor Alston is also a member of the University Senates Conference and was representing that group.

Professor Alston gave examples of recruitment and retention of excellent faculty that were not possible because the University lacks this benefit. She also reviewed the University's nondiscrimination policy, and suggested that this provision was a logical extension of the application of that policy. She then reviewed the history of the discussion of this policy within the campus senates and in the University Senates Conference, concluding with the information that in November 2001 the University Senates Conference advised the president that they would recommend that the University provide benefits to domestic partners of University employees. She noted that benefits for domestic partners of employees are commonplace in many different types of organizations in our country, and said that it is a pragmatic issue for the University in its efforts to recruit and retain excellent faculty and staff. She concluded her remarks by stating that she hoped the board would approve such a policy.

All three chancellors then endorsed the policy, saying that it was an important issue at each of their campuses and nationally.

Discussion among the board members followed and the trustees requested more information regarding potential costs of this benefit and the ramifications of providing this in the face of the Illinois Department of Central Management's reluctance to provide this for State employees generally. They engaged Mr. Bearrows in a discussion of the legality of providing this benefit, since the State agency responsible for providing employee benefits chooses not to provide it. Mr. Bearrow stated that recent decisions make it clear that providing this benefit would be legal.

The board also discussed the wisdom of introducing this benefit since no other State entity offers such at this time, though local governments in the State do offer it. President Stukel assured the board that more research would be done to discover if other State universities were providing this benefit or considering providing it, and that a study of potential costs would also be made, with reports to the board following.

Dr. Schmidt thanked Professor Alston for her comments.

MEETING OF THE COMMITTEE ON THE UNIVERSITY HOSPITAL AND CLINICS

Mr. Vickrey, chair of this committee, convened the meeting and asked Dr. Charles L. Rice, vice chancellor for health affairs, to make a presentation on the budget for the hospital and clinics (materials on file with the secretary). Dr. Rice reported that the budget expenditures for Fiscal Year 2002 were slightly less than the planned budget for this time period. He also told the board that the State appropriation rescission in FY 2002 resulted in a loss of \$2.0 million to the hospital and clinics, that the decision on reducing Medicaid reimbursements by \$2.5 million had been appealed, that the

lost pharmacy charges totaled \$1.5 million, that there was a shortfall of \$2.0 million in outpatient commercial payments, and that the 1999 Medicare GME audit was \$2.5 million. He reviewed the unbudgeted expenses of \$2.5 million for medical liability insurance, payments to physicians of \$0.5 million, and salary adjustments of \$0.5 million. Dr. Rice then described the planned budget for FY 2003, and said that the goals were to maintain a positive operating margin and to improve the cash position. He said that no growth in patient days was anticipated, a 2 percent increase in outpatient visits was projected, a charge rate increase would be introduced, a decrease in Medicaid outpatient visits is expected, a decrease in the State appropriation is expected, and the hospital and clinics plan to improve billings and collections and negotiate better managed contracts. He said that special initiatives were planned for FY 2003 to improve volume. These include: marketing; establishing a call center; introducing a new registration system; and forming strategic alliances with Holy Cross Hospital, the Advocate system, and West Suburban Hospital. He added the following goals for the year ahead: improving labor productivity, rationalizing support to the College of Medicine and the Medical Service Plan and others, reducing overtime, and reducing bad debt.

Dr. Rice then reported on satisfaction studies of patients and employees and said that the patient satisfaction data report higher satisfaction among the patients, 90.7 percent, and that the employee satisfaction is 76 percent and tends to be more volatile.

Discussion followed and Mrs. Gravenhorst asked if marketing efforts introduced a few years continued. Dr. Rice explained that these had been reduced from \$2.0 million to \$175,000 after the budget rescission in Fall 2001, and that more than \$1.0 million was planned for FY 2003 for this activity. Mrs. Gravenhorst also asked about Mile Square Health Center and Dr. Rice said that it was an important teaching and treatment site, and that it had received some important grants.

Dr. Schmidt inquired about efforts to differentiate the University of Illinois Hospital and Clinics from other institutions in marketing, and was assured that the confusion was no longer a problem. Dr. Schmidt also called attention to the fact that the financial problems were mainly due to medical liability payments related to the location and environment in which the hospital and clinics operate, adding that the teaching mission is also affected by this.

BOARD MEETING RECONVENED

The board reconvened in regular session and those board members noted at the beginning of the day as present were still in attendance.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of March 13-14, 2002, copies of which had previously been sent to the board.

On motion of Mrs. Gravenhorst, these minutes were approved.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

He then turned to the chancellors and asked them to report individually on matters concerning their campuses. Chancellor Ringeisen commented on both remodeling and construction of facilities at the Springfield campus; special efforts of the faculty in offering on-line courses and the fact that more than half of the faculty offer such courses; a Sloan Foundation grant to the campus to provide for more such courses to be offered; and a special program on the campus for high school students, known as the Lincoln Leadership Program, in which students earn college credit.

Chancellor Manning spoke of the accomplishments of faculty and students at Chicago for the past year including four students who were named Fulbright Scholars, one who received a Truman Scholarship (worth about \$30,000), four students who received Goldwater Scholarships, one recipient of a Udall Scholarship, and one who received a Schiff Foundation Fellowship. Also, she said three faculty members were appointed to national committees and boards last year. Further, she saluted faculty ingenuity for accomplishments in technology transfer, stating that last year there were 109 invention disclosures filed.

Chancellor Cantor described three examples of how the Urbana campus is fulfilling the University's mission of service outside the classroom. One was the revelation through faculty research on environmental factors, such as the amount of green space in one's surroundings, of a correlation of exposure to green space and positive mental health; another is the development of a web site, the River Web, to aid in the creation of local history that combines computing and historical research, and the third was an approach to dealing with biotechnology and ethical considerations in our society that is developing as a result of biological research with attendant ethical concerns. She cited these as examples of new alignments of disciplines working together.

OLD BUSINESS

Mr. Plummer described a meeting with the American Council on Education (ACE) Fellows Program in June. He explained that this program is for academics who have an interest in moving into the administration of higher education institutions. He told the board that he was a panelist on a program for this group that was designed to give the fellows a perspective on the views of governing board members concerning institutional leader-

¹University Senates Conference: Karen L. Alston, associate professor of educational policy studies and Women's Studies Program, and director, Women's Studies Program, Urbana-Champaign campus; Chicago Senate: William G. Jones, assistant university librarian and associate professor, University Library, and secretary of the UIC Senate; Springfield Senate: Karen L. Kirkendall, associate professor, Psychology Program; Urbana-Champaign Senate Council: Michael R. Murphy, professor of nutrition in the Department of Animal Sciences.

ship including conflict resolution, board development, and presidential development. He said that he found this a very interesting experience.

Dr. Schmidt reported on developments regarding the research parks in Urbana and in DuPage County. For the University of Illinois Research Park, LLC, at Urbana he said that the board had met the day before and reviewed the budget for Fiscal Year 2003. He also said that the opening of the incubator building in this research park was scheduled for January 2003, noted that the first two buildings in this research park were partly occupied, and that there would be a groundbreaking for the third building in August 2002. He said that the new board chair is Edward McMillan, an external member of the Board of Managers.

Next, Dr. Schmidt said that the DuPage Research Park, TRECC, located at the DuPage County Airport has a five-member board with two members from the DuPage Airport board, two from the county, and one from the University of Illinois. He said that this board recently concluded contracts for water service to the park.

NEW BUSINESS

Mrs. Sodemann, reporting as a member of the Chancellor's Advisory Committee on Child Care at Urbana, said she was pleased to announce plans to address the child-care needs at the Urbana campus and in the Champaign-Urbana community by way of a joint effort combining resources of the campus and the United Way agency. She then asked Chancellor Cantor to elaborate on this initiative. Chancellor Cantor said that this effort will manifest itself in a program known as *Success by Six* that is to include provision of services for drop-in care for children and a component for sick-child care which involves in-home care for sick children. She described this as a comprehensive strategy for early childhood services. She then lauded the advisory committee's assistance, and said that it is made up of community and campus representatives who come together regularly to address the many issues related to providing for more child-care services in the community and on campus.

Mrs. Gravenhorst informed the board that she had been invited to serve as a member of the Association of Governing Boards' Council of Board Chairs for the coming year. She reminded the board that this council is made up of current and past board chairs and it advises the leadership of the Association of Governing Boards. She said that the annual meeting is scheduled for November 11-12, 2002.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 14 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Appoint Board of Examiners in Accountancy, Urbana

(1) The chancellor at Urbana with the advice of the chairman of the Nominating Committee of the Board of Examiners, recommends the appointments of Ms. Margaret A. Cartier, Dr. Gary L. Fish, and Mr. Richard J. York to the Board of Examiners for three-year terms that will commence on August 1, 2002, and end July 31, 2005.

According to State statute, the University of Illinois appoints a Board of Examiners to determine the qualifications of persons applying for CPA certificates and makes rules for and conducts examinations for determining qualified candidates. The board consists of nine examiners whose term of office shall be three years. Any board member who has served as a member for six consecutive years shall not be eligible for reappointment until two years after the end of the term in which the sixth consecutive year of service occurred.

The president of the University concurs.

MS. MARGARET A. CARTIER, B.S., MBA, CPA, is a managing director in the Service/ Non-profit Department of American Express Tax and Business Services. Her clients include service, education, and nonprofit organizations. Her degrees were earned at the University of Florida and she taught accounting at Old Dominion University in Virginia before moving to Chicago.

Ms. Cartier has served in a leadership capacity in many civic and professional organizations. She was a member of the Illinois Board of Examiners from 1994 through 2000, serving as chair from 1995-96. She is an active member and past officer of the Illinois CPA Society and a member of the American Institute of Certified Public Accountants. She is very involved in promoting the interests of women in business and has served as president of the Chicago Finance Exchange, director of the National Association of Women Business Owners, and president of the Chicago Society of Women CPAs. Ms. Cartier recently received the Illinois CPA Society's Lifetime Achievement Award for her contributions to her profession.

Her civic involvement includes past president of the YWCA of Metropolitan Chicago, and she has served on the Illinois Governor's Commissioning Committee for the USS Abraham Lincoln and on Recorder Jesse White's Transition Team.

Ms. Cartier will commence a new three-year appointment after a two-year hiatus from the Board of Examiners. She is eligible for reappointment per the *Illinois Regulations Governing the Certificate of Certified Public Accountant*.

DR. GARY L. FISH, M.A.S, Ed.D., CPA, is a professor emeritus of accountancy of the Department of Accountancy at Illinois State University. Dr. Fish's teaching responsibilities spanned 31 years in higher education. He served as an internal auditor and systems analyst at the University of Illinois at Urbana-Champaign. He has published a number of articles in professional journals, such as the *Journal of Accountancy* and *Insights* magazine. He earned his Master's in Accounting and Ed.D. from the University of Illinois at Urbana-Champaign.

Dr. Fish has been active in the CPA profession serving on multiple boards including a prior term on the Illinois Board of Examiners from 1994 through 2000, as well as vice president and president of the Illinois CPA Society (ICPAS).

Dr. Fish has served the CPA profession in several capacities, among them as a member of the Board of Directors of the National Association of State Boards of Accountancy (NASBA), a member of the American Institute of CPA's (AICPA) Governing Council, chairman of the Marketing and Distribution Committee of the AICPA, a member of the Strategic Planning Committee of the ICPAS, and a member of the Accounting Education Advisory Committee of the American Association of Accountants.

Dr. Fish will commence a new three-year appointment after a two-year hiatus from the Board of Examiners. He is eligible for reappointment per the *Illinois Regulations Governing the Certificate of Certified Public Accountant*.

MR. RICHARD J. YORK, B.S., CPA, holds the position of associate principal with the firm of Rice, Sullivan & Co., Ltd., a CPA firm located in Belleville, Illinois. He is involved in accounting, tax and management advisory work, and has also performed numerous business valuations for estate tax and planning purposes.

Mr. York earned his Bachelor of Science in Professional Accounting from Southern Illinois University. He has served on the faculties of McKendree College and Southwestern Illinois College, teaching courses in accounting for nonprofit businesses and business income taxes.

His professional membership includes membership in the American Institute of CPAs and the Illinois CPA Society. He has been very active at the chapter level of the Illinois CPA Society serving as its president, vice president, and treasurer. Mr. York is a legislative contact for State Representative Thomas Holbrook.

Community involvement includes serving as vice president and president of the St. Clair County Rotary Club. He is also on their Board of Directors.

This is Mr. York's first appointment to the Board of Examiners.

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

Appoint Athletic Board, Urbana

(2) With the recommendation of the chancellor at Urbana, Professor Karen Alston (Women Studies/Educational Policy Studies), Professor Kathleen Conlin (Fine and Applied Arts/Theatre), Professor Jerome Packard (East Asian Languages and Cultures), Mr. Joel Weisman (alumnus), Mr. John Kronforst (student), Mr. Richard Morales (student), and Ms. Brenna Webb (student) have been nominated for appointment to the Athletic Board of the University of Illinois at Urbana-Champaign. The chancellor at Urbana also recommends the appointment of Professor Matthew Wheeler (Animal Sciences) as Faculty Athletic Representative (FAR) to the Big Ten Conference and the National Collegiate Athletic Association; the FAR also serves on the Athletic Board. The appointments will be effective August 2002, and continue for the term designated or until a successor has been appointed.

The Athletic Board is a committee concerned with intercollegiate athletics at the Urbana campus. In its oversight of the academic and educational aspects of the intercollegiate athletics program, it is a committee of the Urbana-Champaign Senate. The board also serves as an advisory committee to the chancellor and the athletic director on the financial management, personnel, and other operational aspects of the intercollegiate athletics program.

The board consists of twenty members: two faculty representatives to the Big Ten; seven other faculty members; four alumni of the Urbana-Champaign campus; the chair of the Board of Trustees' Committee on Athletics; three students; and three ex-officio members without vote: a designee of the chancellor, the university comptroller or designee, and the athletic director. A slate of faculty nominees is provided to the chancellor by the Urbana-Champaign Senate. The slate of student nominees is provided to the chancellor by the Urbana-Champaign Senate, the Illinois Student Government, and the Student Athlete Advisory Board to fill one student position each. The slate of alumni is provided by the Urbana-Champaign Council of the Alumni Association. The chancellor reviews the lists of nominees and forwards her recommendations to the president of the University for action by the Board of Trustees.

The president of the University recommends approval.

KAREN ALSTON, professor and director, Women Studies Program and Educational Policy Studies, for a term ending in 2006. Professor Alston holds an A.B. from Dartmouth College and a Ph.D. from the University of Chicago. She teaches courses in philosophy of education and feminist media studies. Her research focuses on the examination and criticism of the media-saturated culture in which adolescents develop their personal and educational identities. Professor Alston is also interested in the means by which culture interpolates racial, gender, and sexual representations. She has served on numerous departmental, college, University, and national committees.

KATHLEEN CONLIN, professor and dean, College of Fine and Applied Arts and Department of Theatre, for a term ending in 2006. Professor Conlin holds a Ph.D. from the University of Michigan and completed post-doctoral work in Shakespearean drama at the University of Birmingham, Stratford-upon-Avon, England. Her creative research is in the production of new works for the theatre, Shakespeare, and the

classics. Active on a variety of campus committees and projects, she is vice president of the National Theatre Conference, immediate past president of the National Association of Schools of Theatre, and associate artistic director of the Tony Award winning Utah Shakespearean Festival.

JEROME PACKARD, professor, Department of East Asian Languages and Cultures, College of Liberal Arts and Sciences, for a term ending in 2004. Professor Packard holds a B.A. in Chinese from the University of Massachusetts at Amherst, as well as M.A. and Ph.D. degrees in linguistics from Cornell University. A professor of Chinese language and linguistics, he teaches courses in Chinese language structure and Chinese psycholinguistics. He is currently performing research on how sentences are processed by adult Chinese speakers and adult learners of Chinese, and how Chinese children learn to read and write Chinese characters. Professor Packard has served twice as East Asian Languages and Cultures department head, and has served on numerous departmental, college, and University committees.

MATTHEW WHEELER, professor, Department of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, for an indefinite term coinciding with service as faculty athletic representative. Professor Wheeler holds B.S. and M.S. degrees from the University of California at Davis, and a Ph.D. from Colorado State University. He teaches courses in reproductive and developmental biology. His research goals are to identify genes that regulate reproduction, lactation and growth, and to develop methodologies to transfer and utilize these genes for the genetic improvement of livestock. His work also focuses on the identification of embryo viability using microfluidics and microelectromechanical systems. He has served on numerous departmental, college, University, and national committees. Professor Wheeler has also served for six years on the Athletic Board. He has been a mentor of the board's Executive Committee, and chair of the board's Academic Progress and Eligibility Committee. He is currently chair of the Athletic Board.

JOEL WEISMAN, alumnus, College of Commerce and Business Administration, for a term ending in 2006. Mr. Weisman is chair of the University of Illinois Alumni Association. He is an attorney with Siegan and Weisman in Northbrook, Illinois, with a specialization in media and entertainment law. Mr. Weisman holds a B.S. in marketing from the University of Illinois at Urbana-Champaign, and a J.D. from the Illinois Institute of Technology—Chicago Kent College of Law. He is host and senior editor of the *Chicago Week in Review* on WTTW-Channel 11, and was a commentator on WGN's *Nine O'clock News*, where he had served as a news analyst for more than 10 years. Mr. Weisman is a member of the UI Foundation's President's Council and has established scholarship programs in the UIUC College of Communications and College of Commerce and Business Administration.

JOHN KRONFORST, student, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, for a term ending in 2003. Mr. Kronforst graduated from the College of Liberal Arts and Sciences at Urbana, majoring in biology, in May 2002. He will begin graduate school in molecular and cellular biology this fall and will continue to compete in both track and cross country. He placed seventh in the Big Ten Cross country meet last fall, earning First Team All-Big-Ten honors. He scored at the Big Ten track and field championships each of the last three years. John is a two-time George Huff Award winner, and three-time academic All-Big-Ten recipient.

RICHARD MORALES, student, College of Communications, for a term ending in 2003. Mr. Morales is a junior in the College of Communications, majoring in print journalism. He has been involved with the Illini Union Board as chair of the Latino Programming Committee. He is a peer counselor for the Office of Minority Student Affairs, and is a reporter for *The Daily Illini*. One of his primary interests is to help ensure that student athletes succeed in the classroom as well as on the court/playing field.

BRENNA WEBB, student, College of Applied Life Studies, for a term ending in 2003. Ms. Webb is a senior in the College of Applied Life Studies, majoring in leisure studies, with a concentration in sport management. She attended Champaign Centennial

High School where she was a cheerleader for two years before continuing on as a member of the UIUC cheerleading squad as a freshman. She has participated in the Volunteer Illini Recruiting program with Illinois football, and is now one of four student coordinators with the program. She is also an executive board member for the College of Applied Life Studies Council and a member of the Delta Chapter of Kappa Alpha Theta Sorority.

On motion of Mr. Wolfe, these appointments were approved.

**Appoint Dean, College of Agricultural, Consumer
and Environmental Sciences, Urbana**

(3) The chancellor at Urbana has recommended the appointment of Robert A. Easter, presently professor of animal sciences, professor, Division of Nutritional Sciences, and interim dean, College of Agricultural, Consumer and Environmental Sciences, University of Illinois at Urbana-Champaign, as dean of the College of Agricultural, Consumer and Environmental Sciences, beginning July 21, 2002, on a twelve-month service basis, at an annual salary of \$170,000 (equivalent to an annual nine-month base salary of \$139,091 plus two-ninths annualization of \$30,909), and an administrative increment of \$30,000, for a total annual salary of \$200,000.

Dr. Easter will continue to hold the rank of professor of animal sciences on indefinite tenure on an academic year service basis on zero percent time (non-salaried). In addition, he will continue as professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences, on zero percent time (non-tenured and non-salaried).

Dr. Easter has served as acting then interim dean since August 3, 2001, when he succeeded former Dean David L. Chicoine, who was appointed as vice president for economic development and corporate relations.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Wolfe, this appointment was approved.

¹Bradford S. Schwartz, professor and physician surgeon, Department of Internal Medicine, and regional dean, University of Illinois at Chicago College of Medicine at Urbana-Champaign, *chair*; Loren E. Bode, professor and head, Department of Agricultural Engineering, College of Agricultural, Consumer and Environmental Sciences; Willene Buffet, extension unit leader/Level III, University of Illinois Extension and Outreach, College of Agricultural, Consumer and Environmental Sciences; Dennis R. Campion, professor of animal sciences and associate dean for extension and outreach, University of Illinois Extension and Outreach, College of Agricultural, Consumer and Environmental Sciences; Cleora D'Arcy, professor of crop sciences, and interim assistant dean for academic programs; College of Agricultural, Consumer and Environmental Sciences; Aaron T. Ebata, associate professor of social development, Department of Human and Community Development, College of Agricultural, Consumer and Environmental Sciences; Michelle Lynn Eley, graduate student in human and community development, College of Agricultural, Consumer and Environmental Sciences; John W. Erdman, Jr., professor and nutrition research chair, Department of Food Science and Human Nutrition, College of Agricultural, Consumer and Environmental Sciences; Susan E. Fahrbach, associate professor of entomology, College of Liberal Arts and Sciences; Philip Garcia, professor and Hieronymus Distinguished Chair, Futures Markets, Department of Agricultural and Consumer Economics, College of Agricultural, Consumer and Environmental Sciences; Harris A. Lewin, professor and Gutgsell Endowed Chair, Department of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, and director, W.M. Keck Center, Biotechnology Center, Office of Vice Chancellor for Research; Lynette L. Marshall, assistant chancellor for development, Campus Office of Development; Rebecca A. Meyer, undergraduate student, College of Agricultural, Consumer and Environmental Sciences; Mary Ann Smith, professor of plant physiology and interim head, Department of Natural Resources and Environmental Sciences, College of Agricultural, Consumer and Environmental Sciences; Herbert E. Whiteley, professor of veterinary pathobiology, dean, College of Veterinary Medicine, and director of the Center for Zoonoses Research, College of Veterinary Medicine, and associate dean for Veterinary Programs in Agriculture, College of Agricultural, Consumer and Environmental Sciences.

Appoint Dean, College of Law, Urbana

(4) The chancellor at Urbana has recommended the appointment of Heidi M. Hurd, presently Herzog Research Professor of Law; Herzog Endowment Scholar; co-director, Institute for Law and Philosophy; and co-editor-in-chief, *Law and Philosophy*, University of San Diego, California, as dean of the College of Law, beginning August 21, 2002, on a twelve-month service basis, at an annual salary of \$208,000 (equivalent to an annual nine-month base salary of \$170,182 plus two-ninths annualization of \$37,818), and an administrative increment of \$30,000, for a total annual salary of \$238,000. Dr. Hurd will be appointed to the rank of professor, College of Law, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), and professor of philosophy, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried). In addition, Dr. Hurd will be appointed as David C. Baum Memorial Professor of Law, on zero percent time (non-tenured and non-salaried). She will succeed Dean Thomas M. Mengler, who resigned in order to serve as the founding dean at the new College of Law at the University of St. Thomas in Minneapolis, Minnesota.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Wolfe, this appointment was approved.

Executive Director for University Relations, University Administration

(5) The president is recommending the appointment of Thomas P. Hardy, currently managing director of public affairs for Burson-Marsteller, Chicago, as executive director for University Relations (formerly the University Office for Public Affairs), effective August 1, 2002, on a twelve-month service basis, at an annual salary of \$165,000.

Mr. Hardy will succeed Alexis M. Tate, who served as interim executive director for public affairs since February 1, 2000, following the resignation of Susan H. Trebach.

The campus chancellors are in concurrence with this recommendation. I seek your approval.

On motion of Mr. Wolfe, this appointment was approved.

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

¹David E. Daniel, professor of civil and environmental engineering, Gutsell Professor of Civil and Environmental Engineering, and dean, College of Engineering, *chair*; William J. Davey, professor, College of Law, and Edwin M. Adams Professor of Law; Matthew W. Finkin, professor, College of Law, and Albert J. Harno Professor of Law; Janis J. Johnston, director of the Law Library and associate professor of library administration, University Library; Jay P. Kesan, assistant professor, College of Law, and assistant professor, Institute of Government and Public Affairs, University Administration; Richard H. McAdams, professor, College of Law; Elaine W. Shoben, professor, College of Law, and Edward W. Cleary Professor of Law; Charles T. Terry, professor of law.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

MIREYA DONDALSKI, assistant professor of radiology, College of Medicine at Chicago, on 60 percent time, beginning June 1, 2002 (NY) at an annual salary of \$114,000.

*MADHU DUBEY, professor of English, on 100 percent time, May 21-August 20, 2002 (N), \$35,000, and continuing as professor of English, on 50 percent time, and professor of African-American Studies, on 50 percent time, effective August 21, 2002 (A50;A50), at an annual salary of \$105,000.

GEORGE KARABATSOS, assistant professor, College of Education, on 100 percent time, beginning August 21, 2002 (4), at an annual salary of \$53,000.

SHARON HOGAN MASTRACCI, assistant professor, Public Administration Program, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$52,000.

*JULIA E. MELKERS, associate professor, Public Administration Program, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$68,000.

*CAROL M. MYFORD, associate professor, College of Education, on 100 percent time, July 1-August 20, 2002 (N), \$12,847, and continuing August 21, 2002 (A), at an annual salary of \$69,375.

KAREN E. PETERS, assistant professor, Division of Health Policy and Administration, School of Public Health, on 100 percent time, beginning March 1, 2002 (N) at an annual salary of \$72,100. Dr. Peters was appointed to serve as visiting assistant professor, Division of Health Policy and Administration under the same conditions and salary arrangement beginning January 8, 2002.

JEMIMA PIERRE, assistant professor of African-American Studies, on 100 percent time, July 21-August 20, 2002 (N), \$6,444, and continuing as assistant professor of African-American Studies, on 75 percent time, and assistant professor of anthropology, on 25 percent time, effective August 21, 2002 (1;1), at an annual salary of \$58,000.

PATRICK J. ROUSCHE, assistant professor of bioengineering, on 100 percent time, beginning April 1, 2002 (N), at an annual salary of \$80,000.

THELMA CHEDGZEY SMITH-MCKEEVER, assistant professor, Jane Addams College of Social Work, on 100 percent time, June 1-June 30, 2002 (N), \$5,178, and continuing August 21, 2002 (1), at an annual salary of \$46,600.

Emeriti Appointments

CHARLES H. CHASTAIN, associate professor emeritus of philosophy, May 21, 2002

MICHAEL R. CUMMINGS, associate professor emeritus of biological sciences, May 21, 2002

PHILLIP M. FORMAN, dean emeritus, College of Medicine, October 6, 1989, and professor emeritus, Division of Health Policy and Administration, May 21, 2002

MI JA KIM, dean emerita, College of Nursing, September 1, 1995

J. FRED MCLIMORE, associate professor emeritus of managerial studies, September 1, 2002

PEDRO ANTONIO MONTANO, professor emeritus of physics, March 1, 2002

CHEMUDURI L. NARAYANA, professor emeritus of managerial studies, September 1, 2002

JUDITH C. NELSEN, professor emerita, Jane Addams College of Social Work, May 21, 2002

UDAY P. SUKHATME, professor emeritus of physics, August 1, 2002

ELEANOR D. TOLSON, associate professor emerita, Jane Addams College of Social Work, September 1, 2002

Springfield

HEATHER L. BAILEY, assistant professor, History Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$39,000.

- *KAMYAR DEZHGOSHA, associate professor, Computer Science Program, on 100 percent time, beginning August 16, 2002 (A), at an annual salary of \$80,000.
 NANCY L. A. FORTH, assistant professor, Human Development Counseling Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$42,000.
 JOHN GRZNAR, assistant professor of business administration, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$76,000.
 TAIEBEH HOSSEINALI, assistant professor, Teacher Education Program, on 100 percent time, beginning August 16, 2002 (3), at an annual salary of \$45,000.
 DOUGLAS A. MARSHALL, assistant professor, Sociology/Anthropology Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$42,500.

Emeriti Appointments

- STEVEN A. EGGER, professor emeritus of criminal justice, August 16, 2002
 PROSHANTA NANDI, professor emeritus, Sociology/Anthropology Program, August 1, 2002
 MICHAEL D. QUAM, professor emeritus of public health, August 1, 2002

Urbana-Champaign

- ROBERT G. ANDERSON, assistant professor of theatre, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$41,000.
 FRANKLIN RANDOLPH DECELLE, assistant professor of theatre, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.
 THOMAS K. GRAVES, assistant professor of veterinary clinical medicine, on 100 percent time, beginning July 21, 2002 (NY), at an annual salary of \$85,000.
 JAMES A. HANSEN, assistant professor of English, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$47,000.
 KRISTEN HARRISON, assistant professor of speech communication, on 100 percent time, beginning August 21, 2002 (3), at an annual salary of \$67,000.
 JOAN S. JORGENSEN, assistant professor of veterinary biosciences, on 100 percent time, June 1-August 20, 2002 (N), \$19,852, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$67,000.
 KATHRYN KADOUS, associate professor of accountancy, on 100 percent time, June 21-August 20, 2002 (N), \$31,778, and continuing on 100 percent time, for four years effective August 21, 2002 (Q), at an annual salary of \$143,000.
 MARY KATHLEEN KERN, assistant reference librarian and assistant professor of library administration, University Library, Urbana-Champaign, on 100 percent time, beginning March 21, 2002 (NY), at an annual salary of \$41,000.
 LEANNE KNOBLOCH, assistant professor of speech communication, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$51,000.
 IGOR MINEYEV, assistant professor of mathematics, on 100 percent time, June 3-August 2, 2002 (N), \$12,889, and continuing on 100 percent time, August 21, 2002 (2), at an annual salary of \$58,000.
 *MICHAEL S. MOORE, professor, College of Law, on 75 percent time, at an annual salary of \$113,000, and professor of philosophy, College of Liberal Arts and Sciences, on 25 percent time, at an annual salary of \$30,000, beginning August 21, 2002 (A75;A25). In addition, he will be appointed as Charles R. Walgreen, Jr., Endowed Chair, College of Law (non-tenured) with an increment of \$100,000, beginning August 21, 2002 (N), for a total salary of \$243,000.
 *HARRIET LISA MURAV, professor, Program in Comparative and World Literature, on 50 percent time, and professor of Slavic languages and literature, on 50 percent time, beginning August 21, 2002 (A50;A50), at an annual salary of \$98,880.
 *LARRY E. RIBSTEIN, professor, College of Law, on 100 percent time, May 25-August 20, 2002 (N), \$12,000, and continuing on 100 percent time, August 21, 2002 (A), at an annual salary of \$200,000. In addition, Mr. Ribstein will be appointed as the Richard

W. and Marie L. Corman Professor, College of Law, on an academic year service basis with an additional increment of \$4,000, for a total salary of \$204,000.

CHAD RIENSTRA, assistant professor of chemistry, on 100 percent time, June 21-August 20, 2002 (N), \$12,667, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$57,000.

*NEAL J. ROESE, associate professor of psychology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$72,000.

*DANIEL J. SIMONS, associate professor of psychology, on 100 percent time, June 21-August 20, 2002 (N), \$16,000, and continuing August 21, 2002 (A), at an annual salary of \$72,000.

*SIOBHAN B. SOMERVILLE, associate professor of English, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$61,600.

*BILLIE FLOYD SPENCER, professor of civil and environmental engineering, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$150,000. In addition, Dr. Spencer will be appointed as Nathan M. Newmark Professor of Civil Engineering in the Department of Civil and Environmental Engineering, on zero percent time (non-tenured and non-salaried), beginning August 21, 2002 (N), for a total salary of \$150,000.

GABRIELA CECILIA ZAPATA, assistant professor of Spanish in the Department of Spanish, Italian and Portuguese, on 100 percent time, June 6-July 5, 2002 (N), \$5,333, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$48,000.

JOSEPH R. ZUMALT, assistant agricultural, consumer and environmental sciences librarian and assistant professor of library administration, University Library, on 100 percent time, beginning May 21, 2002 (NY), at an annual salary of \$46,000.

Emeriti Appointments

CARL J. ALTSTETTER, professor emeritus of physical metallurgy in the Department of Materials Science and Engineering, July 1, 2002

I. DAVID BERG, professor emeritus of mathematics, May 21, 2002

MARK P. COSTELLO, professor emeritus of English, August 21, 2002

RICHARD F. E. CRANG, professor emeritus of plant biology, May 21, 2002

HAROLD G. DIAMOND, professor emeritus of mathematics, May 21, 2002

LYLE P. FETTIG, professor emeritus of agricultural and consumer economics, July 21, 2002

R. ALAN FORRESTER, professor emeritus, School of Architecture, May 21, 2002

JAMES R. HURT, professor emeritus of English, August 21, 2002

GARY L. JACKSON, professor emeritus of veterinary biosciences, August 1, 2002

JILL DONER KAGLE, dean emerita and professor emerita, School of Social Work, April 21, 2002

ROBERT P. KAUFMAN, professor emeritus of mathematics, May 21, 2002

W. DAVID KAY, professor emeritus of English, August 21, 2002

GARY D. KORITZ, professor emeritus of veterinary biosciences, August 21, 2002

EDWARD N. KUZNETSOV, professor emeritus of general engineering, May 21, 2002

LEON R. MCCULLOH, professor emeritus of mathematics, May 21, 2002

THOMAS M. MENGLER, dean emeritus, College of Law, June 1, 2002

DALE S. MONTANELLI, associate professor emerita of human and community development, July 1, 2002

ALEXANDER D. MURRAY, professor emeritus, School of Music, May 21, 2002

JOHN E. NOWAK, David C. Baum Professor Emeritus, College of Law, May 21, 2002

DAVID PECKNOLD, professor emeritus of civil and environmental engineering, May 21, 2002

WILLIAM H. PIRKLE, professor emeritus of chemistry, August 21, 2002

MICHAEL H. PLECK, professor emeritus of general engineering, August 21, 2002

SAM REESE, associate professor emeritus, School of Music, May 21, 2002

RONALD D. ROTUNDA, Albert E. Jenner, Jr., Professor Emeritus, College of Law, May 21, 2002

ROBERT L. SWITZER, professor emeritus of biochemistry, August 21, 2002
 PHILIPPE M. TONDEUR, professor emeritus of mathematics, August 1, 2002
 JOHN C. WUSTMAN, professor emeritus, School of Music, August 21, 2002

Administrative/Professional Staff

JOSEPH V. ABRAHAM, administrative director, Diagnostic Imaging Services, Department of Radiology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 22, 2002 (NY), at an annual salary of \$95,000. Mr. Abraham was appointed to serve as visiting administrative director, Diagnostic Imaging Services, under the same conditions and salary arrangement beginning May 20, 2002.

*REBECCA BARR, associate dean of urban educational research, College of Education, Chicago, on a twelve-month service basis, beginning August 21, 2002 (NY), at an annual salary of \$115,000. In addition, Dr. Barr will be appointed to the rank of professor of curriculum and instruction, College of Education, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), effective August 21, 2002 (A).

*PEDRO A. CABÁN, director, Latina/Latino Studies Program, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$3,000, beginning August 21, 2002 (N). Dr. Cabán will receive an amount equal to one-ninth of his academic year base salary for one month's service during each summer of his appointment as director (\$12,222 for 2002-03). In addition, he will be appointed to the rank of professor, Latina/Latino Studies Program, on indefinite tenure on an academic year service basis, on 50 percent time, and professor, Institute of Communications Research, on indefinite tenure on an academic year service basis, on 50 percent time (A50;A50), at an annual salary of \$110,000, for a total 2002-03 salary of \$125,222.

HARRY H. S. FONG, associate head of the Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, Chicago, on an academic year service basis with an administrative increment of \$3,000, beginning September 1, 2002 (N). In addition, Dr. Fong will continue to hold the rank of professor of pharmacognosy on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$128,048. He will continue to serve as the director of the Pharmacognosy Field Station on an academic year service basis with an administrative increment of \$2,000 (N). Dr. Fong will also continue to serve as associate director, Program for Collaborative Research in Pharmaceutical Sciences on an academic year service basis with an administrative increment of \$2,000 (N), for a total salary of \$135,043. Dr. Fong was appointed as visiting associate head of the Department of Medicinal Chemistry and Pharmacognosy under the same conditions and salary arrangement beginning May 1, 2002.

*DANIEL S. FRIEDMAN, director of the School of Architecture, College of Architecture and the Arts, Chicago, on an academic year service basis with an administrative increment of \$15,000, effective January 6, 2003 (N). Dr. Friedman will be appointed to the rank of professor of architecture, on indefinite tenure on an academic year service basis, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$85,000, for a total salary of \$100,000.

ROBERT B. GRAVES, head of the Department of Theatre, College of Fine and Applied Arts, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning August 21, 2002 (KY), at an annual salary of \$111,000. In addition, for service as head, Dr. Graves will receive an administrative increment of \$3,000, on a twelve-month service basis (KY). Dr. Graves will continue to hold the rank of professor of theatre on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), for a total salary of \$114,000.

RICHARD I. GUMPORT, associate dean for academic affairs, College of Medicine at Urbana-Champaign, on an academic year service basis with an administrative increment of \$13,473, beginning August 21, 2002 (N). He will receive an amount equal to two-ninths of his total annual salary for two months' service during each summer of his

appointment as associate dean (\$22,727 for 2002-03). In addition, Dr. Gumpert will continue to hold the rank of professor of biochemistry in the Department of Basic Sciences, College of Medicine at Urbana-Champaign, on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$88,800. He will continue as professor of biochemistry, College of Liberal Arts and Sciences, Urbana-Champaign, on zero percent time (non-tenured and non-salaried), and as institute affiliate, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, on zero percent time, (non-salaried), for a total 2002-03 salary of \$125,000.

KRISHNA C. GUPTA, associate dean for undergraduate administration, College of Engineering, Chicago, on a twelve-month basis, on 100 percent time, beginning July 22, 2002 (NY), at an annual salary of \$118,000. In addition, Dr. Gupta will continue to hold the rank of professor of mechanical engineering on indefinite tenure on an academic year service basis (A), on zero percent time (non-salaried). Dr. Gupta was appointed to serve as visiting associate dean for undergraduate administration, under the same conditions and salary arrangement beginning May 1, 2002.

EDWIN C. HAHN, III, associate dean for research and advanced studies, College of Veterinary Medicine, Urbana-Champaign, on an academic year service basis, on 50 percent time, at an annual salary of \$40,500, plus an administrative increment of \$3,750, on a twelve-month service basis, beginning August 21, 2002 (N50;NY). Dr. Hahn will also be appointed as assistant dean for research leadership in veterinary programs, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on an academic year service basis, on 25 percent time, at an annual salary of \$20,260, plus an administrative increment of \$1,250, on a twelve-month service basis, beginning August 21, 2002 (N25;NY). In addition, he will receive an amount equal to one-ninth of his total academic year salary for each month of approximately two and one-half months' service during each summer of his appointment as associate dean (\$22,980 for 2002-03). He will continue to hold the rank of associate professor of veterinary pathobiology on indefinite tenure on an academic year service basis, on 25 percent time (A25), at an annual salary of \$20,260, for a total 2002-03 salary of \$109,000.

LEWIS D. HOPKINS, associate dean, College of Fine and Applied Arts, Urbana-Champaign, on an academic year service basis, on 70 percent time, effective August 21, 2002 (N70), at an annual salary of \$65,206. In addition, Dr. Hopkins will receive an amount equal to two-ninths of his total academic year salary for two months' service during each summer of his appointment as associate dean (\$20,700 for 2002-03). He will continue to hold the rank of professor of urban and regional planning on indefinite tenure on an academic year service basis, on 30 percent time (A30), at an annual salary of \$27,946, and professor of landscape architecture, on zero percent time (non-tenured and non-salaried), for a total 2002-03 salary of \$113,852.

W. RANDALL KANGAS, assistant vice president for planning and budgeting, University Office for Planning and Budgeting, University Administration, on a twelve-month service basis, on 100 percent time, beginning August 21, 2002 (NY), at an annual salary of \$104,400. Dr. Kangas was appointed to serve as interim assistant vice president for planning and budgeting under the same conditions and salary arrangement beginning May 1, 2002.

DEBRA L. KLAMEN, associate dean for curriculum, College of Medicine at Chicago, on a twelve-month service basis, on 49 percent time, beginning July 22, 2002 (NY49), at an annual salary of \$96,535. Dr. Klamen will continue to hold the rank of associate professor of psychiatry on indefinite tenure on a twelve-month service basis, on 51 percent time, effective July 22, 2002 (AY51), at an annual salary of \$64,965. In addition, Dr. Klamen will continue to hold the title of physician surgeon, Department of Psychiatry, on zero percent time (non-tenured and non-salaried). She will continue to hold the rank of adjunct associate professor of medical education, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), for a total salary of \$161,500.

*THOMAS JOSEPH LAYDEN, head of the Department of Medicine, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$30,300, beginning July 22, 2002 (KY); and chief of service of medicine, University of Illinois Hospital and Clinics, on a twelve-month service basis with an administrative increment of \$60,600, beginning July 22, 2002 (NY). In addition, Dr. Layden will be appointed to the rank of Edmund F. Foley Professor of Medicine, on indefinite tenure on a twelve-month service basis, on 44 percent time, at an annual salary of \$100,000; and physician surgeon on a twelve-month service basis, on 55 percent time, at an annual salary of \$129,100, beginning July 22, 2002 (AY44;NY55), for a total salary of \$320,000.

DORU I. MARCUSIU, assistant director (Grid Infrastructures and Security), National Center for Supercomputing Applications, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning July 21, 2002 (NY), at an annual salary of \$100,000.

CHRIS J. MOLLET, associate university counsel, University Administration, Chicago, on a twelve-month service basis, on 100 percent time, beginning September 3, 2002 (NY), at an annual salary of \$200,000.

*KENT ONO, director, Asian American Studies Program, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$3,000, effective August 21, 2002 (N). In addition, Dr. Ono will receive an amount equal to one-ninth of his academic year base salary for one month's service during each summer of his appointment as director (\$10,000 for 2002-03). He will be appointed to the rank of professor, Asian American Studies Program, on indefinite tenure on an academic year service basis, on 50 percent time, and professor, Institute for Communications Research, on indefinite tenure on an academic year service basis, on 50 percent time, beginning August 21, 2002 (A50;A50), at an annual salary of \$90,000, for a total 2002-03 salary of \$103,000. Dr. Ono was appointed to serve as professor, Asian American Studies Program, on 100 percent time, July 6-August 20, 2002 (N), at a salary of \$15,000.

R. V. PANDHARIPANDE, director, Program for the Study of Religion, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis, with an administrative increment of \$2,000, beginning August 21, 2002 (N). In addition, Dr. Pandharipande will continue to hold the rank of professor, Program for the Study of Religion, on indefinite tenure on an academic year service basis, on 75 percent time, and professor of Sanskrit in the Department of Linguistics, on indefinite tenure on an academic year service basis, on 25 percent time, effective August 21, 2002 (A75;A25), at an annual salary of \$71,000. Dr. Pandharipande will continue to hold the title of Campus Honors Faculty on zero percent time (non-salaried), and professor, Program in Comparative and World Literature, on zero percent time (non-tenured and non-salaried), for a total salary of \$73,000.

RICHARD L. SCHACHT, chair of the Department of Philosophy, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$2,000, beginning August 21, 2002 (N). In addition, Dr. Schacht will receive an amount equal to one-ninth of his total academic year salary for one month's service during each summer of his appointment as chair (\$13,556 for 2002-03). Dr. Schacht was appointed to serve as interim chair under the same conditions and salary arrangement beginning August 21, 2001. He will continue to hold the rank of professor of philosophy, on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$120,000; and will continue as Campus Honors Faculty on zero percent time (non-salaried); as Jubilee Professor of Liberal Arts and Sciences on zero percent time (non-tenured and non-salaried); and as professor of criticism and interpretive theory, Unit for Criticism, on zero percent time (non-tenured and non-salaried) (N;N;N), for a total 2002-03 salary of \$135,556.

LEWIS E. SNYDER, chair of the Department of Astronomy, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative

increment of \$3,000, effective August 21, 2002 (N). Dr. Snyder will continue to hold the rank of professor of astronomy, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 21, 2002 (A), at an annual salary of \$107,900, for a total salary of \$110,900.

*ALFRED THOMAS, head of the Department of Slavic and Baltic Languages and Literatures, College of Liberal Arts and Sciences, Chicago, on an academic year service basis with an administrative increment of \$7,000, effective August 16, 2003 (K). In addition, Dr. Thomas will be appointed to the rank of professor of Slavic and Baltic Languages and Literatures, on indefinite tenure on an academic year service basis, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$80,000, for a total salary of \$87,000.

RICHARD EUGENE WARNER, associate vice chancellor for research, Office of the Vice Chancellor for Research, Urbana-Champaign, on a twelve-month service basis, with an administrative increment of \$12,600, beginning August 21, 2002 (NY). In addition, Dr. Warner will be appointed as director, Illinois-Indiana Sea Grant Program, Office of the Vice Chancellor for Research, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning August 21, 2002 (NY100), at an annual salary of \$154,600. He will continue to hold the rank of professor of natural resources and environmental sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure on an academic year service basis on zero percent time (non-salaried), for a total salary of \$167,200.

ANDREW MARK ISSERMAN, head of the Department of Agricultural and Consumer Economics, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning August 21, 2002 (KY), at an annual salary of \$154,000 with an administrative increment of \$4,000. In addition, Dr. Isserman will continue to hold the rank of professor of agricultural and consumer economics on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), and professor of urban and regional planning, College of Fine and Applied Arts, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), effective August 21, 2002 (A;A), for a total salary of \$158,000.

JANET S. REIS, head of the Department of Community Health, College of Applied Life Studies, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$5,000, beginning August 21, 2002 (KY). In addition, Dr. Reis will continue to hold the rank of professor of community health, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 21, 2002 (A), at an annual salary of \$92,000, for a total salary of \$97,000.

MARK F. TESTA, director of the Children and Family Research Center, School of Social Work, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning July 22, 2002 (NY), at an annual salary of \$132,876. Dr. Testa was appointed to serve as interim director under the same conditions and salary arrangement beginning July 1, 2002. In addition, he will be appointed to the rank of associate professor, School of Social Work, on indefinite tenure on a twelve-month service basis, on zero percent time (AY) (non-salaried), effective August 21, 2002, for a total salary of \$132,876.

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

Promotions in Academic Rank and Change in Tenure, 2002-2003

(7) The chancellors at the respective campuses have recommended the approval of promotions in academic rank and changes in tenure status in accordance with the attached lists. (These lists are filed with the secretary of the board for record.) These changes will be effective at the beginning of the 2002-2003 appointment year.

The numbers recommended for promotion to the various ranks are as follows:

	<i>University Administration</i>		<i>Chicago</i>		<i>Springfield</i>		<i>Urbana- Champaign</i>		<i>Total</i>	
	02-03	01-02	02-03	01-02	02-03	01-02	02-03	01-02	02-03	01-02
Professor, Research Professor, and Clinical Professor <i>Without Change in Tenure</i>	0	(0)	38	(23)	1	(0)	47	(45)	86	(68)
Professor and/or Research Professor <i>On Indefinite Tenure</i>	0	(0)	0	(1)	0	(0)	0	(1)	0	(2)
Associate Professor, Research Associate Professor, and Clinical Associate Professor <i>Without Change in Tenure</i>	0	(0)	12	(12)	0	(0)	1	(1)	13	(13)
Associate Professor <i>On Indefinite Tenure</i>	0	(0)	34	(29)	4	(2)	41	(37)	79	(68)
Total	0	(0)	84	(65)	5	(2)	89	(84)	178	(151)
<i>To Tenure Without Change in Rank</i>	0	(0)	2	(3)	0	(0)	10	(6)	12	(9)

The recommendations from the three campuses have been prepared in accord with provisions of the University of Illinois *Statutes*. Each campus has established formal procedures for the initiation, review, and approval of recommendations for academic promotion in rank with tenure, promotions in rank without change in tenure, and to tenure without change in rank.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Wolfe, these recommendations were approved.

Establish Ph.D. in Germanic Studies, College of Liberal Arts and Sciences, Chicago

(8) The chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Liberal Arts and Sciences, recommends the establishment of a new graduate degree, the Ph.D. in Germanic Studies.

The proposal for the Ph.D. in Germanic Studies for Chicago traces its beginnings to 1972 when the departments of German at Urbana-Champaign and the then-Chicago Circle campus entered into a joint agreement allowing the Chicago campus to participate in the doctoral program in German offered in Urbana. Chicago students admitted to the joint program completed course work at both campuses and received the degree from Urbana. The Department of German at Chicago did not have sufficient critical mass of faculty members during the 1970s and 1980s to justify a separate doctoral program. With the growth in the number of faculty members from six to nine, several with distinguished national reputations (and augmented by ten affiliate faculty members from other colleges and departments), the size of the department is comparable to German departments in the United States that grant Ph.D.s. The growing strength of the Chicago department has been amply attested to by external reviewers from two separate reviews who praised the remarkable strides made by the department.

The department at Chicago has developed intellectually in a somewhat contrasting scholarly direction from Urbana, though both departments continue to be connected by a common interest in German language, literature, and culture. Chicago's program has

moved in the direction of interdisciplinary and cultural work, including the study of literature, film, philosophy, linguistics, gender studies, and Jewish studies. The shift in emphasis by UIC is symbolized by the recent renaming of the Chicago department from "German" to "Germanic Studies."

The Ph.D. in German at UIC will eliminate the hardships encountered by students at Chicago enrolled in the current joint program: (1) moving to and from Urbana for a semester of full-time residence (for students with families, it means maintaining two households); (2) loss of non-transferable financial support (fellowships, foundation grants, teaching assistantships); and (3) fulfilling the requirements of both institutions.

The proposed Ph.D. in Germanic Studies requires completion of 72 semester hours beyond the master's degree, including 40 semester hours of course work exclusive of credit for thesis research. Other requirements include: (1) reading proficiency in two foreign languages other than German; (2) successful completion of the preliminary examination; and (3) submission of an acceptable dissertation. Candidates for the degree are also required to teach the equivalent of three one-semester courses.

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

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

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

Establish Undergraduate Curriculum in Biomolecular and Chemical Engineering, College of Liberal Arts and Sciences, Urbana

(9) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends a proposal from the College of Liberal Arts and Sciences for a new undergraduate curriculum in biomolecular and chemical engineering.

The new curriculum in biomolecular and chemical engineering complements the existing curriculum in chemical engineering and is consistent with, and reflective of, the Department of Chemical and Biomolecular Engineering's recently expanded focus in biomolecular engineering. The biomolecular and chemical engineering curriculum is built upon the current chemical engineering curriculum, but with a strong biomolecular focus including a required biochemistry course, nine hours of biomolecular engineering courses, and at least six hours of bio-technical electives. Students will need 129 hours to graduate. Graduates of this curriculum will be in great demand by industries that value the education imparted through the traditional chemical engineering curriculum, but increasingly seek students with knowledge of how to apply their chemical engineering training to processes involving biomolecules.

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

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

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

Redesignate and Restructure Institute for Public Affairs as Abraham Lincoln Presidential Center for Governmental Studies, Springfield

(10) The chancellor at Springfield with the advice of the Springfield Senate, the College of Public Affairs and Administration, and the Institute for Public Affairs, recommends that the Institute for Public Affairs be designated as the Abraham Lincoln Presidential Center for Governmental Studies and its administrative location be changed to the Office of the Provost.

The University of Illinois at Springfield received a grant from the Illinois Board of Higher Education to plan a public policy research and service center to be affiliated with the Abraham Lincoln Presidential Library and Museum and administered by UIS. The

proposed center will house new public affairs and education programs and activities as well as an expanded Lincoln Papers Project (an existing partnership with the Illinois Historic Preservation Agency) and existing units of the Institute for Public Affairs. The new programs will include a number of fellowship and grant programs, a UIS academic internship program affiliated with selected UIS degree programs, a Lincoln Leadership Academy, an annual Public Policy Summit, a Lincoln Legacy Lecture Series, a Public Policy High School, a Summer Institute for High School Teachers, the Abraham Lincoln Institute for Literacy in America, and an Institute for Technology in Public Service.

Because the addition of new Abraham Lincoln Presidential Library programs and activities will broaden the types, scope, and reach of the activities and services currently provided by the Institute for Public Affairs and almost double its size, the proposal includes moving the administrative location of the renamed institute to the Office of the Provost.

An appropriation of \$1.5 million for this center was included in the approved Fiscal Year 2003 budget. No additional funding is requested.

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

The president of the University recommends approval.

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

**Tuition Rate for Distance Education Enrollments,
Master of Public Health (Informatics),
School of Public Health, Chicago**

(11) The chancellor at Chicago recommends a tuition rate of \$450 per semester credit hour for graduate/professional courses offered for the Master of Public Health (Informatics) program by the School of Public Health at Chicago through a distance education format. This rate will enable the School of Public Health to offer self-supporting, online courses for the MPH (Informatics) without the need for additional state resources.

The proposed tuition rate for distance education allows the School of Public Health to deliver self-sustaining programming to students who seek the Master of Public Health (Informatics) and who can access this educational opportunity through distance education format. Delivery of the program to special audiences through online, videoconferencing and other distance learning formats carries differential costs, and the proposed tuition rate will permit the School of Public Health to meet expenses without requesting new State funds.

The vice president for academic affairs concurs with the recommended tuition rate.

The president of the University recommends approval.

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

Increase Campus Transportation Fee, Fiscal Year 2003, Urbana

(12) The chancellor at Urbana recommends the approval of an increase in the Campus Transportation Fee.

The chancellor reports that, through a spring 2002 referendum, students supported an increase of \$3 to the Campus Transportation Fee, raising it from \$30 to \$33 per semester. The Campus Transportation Fee supports a campus and community C-U Mass Transit District busing plan for students (\$30) for another three years (Fiscal Year 2003-Fiscal Year 2005) and maintains the current SafeRides system for a one-year period (\$3). Both of these services are integral to campus safety. The \$3 increase per semester was approved with a vote of 4,070 yes to 2,689 no. The fee is prorated for summer session.

The president of the University concurs.

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

**Increase Students for Equal Access to Learning (SEAL) Fee,
Fiscal Year 2003, Urbana**

(13) The chancellor at Urbana recommends the approval of an increase in the Students for Equal Access to Learning (SEAL) Fee.

The chancellor reports that, consistent with the three-year referendum cycle, in spring 2002 a student referendum was held. Through this referendum, students supported an increase of \$2 to the SEAL Fee, raising it from \$4 to \$6 per semester. SEAL funds are used to supplement existing financial aid for needy students. The SEAL Fee is refundable upon request by students (approximately 2 percent of students request a refund). The \$2 increase per semester was approved with a vote of 3,660 yes to 2,913 no. This increase brings the combined SORF/SEAL/ISG fee to \$17 per semester (SORF \$10, SEAL \$6, ISG \$1); SORF funds are distributed to student organizations, and ISG funds go to Illinois Student Government.

The president of the University concurs.

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

Amend the University of Illinois Statutes

(14) Attached is a proposed revision to the University of Illinois *Statutes* (Article II, Section 4) recommending minor changes to the language concerning each campus Faculty Advisory Committee (FAC). While these committees function primarily as added recourse for the consideration of grievances, they also provide a channel for direct and concerted communication between the faculty and the administration. In the latter role, the FACs supplement the advice and recommendations of the senates.

Currently, all faculty are eligible to serve on the FAC. Since the FACs often deal with issues of promotion and tenure, both the Chicago and Urbana Senates have proposed that membership be limited to tenured professors. Due to the smaller size of its faculty and because a committee other than the FAC deals with appeals or grievances related to promotion and tenure, the Springfield Senate wants to continue to permit non-tenured faculty to serve on its FAC. The proposed amendment would allow each campus to determine eligibility for membership.

The University has been examining a change to the University of Illinois *Statutes* (Article IX, Section 6) that would permit the imposition of sanctions short of dismissal for proven acts of professional misconduct by the academic staff. This particular amendment applies only to faculty.

While this proposal has taken many years to develop, the time that was taken for debate and consideration by the senates and the University Senates Conference has strengthened its acceptance by the faculty.

These amendments to the University of Illinois *Statutes* have the support of the vice president for academic affairs, the campus senates, and the University Senates Conference.

The president of the University recommends approval.

**Proposed Revisions to the University of Illinois Statutes,
Article II, Section 4**

Text to be deleted is in [brackets] and text to be added is underscored.

ARTICLE II. LEGISLATIVE ORGANIZATION

Section 4. Faculty Advisory Committee

Faculty advice and recommendations on University governance are traditionally provided to the administration through standing and ad hoc committees and representation in the senate. In addition, at each campus the faculty shall elect a Faculty Advisory Committee. The committee shall consist of nine faculty members on the Chicago and Urbana-Champaign campuses, three of whom shall be elected each year. The committee shall consist of

seven faculty members on the Springfield campus, two of whom shall be elected each year and the seventh every third year. The three-year terms shall commence on the first day of the academic year following the election.

[Any member of the Faculty Advisory Committee electorate shall be eligible for membership on the committee except those who hold an administrative appointment.] Each campus senate shall determine eligibility for membership on the Faculty Advisory Committee for its campus from among the members of the Faculty Advisory Committee electorate, excluding those who hold administrative appointments. Any eligible person may be nominated as a committee member by a petition signed by three members of the electorate and filed with the clerk or secretary of the senate. The deadline for filing shall be set by each campus senate. The clerk or secretary of the senate shall conduct the election [by university mail] as soon as possible thereafter. The [three eligible nominees] eligible nominees for the number of seats to be filled receiving the highest number of votes shall be declared elected. If vacancies arise between regular elections, the eligible nominee with the next highest number of votes at the most recent election shall be declared a member of the committee. In the absence of any such nominee willing and able to serve, the vacancy shall be filled at the next regular election.

(The remainder of this section would be unchanged.)

Proposed Revisions to the University of Illinois Statutes, Article IX, Section 6

Text to be deleted is in [brackets] and text to be added is underscored.

ARTICLE IX. ACADEMIC AND ADMINISTRATIVE STAFFS

Section 6. Severe Sanctions Other Than Dismissal For Cause

[New Section 6. Subsequent sections of Article IX are to be renumbered accordingly.]

(a) Severe sanctions other than dismissal for cause may be imposed on a member of the faculty, as defined in Article II, Section 3a(1) of the *Statutes*, provided that procedures on a campus adopted by the campus Chancellor in consultation with that campus Senate are followed. In all cases, the Chancellor or the Chancellor's designee shall exercise the duties assigned to the President for academic staff who are members of campus units, and in all cases the process to be followed will be that of the campus on which the unit resides.

(b) Campus procedures shall include, at a minimum, 1) a determination by the provost, in consultation with a committee identified by the senate, that cause exists to initiate proceedings that may result in the imposition of serious sanctions, 2) notice to the faculty member of the charges and initiation of the sanction proceedings, 3) opportunity for a hearing before an elected committee specified by the senate, 4) provision that a recommendation by the elected committee against sanction will be final 5) the opportunity for the faculty member to file an appeal with the chancellor within 20 days following the provost's decision to impose sanctions, 6) an appeal process encompassing both substantive and procedural objections, and 7) a process wherein the chancellor's decision on the merits of an appeal is final. These campus procedures are the exclusive process for determining whether severe sanctions other than dismissal for cause may be imposed.

(c) The campus procedures will be initiated only after discussions are held between the faculty member and appropriate administrative officers looking toward a mutual settlement. The initiation or pendency of proceedings under this Section 6 shall not be deemed to prevent or delay the University or any other person from pursuing any other remedy available to such person against the faculty member for conduct allegedly violating subsection (d) below.

(d) Adequate due cause for severe sanctions other than dismissal shall be restricted to actions clearly related to University activities and shall be limited to the following: (1) engaging in professional misconduct in the performance of University duties or aca-

ademic activities, (2) neglecting or refusing to perform reasonable assigned academic duties, (3) violating Senate-approved Campus or University regulations or policies related to conduct of academic duties, (4) acting outside the appropriate exercise of University responsibilities so as willfully to physically harm, threaten physical harm to, harass or intimidate a visitor or a member of the University community with the effect of interfering with that person's performance of University duties or academic activities, (5) willfully damaging, destroying or misappropriating property owned by the University or any property used in connection with a University function or approved activity, or (6) conviction in a court of law for a felony that is clearly related to the performance of University duties or academic activities. Findings of fact made in prior proceedings under policies established by the President with the advice of the Senates and University Senates Conference under procedures described in Article XIII, Section 8 of the *Statutes* shall be presumed to have been established subject to rebuttal on grounds *inter alia* of the thoroughness and fairness of the proceeding giving rise to them.

(e) When misconduct is determined to have occurred, a severe sanction other than dismissal consists of suspension with or without salary (full or partial) for a period not to exceed one-half of the individual's normal appointment period. During the suspension period, health and retirement benefits shall be maintained.

On motion of Mr. Wolfe, these revisions were approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 15 through 26 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Renew Agreements, 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 2003. Since 1982, the Board of Trustees has designated the University of Illinois 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.

University of Illinois 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 which 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 \$2,406,300 for FY 2003, plus carry-over balances from FY 2002. It is recommended that the president of the University be delegated authority to make such *reasonable* adjustments in the budget as are necessary, in accordance with the needs of the University and the equitable interests involved. 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 periodi-

cals 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.

University of Illinois 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 \$5,075,570 for FY 2003, plus carry-over balances from FY 2002. It is recommended that the president of the University be delegated authority to make such *reasonable* adjustments in the budget as are necessary in accordance with the needs of the University and the equitable interests involved. 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.

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 2003.

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

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

Settlement (*Fausett v. Soleanikov*)

(16) The university counsel recommends that the board approve settlement of *Fausett v. Soleanikov*, in the amount of \$1,500,000. The plaintiff alleges a severe brachial plexus injury occurred to Sarah Fausett due to the failure of defendant to perform a cesarean section, resulting in permanent injury to Sarah's left arm.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Settlement
(*Juarez v. Hagnell, et al.*)

(17) The university counsel recommends that the board approve settlement of *Juarez v. Hagnell, et al.* The University funded share of this settlement is \$542,000 of a total settlement of \$4,850,000. The remainder of the settlement is to be funded by the University's excess insurance provider, St. Paul. St. Paul negotiated this settlement. The plaintiff alleges improper medical treatment during labor and delivery resulting in serious injuries to an infant.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Award Contract for Training Resources for SCT Banner Products

(18) The UI-Integrate Project staff will be required to prepare instructional material that will be used to assist the end users in the transition from current systems to the Banner Software System being implemented in July 2003. Learning opportunities are to be provided to approximately 10,000 staff members throughout the University in the next three years as the UI-Integrate Project is implemented. In order to meet the schedule for the project, additional resources are required during peak periods to provide the tools necessary to produce required training material.

Through a Request for Proposal process, TMP Worldwide was selected to provide these resources. They demonstrated the level of expertise and availability of resources necessary to fill this requirement. These resources will be used to assist in the design, development, and delivery of the various types of training material required. Due to the fact that the University has a geographically dispersed staff, a blended delivery approach to training must be taken providing both electronic technology based training as well as traditional modes of instruction.

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends approval to contract with TMP Worldwide for the services described above. Based on their proposed rates, the annual costs for these resources are estimated at Fiscal Year 2003—\$1,500,000, FY 2004—\$1,500,000, and FY 2005—\$500,000.

Procedures for renewing this contract will be followed in accordance with the Illinois Procurement Code.

Funds for the contract are available from the UI-Integrate institutional funds project budget.

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

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

**Delegate Authority to Award Contract(s) for Resources for Java
Programming Interfaces with the SCT Banner System**

(19) The UI-Integrate Project staff requires resources to develop medium to complex applications in the Java language that will allow SCT Banner to interface with current programs. Additionally, resources are needed to develop approved modifications to SCT code that will be written in the 'C' language.

The UI-Integrate Steering Team authorized the release of a Request for Proposal (RFP) that detailed the minimum level of experience and expertise necessary to meet the above-mentioned needs. Based on the information received and the selection criteria listed in the RFP, UI-Integrate will make a recommendation for award(s) to the firm(s) deemed best qualified to provide the resources.

In order to meet project timelines, the president of the University with concurrence of the appropriate University officers recommends the comptroller be authorized to execute the necessary documents to award contract(s) to the best-qualified firm(s). Based on budgetary estimates, the annual cost of the use of these resources will not exceed Fiscal Year 2003—\$700,000, FY 2004—\$600,000, and FY 2005—\$200,000.

Procedures for renewing these contracts will be followed in accordance with the Illinois Procurement Code.

Funds are available from the UI-Integrate Institutional Funds Project budget.

A schedule of the proposals received will be filed with the secretary of the board for the record.

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

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

Award Contract for College of Medicine Research Building, Chicago

(20) The president of the University with the concurrence of the appropriate University officers recommends that the following contracts be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award in each case is to the lowest responsible bidder on the basis of its base bid.

Laboratory Casework

Harry Kloeppel & Associates, Wheeling	Base Bid	\$2,529,442
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Precast Panels

Gate Bluegrass Precast, Inc., Winchester, KY	Base Bid	2,657,000
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Masonry

Illinois Masonry Corp., Chicago	Base Bid	<u>3,042,500</u>
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<i>Total</i>		\$8,228,942
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The project consists of the planning and construction of a new College of Medicine Research Building at the Chicago campus as well as the planning for remodeling of adjacent facilities that will provide space for relocation of existing research operations displaced by construction of the new facility and into which other University units will be moved. The proposed College of Medicine Research Building will be approximately 334,500 gsf and will house researchers from the departments of biochemistry, microbiology and immunology, pharmacology, physiology and biophysics, and pathology, plus clinical researchers working with funded researchers in those departments. It will also provide facilities for interdisciplinary research.

A portion of the funding for the contracts is available from a capital appropriation to the University for the College of Medicine Research Facility. The remaining funding for the contracts is available from the Fiscal Year 2003 institutional funds operating budget of the Chicago campus.

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

On motion of Mrs. Gravenhorst, these contracts were awarded by the following vote: Aye, Mr. Shea, Mr. Eppley, Mrs. Gravenhorst, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey; no, none; absent, Dr. Gindorf, Mr. Lamont, Governor Ryan.

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

**Award Contract for Phase I Parking Garage and Retail Space
for South Campus Development, Chicago**

(21) 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 acceptance of the indicated alternate.

General

James McHugh Construction, Chicago	Base Bid	\$12,740,000	
	Alt. G-1	65,931	
	Alt. A-1	<u>100,000</u>	
<i>Total</i>			\$12,905,931 ¹

This project has a budget of \$20,700,000 and includes the planning and construction of an "L" shaped parking garage that will span Maxwell Street and accommodate approximately 651 cars, reinstalling salvaged facades from older buildings once located on this street, and creating retail shell space on the first floor of the structure along Maxwell Street. The building will also include office space for parking operations and service access to retail spaces.

Funds for the project are available from proceeds of the Auxiliary Facilities System Revenue Bonds Series 2001.

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

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

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

¹Contracts for other divisions were awarded that were within the delegated approval levels (Plumbing: Bruckner & Son, Chicago—\$265,790; Fire Protection: McDaniel Fire Systems, Inc., Naperville—\$312,000; Heating, Piping, and Refrigeration: Great Lakes Plumbing & Heating, Chicago—\$54,400; Ventilation and Air Distribution: R. J. Olmen Company, Glenview—\$339,500; and Electrical: M. G. Electric Service Co., Inc., Arlington Heights—\$1,226,000), making a total award of \$15,103,621.

**Employ Architect/Engineer for Renovation and Expansion
of the Intramural Physical Education Building
and the Campus Recreation Center East, Urbana**

(22) This project has a budget of \$77.6 million and consists of plans to expand the Campus Recreation Center East to include 10,000 square feet of strength and conditioning space; a 1/8 to 1/4 mile track; three additional basketball/volleyball courts; construction of locker rooms; two multi-purpose rooms; a recreational pool; three racquet ball courts; a lounge area; games room; and attached access to Freer Hall. The Intramural-Physical Education (IMPE) Building is to be expanded to include 30,000 square feet of strength and conditioning space; a 1/8 to 1/4 mile track; four additional basketball/volleyball courts; one oversized multi-activity court; and a climbing wall. The renovation project for the IMPE Building will add five multi-purpose rooms; renovate all existing activity space, racquetball courts, SportWell, and locker rooms; upgrade equipment/laundry room; add a food service option, and a lounge.

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

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that VOA Associates, Inc., Chicago, be employed for the professional services required. The firm's fee for the schematic design phase through the construction documents phase will be a fixed fee of \$3,446,950, plus reimbursable expenses estimated to be \$700,000.

Funds for this contract are available initially from the operating budget of the Division of Campus Recreation with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

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

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

**Amend Lease of University Research Center to Chicago
Technology Park Corporation, Chicago**

(23) The chancellor at Chicago recommends a third amendment to the current lease of the University Research Center (URC), a laboratory building located at 2201 West Campbell Park Drive, to Chicago Technology Park Corporation (CTPC).

The CTPC is a not-for-profit corporation that was organized by the University and Rush-Presbyterian-St. Luke's Medical Center (RPSL). The CTPC mission is to promote the economic development of the area bounded on the north by Congress Parkway, on the south by Polk Street, on the east by Damen Avenue, and on the west by Oakley Boulevard. The URC was constructed by the State to serve as rental space for biotechnology firms in the early stages of their development. Title to the land and building were transferred to the University, and the facility was then leased by the University to CTPC at a nominal annual rental of \$10 for a term of five years through March 16, 1992.

¹A selection committee consisting of Tony Clements (Campus Recreation), Gary Miller (Campus Recreation), Gene Barton (Office of Vice Chancellor for Student Affairs), Donna McClure (Operation and Maintenance Division), Michael Doerr (University Office for Capital Programs), and Roland Kehe and Clif Carey (Office for Planning, Design, and Construction) interviewed the following firms (listed in ranking order): (1) VOA Associates, Inc., Chicago; (2) PSA, Peoria; (3) BLDD, Decatur; and (4) Lohan, Chicago. The committee recommends VOA Associates, Inc., Chicago, as best meeting the criteria for the project.

On September 12, 1991, the board approved the transfer of control of CTPC to the State of Illinois Medical District Commission (IMD) and an extension of the lease through August 31, 1996. The board subsequently approved extensions through August 31, 2002.

Under the terms of the proposed amendment, the lease would be extended through August 31, 2007, at a nominal rental of \$10 per year.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Lease Space at 322 South Green Street, Center for Urban Economic Development, Chicago

(24) The chancellor at Chicago recommends that the University contract with River North Limited Partnership No. 2 to lease 7,418 square feet of office space on the first floor of the office building located at 322 South Green Street, Chicago, for the period November 1, 2002, through October 31, 2004. The leased space would provide a temporary location for the Center for Urban Economic Development (CUED) while remodeling is taking place at Art and Design Hall, 400 South Peoria, Chicago. When the remodeling work is completed, CUED would move back into Art and Design Hall.

Annual base rental costs are \$135,378.50, or \$18.25/sf in year one, escalating at 5 percent to \$142,122.88 for year two. The University must pay its own janitorial, electrical, and telephone costs.

Funds are available from the institutional funds operating budget of the College of Urban Planning and Public Affairs.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Lease Space at 1515 Fifth Avenue in Moline, Illinois, College of Nursing, Chicago

(25) The chancellor at Chicago recommends that the University lease from H.D.C., Inc., 6,191 square feet of office space on the fourth floor of the Heritage Place Office Building located at 1515 Fifth Avenue, Moline, Illinois, for the period August 15, 2002, through August 14, 2005. The leased space would accommodate the relocation of the Quad-Cities College of Nursing program from its current location at Trinity Medical Center, which it will be required to vacate because the building will be demolished. The program has investigated several alternatives in the past year and the space at 1515 Fifth Avenue has been determined to be the most economical and suitable choice for its purposes.

Annual base rental costs are \$111,438.00 or \$18.00/sf in year one, escalating at approximately 1.5 percent per year thereafter. The lease rate for year one is full service and includes all common area maintenance, janitorial service, utilities during normal

business hours, insurance, and taxes. After year one, the University will also be responsible for paying its proportionate share, based on square footage, of the increase of operating costs over the base year of 2002.

Funds are available from the institutional funds operating budget of the College of Nursing.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Purchases

(26) 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 \$11,530,335.

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 Mrs. Gravenhorst, the purchases recommended were authorized by the following vote: Aye, Mr. Shea, Mr. Eppley, Mrs. Gravenhorst, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey; no, none; absent, Dr. Gindorf, Mr. Lamont, Governor Ryan.

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

Report of Action by the Executive Committee

(27) The following action has been taken by the Executive Committee since the last meeting of the board. This action is now reported to the board as a whole.

Vice Chancellor for Research, Urbana

The chancellor at Urbana has recommended the appointment of Charles F. Zukoski, currently professor and head, Department of Chemical Engineering, School of Chemical Sciences, College of Liberal Arts and Sciences; William H. and Janet G. Lycan Professor of Chemical Engineering; Professor, Bioengineering Program, and research professor, Micro and Nanotechnology Laboratory, College of Engineering, University of Illinois at Urbana-Champaign, as vice chancellor for research, beginning August 21, 2002, on a twelve-month service basis, at an annual salary of \$192,500 (equivalent to an annual nine-month base salary of \$157,500 plus two-ninths annualization of \$35,000), and an administrative increment of \$32,500, for a total salary of \$225,000.

Dr. Zukoski will continue to hold the rank of professor of chemical engineering on indefinite tenure on an academic year service basis, on zero percent time. In addition, he will continue to hold the titles of professor, Bioengineering Program (non-tenured and non-salaried), and research professor, Microelectronics Laboratory (non-tenured and non-salaried), College of Engineering.

Dr. Zukoski succeeds Paul W. Bohn, who has served as interim vice chancellor since August 21, 2001, when Tony G. Waldrop resigned as vice chancellor. Dr. Bohn will return to the faculty in the Department of Chemistry.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs and the vice president for economic development and corporate relations concur.

The president of the University recommends approval.

On motion of Mr. Plummer, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(28) The president presented the following report:

Establishment of a Graduate Certificate in Alcohol and Substance Abuse, Human Services Program, College of Education and Human Services, Springfield

The Springfield Senate has approved a proposal from the College of Education and Human Services to establish a Graduate Certificate in Alcohol and Substance Abuse, Human Services Program.

The M.A. in Human Services currently offers a concentration in Alcoholism and Substance Abuse that is accredited by the Illinois Alcohol and Other Drug Abuse Professional Certification Association (IAODAPCA). Students who complete this concentration are eligible to sit for the IAODAPCA certification exam. The proposed certificate incorporates all the elements of the concentration that are required to meet IAODAPCA accreditation standards. Once approved the certificate will fall under the scope of the existing accreditation. At present no other university in Illinois offers such a graduate certificate.

The graduate certificate is expected to serve (1) students who are enrolled in one of the three concentrations other than Alcoholism and Substance Abuse within the M.A. in Human Services, and (2) individuals who need or want specialized training to prepare for the IAODAPCA certification exam, but who do not want to pursue a master's degree.

¹John H. Weaver, professor and head, Department of Materials Science and Engineering, College of Engineering, *chair*; Ilesanmi Adesida, professor of electrical and computer engineering, and director, Micro and Nanotechnology Laboratory, College of Engineering; May R. Berenbaum, professor and head, Department of Entomology, Jubilee Professor of Liberal Arts and Sciences, Swanlund Chair in Entomology, College of Liberal Arts and Sciences, and Center for Advanced Study Professor of Entomology and Campus Honors Faculty; Lizanne DeStefano, professor of educational psychology and associate dean for research, College of Education; Abbie Griffin, Professor of Business Administration, College of Commerce and Business Administration; Lewis D. Hopkins, professor of urban and regional planning, College of Fine and Applied Arts; Gary L. Jackson, professor and assistant head, Department of Veterinary Biosciences, and interim associate dean for research, College of Veterinary Medicine, and professor, Veterinary Programs in Agriculture, College of Agricultural, Consumer and Environmental Sciences; Suvir Kaul, professor of English, and director, Program for Research in the Humanities, College of Liberal Arts and Sciences; Arthur F. Kramer, professor, Institute of Aviation, professor of psychology, College of Liberal Arts and Sciences, and professor, Beckman Institute for Advanced Science and Technology; Harris A. Lewin, professor of animal sciences, Gutsell Endowed Chair in Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, and director, W.M. Keck Center for Comparative and Functional Geonomics, Biotechnology Center; Cameron R. McCarthy, professor, Institute of Communications Research, and Communications Scholar, College of Communications; Anne C. Nye, doctoral student in cell and structural biology, College of Liberal Arts and Sciences; Jennifer M. Quirk, associate director for external affairs and research, Beckman Institute for Advanced Science and Technology; Mary Ann Smith, professor of plant physiology and interim head, Department of Natural Resources and Environmental Sciences, College of Agricultural, Consumer, and Environmental Sciences; Jonathan V. Sweedler, professor of chemistry, and William H. and Janet G. Lycan Professor of Chemistry, College of Liberal Arts and Sciences; Deborah L. Thurston, professor of general engineering, College of Engineering; and Arlene Torres, assistant professor of anthropology, College of Liberal Arts and Sciences.

Completion of the graduate certificate requires six courses and an internship for a total of 28 hours. Although higher than the norm, this number of hours is being governed by the IAODAPCA accreditation already in place for the concentration in the M.A. in Human Services. No changes to that curriculum are possible without undergoing a new accreditation process.

Establishment of Five-Year Combined B.S./M.S. in Computer Science, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Engineering to establish a five-year combined B.S./M.S. in computer science. The combined program will allow juniors and first-semester seniors with superior academic performance to gain admission to both the B.S. and M.S. (thesis option) programs. The M.S. component of the combined program is exactly the same as the current M.S. program. The B.S. component of the combined program includes the same required courses as the current B.S. program, but consists of a minimum of 120 hours rather than 128 hours. This is accomplished without sacrificing quality because three 300-level courses are currently required for both the B.S. and the M.S. In the combined program these courses will only be taken once, and students will not be required to take other courses to replace them. Even though these courses will be taken in their third or fourth year while still classified as undergraduates, students will earn graduate credit that will be counted toward the M.S. degree, enabling the two degrees to fit comfortably into a five-year span. This program produces many benefits for both students and the University including: encourages the best students to stay at Urbana for graduate school; smoothes integration of the undergraduate and graduate experience; introduces students to research earlier in their academic career; introduces highly qualified and much needed graduates into the technology workforce earlier; and, enhances the ability to recruit the brightest and most talented undergraduates to Illinois.

Revision to the Undergraduate Curriculum Preparatory to Teaching Persons with Moderate and Severe Disabilities and the Master's Certification Options, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Education for revisions to:

- Undergraduate Curriculum Preparatory to Teaching Persons with Moderate and Severe Disabilities
- Master's Level Certification Option—Collaborative/Resource Teacher: Learning, Disabilities, Social /Emotional Disabilities, Educable Mental Handicaps
- Master's Level Certification Option—Education of Persons with Moderate and Severe Disabilities: Trainable Mental Handicaps/Physical Handicaps

These revisions are mandated by the Illinois State Board of Education in response to a ruling in a class-action law suit. At the undergraduate level, the curriculum will be renamed the Curriculum Preparatory for Learning and Behavior Specialists in Special Education. While the number of hours required for graduation remains unchanged at 124, the professional education core is increasing from 21-22 hours to 39-40 hours, and the special education core is increasing from 38-39 hours to 45 hours. At the master's level, the two current options are being combined into one certification program called Learning and Behavior Specialist I. Students in this new program will complete 19.25-19.75 units of special education coursework for graduation. These court-mandated changes must be implemented by July 2002 to be in compliance with the judge's order and for students to be certified in special education.

This report was received for record.

Capital Projects Status Report

(29) Mr. Robert K. Todd, associate vice president for administration and human resources, 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.

**Report of Capital Project Approvals Between Former
and Current Board of Trustees Approval Levels**

(30) Mr. Robert K. Todd, associate vice president for administration and human resources, presented this report. A copy has been filed with the secretary of the board.

This report was received for record.

**Report of the Secretary:
Selection of UIS Student Member of the University of Illinois
Board of Trustees, 2002-2003**

(31) The secretary presented the following report:

Springfield Campus

The election was held on April 29-May 2, 2002, and Mr. Arthur L. Moore, Jr., was elected.

Mr. Moore received 96 votes—the other candidate (Veronica Espina) was disqualified.

Mr. Moore is from Springfield, Illinois, and will be a senior majoring in political science with an economics minor. He has served as the sergeant at arms and the vice president of the Student Government Association. He has previously attended Lincoln Land Community College, Southern Illinois University at Carbondale, and the University of Illinois at Urbana-Champaign.

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.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Dr. Schmidt called attention to the schedule of meetings for the next few months: September 11-12, 2002, Chicago; November 13-14, Urbana; January 15-16, 2003 (Annual Meeting), Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

KENNETH D. SCHMIDT, M.D.
Chair pro tem

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

September 12, 2002



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

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

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

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

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

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

K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

MOTION FOR EXECUTIVE SESSION

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

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

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

EXECUTIVE SESSION

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

Collective Negotiating Matters

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

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

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

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

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

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

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

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

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

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

EXECUTIVE SESSION ADJOURNED

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

PUBLIC COMMENT SESSION

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

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

PRESENTATION AND DISCUSSION: GOVERNING THE UNIVERSITY

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

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

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

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

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

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

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

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

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

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

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

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

AD HOC COMMITTEE ON EXTERNAL AFFAIRS APPOINTED

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

RECESS FOR COMMITTEE MEETINGS

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

MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

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

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

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

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

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

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

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

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

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

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

MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

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

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

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

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

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

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

RECESS FOR LUNCHEON

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

BOARD MEETING RECONVENED

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

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

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

MEETING OF THE COMMITTEE ON ECONOMIC DEVELOPMENT

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

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

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

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

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

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

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

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

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

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

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BOARD MEETING RECONVENED

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

MINUTES APPROVED

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

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

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

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

President Stukel then turned to the chancellors for reports.

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

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

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

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

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

OLD BUSINESS

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

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

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

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

REGULAR AGENDA

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

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

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

ELVA RUBIO, assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.

*LAURIE RUGGIERO, professor, Division of Community Health Sciences, on 30 percent time, and professor, Center for Health Services Research, on 70 percent time, beginning August 21, 2002 (A30;A70), at an annual salary of \$85,000.

NEIL R. SMALHEISER, assistant professor of psychiatry, College of Medicine at Chicago, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$80,000.

KAREN R. SNAPP, assistant professor of pharmacology, College of Medicine at Chicago, on 100 percent time, beginning August 21, 2002 (1) at an annual salary of \$60,000.

*YOLANDA SUAREZ-BALCAZAR, associate professor of occupational therapy, on 100 percent time, August 5-August 20, 2002 (N), \$4,444, and continuing on 100 percent time, August 21, 2002 (A), at an annual salary of \$75,000.

SANDRA M. SUFIAN, assistant professor of medical education, College of Medicine at Chicago, on 100 percent time, July 1-August 20, 2002 (N), \$10,185, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$55,000.

DARIA TSOUPIKOVA, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$42,000.

TIBOR VALYI-NAGY, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, beginning July 1, 2002 (1Y51), and continuing September 1, 2002 (2Y51), at an annual salary of \$31,500. In addition, Dr. Valyi-Nagy was appointed as staff pathologist, University of Illinois Hospital and Clinics, on 49 percent time, beginning July 1, 2002 (NY49), at an annual salary of \$90,000; and physician surgeon of pathology, College of Medicine at Chicago, on zero percent time (non-salaried), beginning July 1, 2002 (NY), for a total salary of \$121,500.

HUIRU WANG, assistant professor of medicine, College of Medicine at Chicago, on 100 percent time, beginning September 1, 2002 (1Y), at an annual salary of \$65,000.

JUN YU, assistant professor of managerial studies, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$85,000.

Emeriti Appointments

ANTONIO CAMACHO, professor emeritus of economics, September 1, 2002

JAMES D. COMPTON, associate professor emeritus of Spanish in the Department of Spanish, French, Italian and Portuguese, May 21, 2002

MARCIA E. FARR, professor emerita of English, September 1, 2002

RICHARD F. KOSOBUD, professor emeritus of economics, September 1, 2002

ROBERT SCAPINO, professor emeritus of oral biology, College of Dentistry, and professor emeritus of anatomy and cell biology, College of Medicine at Chicago, July 1, 2002

DAVID M. SOKOL, professor emeritus of art history, May 21, 2002

Springfield

HARSHAVARDHAN D. BAPAT, assistant professor, Chemistry Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$40,800.

ETHAN MICHAEL BERNICK, assistant professor of public administration, on 67 percent time, and assistant professor, Illinois Legislative Studies Center, on 33 percent time, beginning August 16, 2002 (1;1), at an annual salary of \$50,000.

MICHAEL JAMES MILLER, assistant professor, Visual Arts Program, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$42,000.

AMIR PARSSIAN, assistant professor of management information systems, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$88,000.

Urbana-Champaign

THOMAS ALBRECHT, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$44,000.

URSULA Y. ALVARADO, assistant professor of business administration, on 82 percent time, June 21-August 20, 2002 (N), \$20,000, and continuing on 100 percent time, August 21, 2002 (1), at an annual salary of \$110,000.

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

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

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

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

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

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

To the Rank of Associate Professor on Indefinite Tenure:

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

Emeriti Appointments

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

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

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

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

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

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

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

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

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

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

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

Administrative/Professional Staff

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

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

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

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

ERIC HENLEY, head of the Department of Family and Community Medicine, College of Medicine at Rockford, on a twelve-month service basis with an administrative increment of \$55,000, beginning September 16, 2002 (KY). In addition, Dr. Henley will continue to hold the rank of associate professor on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000; and physician surgeon on a twelve-month service basis, on 49 percent time, at an annual salary of \$65,000, beginning September 16, 2002 (AY51;NY49). He will also hold the rank of adjunct assistant professor, Division of Community Health Sciences, School of Public Health, on zero percent time (non-tenured and non-salaried), for a total salary of \$220,000.

SHIV GOPAL KAPOOR, associate head for graduate programs in the Department of Mechanical and Industrial Engineering, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$1,500, beginning September 16, 2002 (N). Dr. Kapoor was appointed as interim associate head of graduate programs under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of mechanical and industrial engineering on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$135,700. In addition, Dr. Kapoor will continue to hold the rank of James W. Bayne Professor of Mechanical and Industrial Engineering, non-tenured, on an academic year service basis with an increment of \$5,000 (N), for a total salary of \$142,200.

WILLIAM P. MARSHALL, head of the Department of Internal Medicine, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment equivalent to an annual rate of \$30,000, beginning September 16, 2002 (KY). Dr. Marshall was appointed as interim head of the Department of Internal Medicine, under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of clinical professor of internal medicine, non-tenured on a twelve-month service basis, on 25 percent time, beginning September 16, 2002 (NY25), at an annual salary of \$26,140, for a total salary of \$56,140.

TRACY MCCABE, director of external relations (Chicago), College of Commerce and Business Administration, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning September 21, 2002 (NY), at an annual salary of \$100,000.

SUDIPTA MISRA, section chief of gastroenterology in the Department of Pediatrics, College of Medicine at Peoria, on a twelve-month service basis with an administrative increment of \$22,175, beginning September 16, 2002 (NY). Dr. Misra was appointed as visiting section chief of gastroenterology, under the same conditions and salary arrangement beginning June 1, 2002. He will continue to hold the rank of assistant professor of pediatrics, on a twelve-month service basis, on 55 percent time, at an annual salary of \$51,541; and will continue to serve as physician surgeon in pediatrics, on a twelve-month service basis, on 45 percent time, effective September 16, 2002 (5Y55;NY45), at an annual salary of \$96,284, for a total annual salary of \$170,000.

ALAN NATHAN, associate head of physics, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$1,500, beginning September 16, 2002 (N). Dr. Nathan was appointed to serve as interim associate head of physics under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of physics, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 21, 2002 (A), at an annual salary of \$105,700, for a total salary of \$107,200.

RAFAEL M. NUNEZ, director of the Flow Cytometry Laboratory, Cancer Center, College of Medicine at Chicago, on 100 percent time, beginning September 16, 2002 (NY), at an annual salary of \$113,000. Dr. Nunez was appointed to serve as visiting director of the Flow Cytometry Laboratory, under the same conditions and salary arrangement beginning August 5, 2002.

*JASTI SAMBASIVA RAO, director, Cancer Biology Section in the Department of Biomedical and Therapeutic Sciences, College of Medicine at Peoria, on an academic year service basis, on 49 percent time, beginning September 16, 2002 (N49), at an annual

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

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

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

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

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

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

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

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

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

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

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

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

The president of the University concurs.

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

Contract for Investment Manager, Vice President of Administration

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

The president of the University concurs.

Resolution

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

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

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

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

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

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

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

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

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

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

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

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

The president of the University concurs.

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

Annual Operating Budget for Fiscal Year 2003

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

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

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

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

The president of the University concurs with this recommendation.

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

Mr. Lamont seconded the motion and discussion followed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Academic Personnel Budget for Fiscal Year 2003

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

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

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

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

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

Operating and Capital Appropriations Budget Request for Fiscal Year 2004

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

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

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

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

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

The vice president for academic affairs recommends approval.

The president of the University concurs.

Table 1
FY 2004 Operating Budget Request

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

All numbers are dollars in thousands.

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

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

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

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

Economic Development

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

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

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

Campus Recreation Expansion and Renovation Project, Chicago

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

The project consists of the following:

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

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

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

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

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

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

Acquire Land for South Campus Development, Chicago

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

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

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

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

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

The president of the University recommends approval.

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

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

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

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

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

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

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

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

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

The vice president for administration concurs.

The president of the University recommends approval.

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

Be It, And It Is Hereby Resolved, Found, And Declared by the Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois, that the following-described property situated in the County of Champaign, in the State of Illinois, to-wit:

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

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

Be It, And It Is Hereby Further Resolved, Found, And Declared that the vice president for administration, or his designee, of the University of Illinois be and hereby is authorized to negotiate for the acquisition of said land for and on behalf of the University of Illinois with the owners of the real estate described above and for the purchase of all or part thereof by the University; and

Be It, And It Is Hereby Further Resolved, Found, And Declared by the Board of Trustees of the University of Illinois that if the compensation to be paid by it for said land cannot be

agreed upon between this Board of Trustees and the owners of said property and they and it are unable to agree upon the purchase price to be paid to said property owners for the sale and conveyance of all or part of said land by said owners thereof to said Board of Trustees of the University of Illinois; that

Therefore, Be It, And It Is Hereby, Further Resolved, Found, And Declared by the Board of Trustees of the University of Illinois that because of said need of the University of Illinois for all or part of said land for the purposes hereinabove set forth and because the compensation to be paid to the owners thereof for such land cannot be agreed upon between them and this Board of Trustees, it is necessary for the Board of Trustees of the University of Illinois to take said land and acquire title thereto through the exercise by it of the right of eminent domain conferred upon it by law and to have the compensation to be paid by it to the owners thereof and any and all other persons who may have any right, title, or interest in and to all or part of said land determined in the manner provided by law for the exercise of said right and power of eminent domain; and

Be It, And It Is Hereby, Further Resolved by the Board of Trustees of the University of Illinois that the necessary and appropriate action be taken for the acquisition of said title to all or part of said property by said Board of Trustees of the University of Illinois and to have the compensation to be paid therefore determined by the institution and prosecution to completion of a proceeding in eminent domain in a court of competent jurisdiction and that the university counsel of the University be, and he is hereby, authorized to proceed accordingly, to institute and prosecute an eminent domain proceeding in the name and on behalf of the Board of Trustees of the University of Illinois for the acquisition of all or part of said land and the determination of the compensation to be paid by it therefore, and to employ such special legal counsel, appraisers, and others as he may deem necessary or desirable to assist him in the institution and prosecution of said proceeding.

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

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

Authorization for Settlement

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

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Purchases

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

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United

States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$10,545,724.

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

On motion of Dr. Gindorf, the purchases recommended were authorized by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

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

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

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

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on August 5, 2002.

Summary

Graduate Degrees

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

Professional Degrees

College of Law	
Juris Doctor	1
<i>Total, Professional Degrees</i>	1

Undergraduate Degrees

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

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

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

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

GERALD W. SHEA
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

November 14, 2002



This meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, November 14, 2002, beginning at 8:10 a.m.

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

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons

were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

APPROVAL OF TWO AGENDA ITEMS

Mr. Shea announced that he would like to ask for a vote on two agenda items at this time. These are agenda item no. 1, "Resolution to Recognize Governor George H. Ryan and Chief of Staff Robert H. Newton," and agenda item no. 2, "Award Trustees' Distinguished Service Medallion to M. Joan Stukel."

By consensus the board agreed that one vote would be taken and considered the vote on both of these agenda items. The record of vote appears at the end of the items.

Mr. Shea explained that two guests, Dr. Earl D. Kellogg, associate provost, International Affairs, Urbana, and Mr. James Osburg, director of the International Education Consortium, Southern Illinois University, Carbondale, were present in regard to the resolution to honor Governor George H. Ryan and Chief of Staff Robert H. Newton. He invited them to join him at the head of the board table for the reading of the resolution. Mr. Shea then asked Dr. Schmidt to read the resolution, as follows:

Resolution to Recognize Governor George H. Ryan and Chief of Staff Robert H. Newton

(1) *Whereas*, the State of Illinois has distinguished itself in the international arena as a State with an enlightened international policy; and

Whereas, there are over 550,000 jobs in Illinois directly dependent upon foreign trade; and

Whereas, Governor George H. Ryan and his Chief of Staff, Robert H. Newton, have had a shared vision for a *global* Illinois with a global workforce working on behalf of Illinois; and

Whereas, Governor Ryan and Robert Newton have worked tirelessly to implement this vision of a global Illinois through legislative initiatives to emphasize international studies in Illinois higher education; linking Illinois' international assets in higher education with the needs of Illinois businesses in markets traditionally inaccessible to Illinois products; and

Whereas, they have also carried their vision of a well-educated global citizenry to the secondary schools with initiatives to create the International High School Program, so as to initiate early interest in language, culture, comparative economic theories, and governmental policies among secondary school students and their teachers; and

Whereas, the University of Illinois has been honored to have been a partner with the governor and the Illinois Board of Higher Education in the development and implementation of the International High School Program; therefore,

We, the Board of Trustees of the University of Illinois, recognize Governor George H. Ryan and Mr. Robert H. Newton for their foresight in developing cooperation among higher education, government, and the private sector to implement programs to improve teaching and learning in the international setting. We further wish to express our gratitude for their outstanding contributions to international education in the State of Illinois, their support of the University of Illinois, and all of higher education in Illinois.

On motion of Mrs. Sodemann, this resolution was adopted.

Mr. Shea then invited Dr. Kellogg to comment. Dr. Kellogg noted that Governor Ryan and Mr. Newton had provided enthusiastic support for the International High School Program in which 50,000 students are now involved. He also thanked the Board of Trustees for this resolution.

Agenda item no. 2 was then presented and Mr. Shea indicated that the Trustees' Distinguished Service Medallion would be presented to Mrs. Stukel at luncheon.

Award Trustees' Distinguished Service Medallion to M. Joan Stukel

(2) The graciousness and quiet competence exemplified by Joan Stukel are characteristics the trustees and others have come to recognize as hallmarks of all that she has undertaken as First Lady of the University of Illinois. Many in Illinois and around the country have been beneficiaries of Joan's initiatives and exceptional planning of projects important to the University. Here at home, thousands of students, alumni, faculty members, and friends of the University have memories of important times at the home of President and Mrs. Stukel and have experienced the warmth, concern, and friendship she has offered all who have met her.

Joan is a presence within the University, representing the values we cherish, among them hard work, excellence, and service for the greater good. She is also an interpreter of those values and of the legendary contributions made by the University of Illinois for the betterment of our society to innumerable groups and individuals every year. She has always been wonderfully informed and has inspired many in her meetings with many diverse audiences as an ambassador for the University. In all settings and on all occasions, Joan has succeeded in making people feel very welcome and important to her family and to the University.

She has also provided capable assistance to national higher education organizations in the design and execution of programs at their meetings and conferences, and she has brought her extensive experience in executive positions to bear on her many volunteer activities for the University's benefit. Whether organizing major events for Chicago's Field Museum, or for the Lincoln Academy of Illinois, various philanthropic groups in Urbana-Champaign, or serving on committees of national organizations, Joan has served tirelessly—directed by her loyalty to the University. In doing so she has been an outstanding ambassador for our University. She has also gladly taken on major tasks of renovation and preservation of the President's House, handling budgets and workers with aplomb. In doing so she has ensured protection of one of the University's treasures for future generations.

We, the trustees of the University of Illinois, wish to extend our heartfelt gratitude and deep admiration for the skillful, sensitive, and devoted service of Joan Stukel. Today we honor her with the Trustees' Distinguished Service Medallion as a token of our appreciation.

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

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

Mr. Shea asked if any board member had a question or comment about any item on the agenda or other matter. Dr. Schmidt requested that the agenda item entitled, Health and Dental Benefits for Same-Sex Domestic Partners, be removed from the agenda for this meeting and that it be brought back for consideration at a later meeting. He added that he thought the board should wait until the State legislature might have had a chance to add this group to the extant list of dependents eligible for health and dental benefits provided through the Department of Central Management Services. There was discussion and Mr. Stewart said he thought the board should act

on this item at this meeting. To bring closure to the issue Mr. Shea asked for a voice vote to approve removal of the item from the agenda of this meeting. It was clear from the voice vote that the majority of the board wished this, and the item was removed from the agenda of this meeting.

Later Mr. Lamont stated that he wanted it known that the item would be brought back to a regular meeting of the board in the near future. By consensus the board agreed that this was the intent and that the item should be placed on the agenda for the board's meeting in February 2003.

Mr. Eppley then asked for clarification on agenda item no. 20, "Approve Project and Employ Engineer/Architect for South Farms Phase One Implementation, Urbana," and agenda item no. 21, "University South Farms Project Phase One Financing Certificates of Participation (South Farms Phase One) Series 2003." Additional information was provided, particularly related to the issue of certificates of participation.

PUBLIC COMMENT SESSION

Mr. Shea announced that the public comment session would begin and called on Nicholas Sakurai to address the board.

Mr. Sakurai stated that he opposed the recommendation in the agenda for this meeting proposing health and dental benefits for same-sex domestic partners of employees on the grounds that opposite sex partners and bi-sexual partners should also be eligible for this benefit. He also said he was opposed to the current policy that requires that individuals be married in order for the spouse of an employee to enjoy health and dental benefits.

Mr. Shea then introduced Miriam Hermann Szatrowski. She spoke in favor of domestic partner benefits, but said that the proposal on the agenda does not go far enough. She noted that trans-sexual partners and bi-sexual domestic partners of employees should also have these benefits. She spoke at length on the differences among the states in terms of recognition of the status of trans-sexual and bi-sexual individuals as domestic partners. She asked the board to change the current policy and to include more groups and people in the coverage for health and dental benefits.

Next, Mr. Shea asked Rick Legue to speak. He spoke in favor of the continuation of Chief Illiniwek as the symbol of the athletic teams at the Urbana campus and noted that this symbol embodies the "spirit of Illinois" that is so important to alumni and others who have close ties to the campus. He said that he was a former Chief Illiniwek and thought of the Chief as a very important tradition of the campus. In his comments he gave praise to former Coach Ray Elliott for his comments about the "spirit of the Illini." He also cited the inspiration provided by the three-in-one performance of the Marching Illini and Chief Illiniwek. He concluded with the statement that it is time to honor the Chief, not to marginalize him (material filed with the secretary).

Following this Mr. Shea invited Ben Forsyth to address the board. He introduced himself as another former Chief Illiniwek. He also stated that he now lives in Montana, in the midst of many American Indians and is keenly aware of the plight of many of them. He explained that the symbol

of Chief Illiniwek is a positive image to the American Indians he knows and is esteemed. He went on to describe the many social ills experienced by the American Indians in the part of the country he knows and emphasized that education is key to solving these problems. He stated that the Chief blends the ancient society with the modern university. He also indicated that the Illini accepted European settlers and worked with them and integrated them into their lives, and suggested that this is what occurs with the symbol of Chief Illiniwek.

Mr. Shea stated that Jen Tayabji had requested time to speak to the board and asked her to begin. She supported earlier speakers who were opposed to the proposal to extend health and dental benefits to same-sex domestic partners and objected to the size of the meeting room, since there was not enough room for all who wanted to attend the meeting. She also objected to the way the University administration had dealt with the issue of Chief Illiniwek and was critical of the board for not putting the issue on the agenda of this meeting. She stated that the image of the Chief is a negative one in that it perpetuates racism in our society, and offends those whom the symbol means to honor. She said that like Jim Crow laws and minstrel shows the present Chief must come to an end. She reminded the board of many groups on campus and off campus that have voiced their disapproval of the Chief and urged them to vote to retire the Chief. She stated that the Chief divides the campus rather than uniting it and that the funds spent to explore the issues surrounding Chief Illiniwek might have been better spent to benefit students. She vowed to continue to work to bring an end to the symbol of Chief Illiniwek.

Mr. Shea then introduced the last speaker, Brooke Anderson, and asked her to begin her remarks. First she criticized the board for meeting in the Pine Lounge, because it is smaller than other meeting spaces in the Illini Union and some members of the public who wished to attend the meeting were not allowed to do so because of a shortage of seating. She then stated that she had lived in Champaign all her life and had graduated from the Urbana campus, and that she was opposed to the continuation of Chief Illiniwek. She criticized the board for not voting to retire the Chief before this time and then announced that she had a resolution to present to the board for their signatures that would bring about the demise of Chief Illiniwek. She stated that she would use the remaining time allotted her to wait for the board to sign this document. Mr. Shea asked her if she was finished speaking and she said she was. He then attempted to move to the next matter in the day's schedule and several members of the audience began chanting that the Chief should be banned.

Dr. Charles C. Colbert, vice chancellor for administration and human resources, Urbana campus, announced to the members of the audience that were chanting about banning the Chief that they should leave the room so that the board might meet in executive session. He repeated this and then stated that if they did not leave the room they would be arrested and removed. All in the audience left the room.

MOTION FOR EXECUTIVE SESSION

At this time Mr. Shea asked for a motion for an executive session and asked Mr. Lamont to read the following: "A motion is now in order to hold an executive session to consider the following subjects: campus security; litigation; employee matters; setting the price for the sale or lease of property owned by the University; discussion of minutes of meetings lawfully closed under the Open Meetings Act."

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

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

EXECUTIVE SESSION

Campus Security

Mr. Shea called on Chancellor Manning to report on matters related to construction of a bio-defense and containment facility on the Chicago campus. She said that the board needed to be briefed on the proposed site for the facility before the proposal was submitted to the Federal government. Dr. Manning then invited Boyd Black, director, Project Management Services, Chicago, to present descriptions of possible sites for this facility. He described the characteristics of these locations with the aid of a map and identified the neighboring facilities. There was then discussion of these other facilities located close to the proposed sites. Mr. Shea asked whether the University or the Federal government would own the facility, and Dr. Manning replied that funds from the grant to construct the facility would go to a consortium of universities.

Litigation

Mr. Bearrows briefed the board on the facts of two medical malpractice cases for which settlements were recommended for approval at this meeting. He described the cases, *Arrezola v. Chemplavil, et al.*, and *Wade v. Johnson, et al.*, the treatment involved, and stated the proposed settlements. He also discussed the amount of the settlements that would be covered by the University's liability policy and University funding. There was discussion of the cases.

Employee Matters

Mr. Shea asked Chancellor Cantor to introduce a subject she wanted to discuss with the board. She indicated that she wanted to propose an amendment to the contract for Head Varsity Men's Basketball Coach Bill Self, and then invited Ronald Guenther, athletic director, to join her for the presentation. Mr. Guenther stated that a salary increase for Coach Self was pro-

posed to ensure retention of Coach Self and to maintain salary equity within the Big Ten Conference. He suggested an increase of \$15,000 to the base salary and the addition of a deferred compensation element of \$110,000 per year, provided the coach stays for five years. He indicated that this would place Self at fourth place in the Big Ten among his peers. He also stated that he recommended this based on Mr. Self's excellent performance. Mr. Lamont then commented that the base salary only would be the basis for calculating retirement benefits.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

<p style="text-align: center;">A CONTINUING NEED FOR CONFIDENTIALITY EXISTS FOR THIS SECTION.</p>
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Mr. Rugg then presented information on a search for an associate vice president for human resources, a position that reports to him. He named several individuals who have been interviewed and discussed what each would bring to the position. He asked if this item might be considered by the Executive Committee, rather than waiting for the next regular board meeting when the search process is completed which he said would probably be before the next board meeting. The board seemed willing to allow the recommendation for this position to be considered by the Executive Committee.

**Setting the Price for the Sale or Lease of Property
Owned by the University**

Mr. Rugg reported a proposal to lease land at the campus of the College of Medicine program in Peoria to a privately-owned organization known as Oncology Hematology Associates (OHA). He explained that this would involve the University leasing 1.50 acres to OHA on which this organization would construct a building. He said that this is seen as a step toward assisting in economic development for Peoria, and as a benefit to the academic programs at Peoria. Mr. Rugg stated the market rate for a lease of this land, based on 10 percent of the appraised value of the parcel (\$1.5-\$1.8 million) would be expected to be between \$150,000-\$180,000 per year, and that the parcel would be reappraised in 10 years. He indicated that his staff would proceed with negotiations unless he heard objections from the board. No one objected at this time.

President Stukel reviewed the economic development issues involved and the political issues. Mr. Eppley concurred that this project would be key to developing a research park in Peoria; a facet of larger economic development plans. Chancellor Manning stated that the academic value of this relationship is that it might help the College of Medicine draw more physicians to Peoria which would benefit faculty and students. Mr. Vickrey asked for more information on plans for economic development, and cited declining population and investment and a deteriorating infrastructure in Peoria. Dr. Schmidt then asked that the benefits to academic programs be stressed in studying this and that a business plan be presented regarding how this would be operated.

**Discussion of Minutes of Meetings Lawfully Closed
Under the Open Meetings Act**

The secretary presented recommendations for release or continued sequestration of minutes of previous executive sessions. An item to approve these actions is in the agenda for this meeting. There were no questions.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned.

**REPORT FROM PRESIDENT,
UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION**

Mr. Shea invited Loren Taylor, president of the University of Illinois Alumni Association, to comment on the activities of the Alumni Association for the past year. Mr. Taylor focused on efforts to build goodwill among alumni. He noted that the University of Illinois Alumni Association is a leader among such associations nationally. Mr. Taylor then told the trustees of the goal of the Association to build an alumni center and of a significant donation made by Robert and Alice Campbell to make this possible. He stated that the center is to be known as the Alice Campbell Alumni Center. He also said that the alumni directory is an ongoing effort to assist alumni, faculty, and students identify alumni for various purposes, among them to seek out mentors for students. Further, he indicated that the association now has on-line membership services. He also reported that the Association had awarded its first Humanitarian Award in the last year. In addition he told the board of the plans to dedicate a memorial at Memorial Stadium to fallen alumni in all wars since World War I. In conclusion he briefly summarized major activities at each of the campuses for the past year.

**REPORT FROM PRESIDENT,
UNIVERSITY OF ILLINOIS FOUNDATION**

Next, Mr. Shea invited Sidney Micek to report on the activities of the University of Illinois Foundation for the past year. Dr. Micek began his comments by stating that the three goals of the Foundation are to first, develop and maintain strong relations with individuals and organizations; second, process gift monies promptly; and third, to provide good stewardship for the donations received. He also reported that Fiscal Year 2002 had been the third best year in the Foundation's history for receipt of gifts. He said that new gifts and pledges totaled \$213.0 million, which is a gain of 36 percent over FY 2001. He then cited those gifts of \$10.0 million or more: an in-kind gift valued at \$34.0 million from Proctor and Gamble, \$22.0 million from Thomas M. Siebel for construction of the Siebel building, and \$10.0 million from the Grainger Foundation for the College of Engineering.

Dr. Micek then reviewed the performance of the endowments, both active and deferred, and the slight decline in these in this difficult economic period. He also stated that membership in the President's Council has increased by 8,000 over the past year and stated that this is also the group that is likely to make other significant gifts in the future. He reviewed the University of Illinois Foundation's goals for the future and said that these were: to maintain the pattern of giving and to increase the number of large gifts; to broaden the prospect base by using the annual giving information for this; to convince recent grads to give on a regular basis, and to increase the number of endowed chairs, professorships, and scholarships.

REPORT FROM URBANA-CHAMPAIGN SENATE

Mr. Shea asked Professor Robert M. Fossum to report for the senate at Urbana. Professor Fossum summarized the senate's efforts of the past year (materials are filed with the secretary) and thanked Mr. Shea for appointing liaisons to each of the three senates and said that these were effective. He also thanked President Stukel for consistently sharing information on the University's budget, and he praised the leadership of Chancellor Cantor. He also stated that the senate was pleased with the amendment to the University of Illinois *Statutes* for severe sanctions less than dismissal. He then spoke of the damage done by the rescission in the State budget in Fiscal Year 2002 and the diminishment of State appropriations for this current fiscal year. In closing he thanked the board for its efforts to make shared governance effective.

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

The board then recessed for a meeting of the Committee on Buildings and Grounds.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Dr. Gindorf convened this meeting and asked Robert K. Todd, associate vice president for administration and human resources, to present the agenda for this meeting.

Site Selection for Building for Family Resiliency Program, Urbana

Mr. Todd turned first to Chancellor Cantor for an announcement, and she announced that Doris Christopher, and her husband Jay Christopher, and the Pampered Chef, Ltd., had donated \$11.5 million to create a Family Resiliency Program at the Urbana campus for the purpose of addressing current social issues such as the interrelationships of family and work and to endow a chair in Family and Community Development in the College of Agricultural, Consumer and Environmental Sciences. The chancellor indicated that the gift would provide for construction of a building for the program as well as funds for building maintenance.

Mr. Todd then introduced a recommendation for a site for the building to house the Family Resiliency Program, and added that this would require approval of the committee. He stated that construction costs for the building would be \$8.5 million, and that the particular site is recommended because of its proximity to extant facilities such as the Child Development Laboratory, related other campus facilities, and parking. It noted that the site is on the corner of Lincoln Avenue and Nevada Street (materials are filed with the secretary).

On motion of Dr. Schmidt, the committee approved the recommendation for this site.

Design Approval for IMPE Additions and Renovations, Urbana

Mr. Todd introduced a representative of the firm, the Hughes Group Architects, that provided the design for this. Drawings and a model of the pro-

posed design were presented and discussed. There was emphasis placed on the goals of enhancing campus life, increasing a sense of community on campus, and providing evening activities on campus. Mr. Todd explained that funding would be provided by the Auxiliary Facilities Bond Fund, and that this project was approved by a student referendum at the Urbana campus. The architect said the IMPE building will have a total of 350,000 square feet when remodeling is completed and all parts are linked together.

On motion of Mrs. Gravenhorst, the committee approved this design.

Facilities Condition Assessment

Mr. Rugg presented the findings of an assessment of the University's facilities (materials are filed with the secretary) and discussed the costs for addressing great amounts of deferred maintenance to the University's facilities. He stressed the fiduciary responsibility of the board for the stewardship of the University's buildings and reviewed the history of efforts to calculate the resources required to maintain these facilities. He explained to the board that the concept SR3, space repair, renovation, and realignment, was devised many years ago to calculate costs for maintaining buildings. He also recalled that this concept was used in the bond covenants in the 1970s when refinancing of the University's debt was undertaken. In addition, he noted that repair and renovation needs have been at the top of the University's capital budget request for several years and that this statement had helped the Illinois Board of Higher Education and the Illinois Bureau of the Budget to find ways to provide funds for this. He also referred to the funds provided in the early 1980s under the aegis of remodeling for excellence, and stated that in Fiscal Year 1990 there were funds in the University's budget for repair and renovation. Mr. Rugg stressed that these efforts had not begun to address the problem and that a much greater commitment of budget to repair and renovation of facilities was demanded. Dr. Gindorf asked if improvement of mechanical systems for heating, ventilating, and air conditioning, such as the University undertook earlier this year in installing new chilling systems at Chicago and Urbana would reduce maintenance costs for utilities. Mr. Rugg acknowledged that this was true and that as other new systems are installed the costs for repair will diminish. Mr. Rugg stated that it is a tribute to the University's staff that maintain these systems that so many have lasted well beyond expectations.

Mr. Rugg reported that 86 percent of the total gross square feet of University facilities were reviewed, and that that accounted for 96 percent of the capital replacement value of \$4.0 billion. He then explained that the top two priorities in terms of critical need for repair and renovation would require over \$600.0 million, thus it imperative for the board to address this need soon.

There was discussion and several board members voiced support for committing a large percentage of the University's budget to this, noting that the need is becoming more critical as time passes. Several trustees lauded the chair of the board for his singular devotion to this issue, and to finding ways to improve the condition of the University's facilities.

BOARD MEETING RECONVENED

After taking a break for lunch, the board reconvened in regular session to consider the agenda for this meeting. Prior to this Mr. Shea asked Michael B. Provenzano, senior associate vice president for business and financial services, to comment on the report the board had received about the University's Fiscal Year 2003 Insurance Summary that relates to two items in the agenda that deal with the risk management program and the self insurance program. Mr. Provenzano summarized the characteristics of the various insurance programs the University has and reflected on the changes in the payor mix that have made for greater costs and the fact that claims filed in Cook County net larger settlements than in other locales. Mr. Rugg commended those involved with these programs and said that the cooperation among the campuses with University administration is outstanding in this area and that the administration of these programs works well.

REGULAR AGENDA

Mr. Shea asked the secretary to call the items on the regular agenda for a vote. Mrs. Sodemann asked that for agenda item no. 3, "Resolution for Governor George H. Ryan," that the information distributed to the board at the table enumerating the projects and budgets for capital programs approved by Governor Ryan be added to this item to demonstrate his support for the University. There was no objection, and this information was added.

Next, Mr. Plummer asked that agenda item no. 9 be set aside temporarily and that a vote on this item be taken separately. There was no objection to this.

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. 3 through 8 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Resolution for Governor George H. Ryan

(3) The Board of Trustees of the University of Illinois records with gratitude your leadership as governor and as a member ex officio of this board from 1999 to 2003. During these years your actions to support the University of Illinois have resulted in extraordinary benefits for the University. Your concern that the facilities for teaching and research be expanded has resulted in amazing development for the University in buildings essential to each of its missions, unmatched in recent history.

Your support of funding critical facilities at the University will enable faculty research hitherto not possible in bio-medical areas and in advanced technology development. The opportunities for further breakthroughs in scientific frontiers have been enhanced by your commitment to providing greatly improved work environments for our faculty and students, as exemplified by the College of Medicine Research Building, the Magnetic Resonance Imaging facility, and the Chemical Sciences building at Chicago; and the burgeoning research park, the Post-Genomic Institute, and the National Center for Supercomputing Applications building at Urbana. Further, your commitment to

expanding the Springfield campus is demonstrated by your support of much needed facilities on that campus, especially an additional academic building.

Your belief in the University's capability to generate significant discoveries that produce economic development for the State and the nation has been a spur for continued research, and has added inspiration for greater achievement. We deeply appreciate your concomitant concern and support for academic programs and faculty excellence expressed in the funding for several academic programs during your term as governor.

As citizens of Illinois we salute you and Mrs. Ryan for your devotion to the memory of our State's greatest public servant, and your tenacity in founding the Abraham Lincoln Presidential Library and Museum. We look forward to being an academic partner in this endeavor. We also pay tribute to you for your compassion and your actions in behalf of those requiring the help of a just leader. You will be remembered for your humanity and optimism, dealt out generously, to address the needs of children and adults bypassed by the usual advocacy systems. Your record for fostering excellence in education is evident in the expansion of pre-school programs, the establishment of Illinois READS, grants to improve teacher education, and in extending on-line education throughout the education continuum, as well as in providing for some important needs of higher education.

This board hereby expresses its heartfelt appreciation to you and Mrs. Ryan, and best wishes for future happiness and personal satisfaction.

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

University of Illinois
Governor Ryan Capital Appropriation History
FY 2000 to FY 2003

	<i>FY 2000</i>	<i>FY 2001</i>	<i>FY 2002</i>	<i>FY 2003</i>	<i>TOTAL</i>
<i>Chicago</i>					
Repair and Renovation	\$ 3,008,300	\$ 4,197,500	\$ 4,165,900	\$ 4,165,900	\$ 15,537,600
C.O.M. Planning/ Construction Funds	68,000,000			25,000,000	93,000,000
Medical Imaging		10,000,000			10,000,000
Chemical Sciences					
Building Planning			6,400,000	57,600,000	64,000,000
Oncology Center			1,500,000		1,500,000
<i>Total</i>	71,008,300	14,197,500	12,065,900	86,765,900	184,037,600
<i>Springfield</i>					
Repair and Renovation	337,200	364,600	343,700	343,700	1,389,200
Soccer Field Complex	400,000				400,000
Classroom Office Bldg.					
Plan./Const.		1,300,000	15,000,000	15,000,000	31,300,000
<i>Total</i>	737,200	1,664,600	15,343,700	15,343,700	33,089,200
<i>Urbana</i>					
Repair and Renovation	3,625,700	6,145,400	6,225,400	6,225,400	22,221,900
Campus Chiller Planning	4,500,000				4,500,000
WILL Digitalization	814,444	814,444	814,444		2,443,332
Siebel Computer Science					
Match		8,000,000	32,000,000		40,000,000
Ag Land Acquisition		2,500,000			2,500,000
Post-Genomics Institute					
Plan./Const.		7,500,000	67,500,000		75,000,000
NCSA Bldg. Plan./Const.		3,000,000	27,000,000		30,000,000
Technology Incubator					
Plan./Const.		3,000,000	5,000,000		8,000,000
Microelectronics Lab					
Expansion				18,000,000	18,000,000
<i>Total</i>	<u>8,940,144</u>	<u>30,959,844</u>	<u>138,539,844</u>	<u>24,225,400</u>	<u>202,665,232</u>
	\$80,685,644	\$46,821,944	\$165,949,444	\$126,335,000	\$419,792,032

Memorial Resolution for W. Clement Stone

(4) The Board of Trustees records with sadness the death of W. Clement Stone. Appointed by Governor Ogilvie, Mr. Stone served as a member of this board from September 1969 to November 1970.

Mr. Stone is gratefully remembered as a benefactor of the University, particularly of programs at the Chicago campus.

In his remarkable life of 100 years, and his renowned belief in a "positive mental attitude," the importance of which he ably demonstrated in his personal and business pursuits, Mr. Stone became well-known for his statement: "All I want to do is change the world." His legacy is based on his generous gifts of time and financial resources to social, educational, and political causes. The University of Illinois is a deeply appreciative beneficiary of his talent and support.

The board directs that an appropriate copy of this resolution be prepared for Mrs. Jesse Verna Stone.

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

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

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

The chancellor at Chicago recommends the following reappointments to the DSCC Advisory Board for a term ending June 30, 2006:

JERIE BETH KARKOS, M.D., F.A.A.P., medical director, Pediatric Rehabilitation at St. John's Hospital, Springfield; associate professor of clinical pediatrics, Southern Illinois University School of Medicine, Department of Pediatrics, Springfield

THOMAS J. RENTFROW, M.D., private practitioner, Internal Medicine and Pediatrics, Marshall Clinic; Medical Staff, St. Anthony's Memorial Hospital, Effingham, Illinois

DONALD H. WORTMANN, M.D., associate professor of pediatrics, University of Illinois at Chicago College of Medicine at Rockford; active staff, Rockford Memorial Hospital; active staff, Swedish American Hospital, Rockford

NANCY M. YOUNG, M.D., head, Section of Otology and Neurotology; medical director, Department of Audiology; medical director, Listening and Language Center, Division of Pediatric Otolaryngology, The Children's Memorial Hospital, Chicago

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Vice Chancellor for External Affairs, Chicago

(6) The chancellor at Chicago recommends the appointment of Arthur Anthony Savage, currently executive associate chancellor for external affairs, and assistant professor, School of Biomedical and Health Information Sciences, College of Applied Health Sciences, as vice chancellor for external affairs, on a twelve-month service basis, at the same annual salary of \$190,000, beginning November 18, 2002.

The responsibilities of the vice chancellor for external affairs position are the same as those currently held by Dr. Savage. As vice chancellor for external affairs, Dr. Savage will continue to oversee the offices of public affairs, community relations, and international affairs; manage civic relations; work closely with the University Office of Governmental Relations on State and Federal matters; coordinate the work of the associate chancellors for access and equity, alumni affairs, and development; and advance the Great Cities Commitment as a campus-wide mission. The title of vice chancellor is more

appropriate to the scope and level of those responsibilities. The current executive associate chancellor for external affairs position will be eliminated.

Dr. Savage will continue to hold the title of assistant professor, non-tenured, in the School of Biomedical and Health Information Sciences, College of Applied Health Sciences.

The president of the University concurs.

On motion of Mr. Lamont, this appointment was approved.

Vice Chancellor for Public Engagement and Institutional Relations, Urbana

(7) The engagement of the University of Illinois with the public is an ever increasing and important mission of the University. Given its importance the chancellor at Urbana recommends elevating the existing public engagement and institutional relations portfolio of Associate Chancellor Steven F. Schomberg to that of vice chancellor for public engagement and institutional relations, beginning November 21, 2002, on a twelve-month service basis, at his current annual salary of \$134,500. The salary will be adjusted to \$165,000, effective August 21, 2003. The current associate chancellor position will be eliminated.

We have long had a provost/vice chancellor for academic affairs and a vice chancellor for research who oversee and advance our institutional missions of teaching and research. The promotion of Associate Chancellor Schomberg to the position of vice chancellor for public engagement and institutional relations will serve to further emphasize and advance the institution's public engagement mission, and our relationships with external constituencies.

The portfolio of the vice chancellor for public engagement and institutional relations includes oversight for campus programs and interactions with an ever expanding scope of Illinois stakeholders and external partners who seek to utilize the University's intellectual and knowledge assets for cultural, economic, and community development. The vice chancellor works with the colleges and other campus units to develop and promote opportunities for engaging faculty and students with critical cultural, economic, and social issues, including community-based learning and a curriculum that prepares students to address important societal issues. In addition, the vice chancellor works with the Office of Governmental Relations to coordinate campus relationships with both Federal and State government, as well as interactions with local governmental units. The vice chancellor is also the principal liaison with the Office of the Secretary of the Board of Trustees.

Dr. Steven Schomberg is exceptionally well qualified and suited for this position given his strong educational background, his long-standing national leadership role in public engagement matters, and his successful hands-on experience over the past several years managing, advancing, and providing leadership on these matters for the Urbana campus.

The president of the University concurs.

On motion of Mr. Lamont, this appointment was approved.

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

*STEVEN M. DOWNING, associate professor of medical education, College of Medicine at Chicago, on 100 percent time, beginning September 1, 2002 (A), at an annual salary of \$81,818.

KATHRYN GLASSWELL, assistant professor, College of Education, on 100 percent time, August 6-August 20, 2002 (N), \$3,056, and continuing on 100 percent time, August 21, 2002 (3), at an annual salary of \$55,000.

JULIE H. GOLDBERG, assistant professor of medical education, College of Medicine at Chicago, on 100 percent time, beginning September 1, 2002 (1), at an annual salary of \$60,000.

GRACE GUZMAN-HARTMAN, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, and staff pathologist, University of Illinois Hospital and Clinics, on 49 percent time, beginning September 15, 2002 (3Y51;NY49), at an annual salary of \$153,000. Dr. Guzman-Hartman will also hold the position of physician surgeon, College of Medicine at Chicago, on zero percent time, beginning September 15, 2002 (N), (non-salaried), for a total salary of \$153,000.

GIUSEPPE LANZINO, associate professor of neurosurgery, College of Medicine at Peoria, on 60 percent time, from September 16, 2002, through August 31, 2005 (QY60), at an annual salary of \$60,000. Dr. Lanzino was also appointed to the rank of associate professor of radiology, College of Medicine at Peoria, on zero percent time (non-tenured and non-salaried), beginning September 16, 2002 (N), for a total salary of \$60,000.

SMRUTI RANJAN MOHANTY, assistant professor of medicine, College of Medicine at Chicago, on 34 percent time, beginning September 1, 2002 (1Y), at an annual salary of \$50,000. Dr. Mohanty will continue as physician surgeon, University of Illinois Hospital and Clinics, on 66 percent time, effective September 1, 2002 (NY66), at an annual salary of \$100,000, for a total salary of \$150,000. Funding equivalent to a 51 percent time tenure track appointment as assistant professor is provided by the University of Illinois Hospital and Clinics.

W. SEAN NEWSOME, assistant professor, Jane Addams College of Social Work, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$46,600.

*CARLOS E. RUIZ, professor of pediatrics, College of Medicine at Chicago, on 23 percent time, beginning September 1, 2002 (AY23), at an annual salary of \$70,000. Dr. Ruiz will continue as physician surgeon in pediatrics, College of Medicine at Chicago, on 44 percent time, and physician surgeon in pediatrics, University of Illinois Hospital and Clinics, on 33 percent time, effective September 1, 2002 (NY44;NY33), at an annual salary of \$230,000, for a total salary of \$300,000.

BRENT D. RYAN, assistant professor, Urban Planning and Policy Program, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$51,000. In addition, Dr. Ryan was also appointed as co-director of the City Design Center, on an academic year service basis with an administrative increment of \$3,000, beginning August 21, 2002 (N), for a total salary of \$54,000.

BRIAN P. SCHLEGEL, assistant professor of pathology, College of Medicine at Chicago, on 51 percent time, and assistant professor, Cancer Center, College of Medicine at Chicago, on 49 percent time, beginning September 1, 2002 (1;N49), at an annual salary of \$57,274.

SULTAN TEPE, assistant professor of political science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$61,000.

KRISTA A. THOMPSON, assistant professor of art history, College of Architecture and the Arts, on 100 percent time, beginning August 22, 2002 (1), at an annual salary of \$45,000.

WEIBIN YANG, assistant professor of neurology and rehabilitative medicine, College of Medicine at Chicago, on 60 percent time, beginning September 1, 2002 (1Y60), at an annual salary of \$78,000. Dr. Yang will continue as physician surgeon in neurology and rehabilitative medicine, College of Medicine at Chicago, on 40 percent time, effective September 1, 2002 (NY40), at an annual salary of \$52,000, for a total salary of \$130,000.

Emeriti Appointments

ARTHUR S. ELSTEIN, professor emeritus of medical education, University of Illinois College of Medicine at Chicago, September 1, 2001

ALLAN H. LEVY, professor emeritus of medical information science, University of Illinois at Chicago College of Medicine at Urbana-Champaign, August 21, 2002

RALPH A. NELSON, professor emeritus of internal medicine, University of Illinois at Chicago College of Medicine at Urbana-Champaign, August 21, 2002

RAMESHWAR PRASAD, professor emeritus of pathology, University of Illinois College of Medicine at Chicago, July 1, 2002

MARTIN C. TANGORA, associate professor emeritus of mathematics, statistics and computer science, August 1, 2002

MARC J. ZIMMERMAN, professor emeritus, Latin American and Latino Studies Program, September 1, 2002

Springfield

LEANNE R. BRECKLIN, assistant professor of criminal justice, on 100 percent time, beginning August 16, 2002 (1), at an annual salary of \$50,000.

Emeriti Appointments

C. R. DIXON, associate professor emeritus, Visual Arts Program, January 1, 2003

C. J. WILKINS, professor emeritus of management, June 1, 2003

Urbana-Champaign

MELODY M. ALLISON, assistant biology librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 12, 2002 (NY), and continuing August 21, 2002 (1Y), at an annual salary of \$42,000.

LUKE BATTEN, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$44,000.

MARCO CACCAMO, assistant professor of computer science, on 100 percent time, beginning September 1, 2002 (1), at an annual salary of \$75,000.

DARLA M. CASTELLI, assistant professor of kinesiology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$50,000.

*CHI-YUE CHIU, associate professor of psychology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$72,000.

*DOV COHEN, associate professor of psychology, on 100 percent time, beginning August 21, 2002 (A), at annual salary of \$75,000.

ROBERT DERMODY, assistant professor, School of Architecture, on 100 percent time, beginning January 6, 2003 (N), at an annual salary of \$53,000.

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

BRIAN C. FREEMAN, assistant professor of cell and structural biology, on 100 percent time, beginning February 21, 2003 (N), at an annual salary of \$64,000. Dr. Freeman was

- appointed to serve as visiting assistant professor of cell and structural biology under the same conditions and salary arrangement beginning August 21, 2002.
- *ROBERT GHRIST, associate professor of mathematics, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$75,000.
- ESTHER RUTH GILLIE, music digital services coordinator and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2002 (1Y), at an annual salary of \$41,000.
- DAVID W. GLENN, assistant professor of business administration, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$94,000.
- TONY E. GRIFT, assistant professor of agricultural engineering, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$64,500.
- MATTHIAS GROSSE PERDEKAMP, assistant professor of physics, on 100 percent time, beginning September 6, 2002 (1), at an annual salary of \$60,200.
- JENNIFER MISUZU GUNJI-BALLSRUD, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$49,000.
- KEVIN HAMILTON, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$44,000.
- *YING-YI HONG, associate professor of psychology, on 100 percent time, beginning August 21, 2002 (A), at an annual salary of \$72,000.
- VICTORIA TIN-BOR HUI, assistant professor of political science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$57,000.
- ZORAN IVKOVICH, assistant professor of finance, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$130,000.
- JOANN JACOBY, anthropology/sociology subject specialist and assistant professor of library administration, University Library, on 100 percent time, beginning September 3, 2002 (1Y), at an annual salary of \$45,000.
- PHILLIP WAYNE JOHNSON, law reference librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2002 (1Y), at an annual salary of \$46,000.
- JOANNE S. KACZMAREK, archivist for electronic records and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2002 (1Y), at an annual salary of \$42,000.
- CATHERINE KENNEY, assistant professor of sociology, on 75 percent time, and assistant professor, Women's Studies Program, on 25 percent time, beginning August 21, 2002 (1;N25), at an annual salary of \$53,000.
- ANDREAS GEORG KLEIN, assistant professor of educational psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$58,000.
- NATHAN R. KUNCEL, assistant professor of psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$57,000.
- DIMITRIOS C. KYRITSIS, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning October 1, 2002 (1), at an annual salary of \$69,000.
- HUI LIAO, assistant professor, Institute of Labor and Industrial Relations, on 100 percent time, beginning August 28, 2002 (1), at an annual salary of \$85,000.
- TAMARA MATHESON, assistant professor of history, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$47,000.
- LAN MU, assistant professor of geography, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$57,000.
- KI-CHOL NAM, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$48,000.
- NATASHA NEOGI, assistant professor of aeronautical and astronautical engineering, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$68,000.
- PANAYIOTA PYLA, assistant professor, School of Architecture, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$45,000.
- EDGAR A. RAMOS, assistant professor of computer science, on 100 percent time, beginning September 18, 2002 (1), at an annual salary of \$80,000.
- GLENN IAN ROISMAN, assistant professor of psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$57,000.

- DANA RUSH, assistant professor, School of Art and Design, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$45,000.
- YOO-SEONG SONG, commerce information services librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 12, 2002 (NY), and continuing August 21, 2002 (1Y), at an annual salary of \$43,000.
- LISA BETH SPANIERMAN, assistant professor of educational psychology, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$53,000.
- CAROL LYNN SYMES, assistant professor of history, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$48,000.
- RICHARD I. TAPPING, assistant professor of microbiology, on 100 percent time, beginning February 21, 2003 (N), at an annual salary of \$60,000. Dr. Tapping was appointed to serve as visiting assistant professor of microbiology under the same conditions and salary arrangement beginning August 21, 2002.
- DROR VAROLIN, assistant professor of mathematics, on 100 percent time, beginning August 22, 2002 (3), at an annual salary of \$60,000.
- JONATHAN WASKAN, assistant professor of philosophy, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$49,000. Dr. Waskan will also hold the rank of assistant professor, Beckman Institute for Advanced Science and Technology, on zero percent time (non-tenured and non-salaried), beginning August 21, 2002 (N), for a total salary of \$49,000.
- QI WU, commerce digital and data services librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2002 (1Y), at an annual salary of \$40,000.
- MIN-FENG YU, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$68,000.
- CHENGXIANG ZHAI, assistant professor of computer science, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$80,000.

To the Rank of Associate Professor on Indefinite Tenure:

- *NARAYANA R. ALURU, from assistant professor of general engineering, College of Engineering, to associate professor of general engineering, College of Engineering, on indefinite tenure, effective November 21, 2002

Sabbatical Leave of Absence:

- NIGEL D. GOLDENFELD, professor of physics, College of Engineering; sabbatical leave of absence for second semester 2002-03, at full pay. Professor Goldenfeld will study programs in applied mathematics, fluid mechanics, and geobiology that relate to the developing field of biocomplexity.

Emeriti Appointments

- SHYAMALA BALGOPAL, assistant professor emerita of library administration, October 1, 2002
- HAROLD E. KAUFFMAN, professor emeritus of crop sciences, August 21, 2002
- CAROL BATES PENKA, assistant professor emerita of library administration, October 1, 2002
- NANCY L. ROMERO, assistant professor emerita of library administration, August 21, 2002
- WILLIAM D. WATSON, professor emeritus of physics, September 1, 2002
- LOYD M. WAX, professor emeritus of plant physiology in the Department of Crop Sciences, August 4, 2002

Administrative/Professional Staff

- CLIFFORD JAMES CAREY, director of planning and design in the Office for Planning, Design and Construction, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$94,000. Mr. Carey was appointed to serve as interim director of planning and design under the same conditions and salary arrangement beginning September 21, 2002.
- HELEN J. COLEMAN, director of construction management, Division of Operation and Maintenance Administration, Urbana-Champaign, on a twelve-month service basis,

on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$94,000. Ms. Coleman was appointed to serve as interim director of construction management under the same conditions and salary arrangement beginning September 21, 2002.

ASGERALLY TURABALLY FAZLEABAS, director, National Institute of Health Center for Women's Health and Reproduction in the Department of Obstetrics and Gynecology, College of Medicine at Chicago, on an academic year service basis with an administrative increment of \$10,000, beginning November 18, 2002 (N). Dr. Fazleabas was appointed to serve as visiting director, National Institute of Health Center for Women's Health and Reproduction, under the same conditions and salary arrangement beginning September 1, 2002. In addition, Dr. Fazleabas will continue to hold the rank of professor of obstetrics and gynecology, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$103,513, for a total salary of \$113,513.

ROBERT LEE GROSSMAN, director, National Center for Data Mining, Office of the Vice Chancellor for Research, Chicago, on an academic year service basis with an administrative increment of \$16,364, beginning November 18, 2002 (N). In addition, Dr. Grossman will continue to hold the rank of professor of mathematics, statistics and computer science, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 100 percent time, effective November 18, 2002 (A), at an annual salary of \$150,000; and professor of computer science, College of Engineering, on zero percent time (non-tenured and non-salaried), for a total salary of \$170,000.

YOLANDA D. HEMAN-ACKAH, director of the Voice Program, Department of Otolaryngology—Head and Neck Surgery, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$15,000, beginning November 18, 2002 (NY). Dr. Heman-Ackah was appointed to serve as visiting director of the Voice Program, Department of Otolaryngology—Head and Neck Surgery under the same conditions and salary arrangement beginning October 1, 2002. In addition, Dr. Heman-Ackah will continue to hold the rank of assistant professor of otolaryngology—head and neck surgery, on a twelve-month service basis, on 55 percent time, at an annual salary of \$82,500; and physician surgeon in otolaryngology—head and neck surgery, on a twelve-month service basis, on 45 percent time, at an annual salary of \$67,500, effective November 18, 2002 (2Y55;NY45), for a total salary of \$165,000.

*WESLEY M. JARRELL, head of the Department of Natural Resources and Environmental Sciences, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 1, 2003 (KY), at an annual salary of \$136,000. In addition, for service as head, Dr. Jarrell will receive an administrative increment of \$4,000, on a twelve-month service basis (KY). Dr. Jarrell will also be appointed to the rank of professor of natural resources and environmental sciences, on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), for a total salary of \$140,000.

NADIM MAHMUD, director of the Stem Cell Laboratory, Oncology Stem Cell Program, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$110,000. Dr. Mahmud was appointed to serve as visiting director of the Stem Cell Laboratory under the same conditions and salary arrangement beginning October 1, 2002.

VICTOR MULLINS, assistant dean, MBA Program, College of Commerce and Business Administration, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 21, 2003 (NY), at an annual salary of \$100,000.

DARRYL D. PENDLETON, assistant dean for multicultural affairs, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$10,000, effective November 18, 2002 (NY). In addition, Dr. Pendleton will be appointed to the rank of clinical assistant professor of pediatric dentistry, College of Dentistry, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002

- (NY), at an annual salary of \$100,000, for a total salary of \$110,000. Dr. Pendleton was appointed to serve as visiting assistant dean for multicultural affairs and visiting clinical assistant professor of pediatric dentistry under the same conditions and salary arrangement beginning November 1, 2002.
- EMANUEL D. POLLACK, senior associate dean of student affairs, College of Liberal Arts and Sciences, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$126,445. Dr. Pollack was appointed to serve as visiting senior associate dean under the same conditions and salary arrangement beginning September 1, 2002. In addition, Dr. Pollack will continue to hold the rank of associate professor of biological sciences, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis (A), on zero percent time (non-salaried); and associate professor of anatomy and cell biology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), for a total salary of \$126,445.
- *MRINALINI CHATTA RAO, vice provost for faculty affairs, Office of the Provost and Vice Chancellor for Academic Affairs, Chicago, on a twelve-month service basis, on 75 percent time, beginning November 18, 2002 (NY75), at an annual salary of \$133,565. In addition, she will continue to hold the rank of professor of physiology and biophysics, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 25 percent time, at an annual salary of \$31,730; and research professor of medicine, College of Medicine at Chicago (non-tenured and non-salaried), effective November 18, 2002 (A25;N), for a total salary of \$165,295.
- E. LOUISE ROGERS, associate dean, development and alumni affairs, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, funded 50 percent by the College of Agricultural, Consumer and Environmental Sciences and 50 percent by the Office of Campus Development, beginning November 18, 2002 (NY), at an annual salary of \$116,700. Ms. Rogers was appointed to serve as interim associate dean, development and alumni affairs, under the same conditions and salary arrangement beginning March 15, 2002.
- BART DAVID SEMERARO, assistant director of visualization and virtual environments, National Center for Supercomputing Applications, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$98,000. Dr. Semeraro was appointed to serve as interim assistant director under the same conditions and salary arrangement beginning October 21, 2002.
- D. DAVID SISSON, assistant head for curriculum and instruction in the Department of Veterinary Clinical Medicine, College of Veterinary Medicine, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$3,000, beginning November 18, 2002 (NY). Dr. Sisson was appointed to serve as interim assistant head for curriculum and instruction under the same conditions and salary arrangement beginning October 21, 2002. In addition, he will continue to hold the rank of professor of veterinary clinical medicine, College of Veterinary Medicine, on indefinite tenure on a twelve-month service basis, on 100 percent time, effective November 18, 2002 (AY), at an annual salary of \$113,580, for a total salary of \$116,580.
- ALBERT VERNON THOMPSON, assistant dean, College of Liberal Arts and Sciences, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 18, 2002 (NY), at an annual salary of \$100,000. Mr. Thompson was appointed to serve as visiting assistant dean under the same conditions and salary arrangement beginning September 1, 2002.
- PATRICK ANTHONY TRANMER, head of the Department of Family Medicine, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$58,120; and chief of service, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$51,140, beginning November 18, 2002 (KY;NY). In addition, Dr. Tranmer will continue to hold the rank of associate professor of clinical family practice, Department of Family Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 51 percent time (non-tenured), at an annual salary of \$83,440; and physician surgeon

in family medicine, College of Medicine at Chicago, on a twelve-month service basis, on 49 percent time, at an annual salary of \$24,300, effective November 18, 2002 (WY51;NY49), for a total salary of \$217,000.

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

**Salary Increase Recommendation for Faculty and Staff,
Fiscal Year 2004**

(9) In September 2002, the chair of the Board of Trustees recommended a salary program for Fiscal Year 2003 for faculty and staff that was not approved because the budget for operations for FY 2003 had been allocated. At this time the chairman recommends that the board direct the president and the administration to prepare the budget for operations for FY 2004 to include a salary increase of 3 percent to a maximum of \$3,000 to the faculty and staff of the University whose salaries are less than \$150,000. This salary increase does not apply to those employees earning annual salaries of \$150,000 and above.

Additional increases may be awarded at the discretion of the president and the chancellors.

Mr. Shea said he wished to make remarks to this item and asked Dr. Schmidt to take the chair for this brief time. Mr. Shea stated that this item is important to him because he wished to ensure that University faculty and staff earning less than \$150,000 per year receive a salary increase for FY 2004, since none was possible in the FY 2003 budget. He indicated that if the administration wished to award a greater salary increase to any employee, that would be acceptable to him. He reminded his colleagues that he had tried to gain acceptance of this for the current fiscal year at the last board meeting in September 2002, but had not been successful. He then made the motion that agenda item no. 9 be approved. Discussion followed and several trustees commented. Among the comments was an explanation that the Illinois Board of Higher Education had not yet made its recommendation regarding a salary increase for FY 2004 and that it might be well to wait to see what this is. Several trustees concurred with Mr. Shea in his statement that University employees need a salary increase; however, most advised that this was not the time to commit to that.

On motion of Mr. Shea, this motion was defeated by the following vote: Aye, Mr. Shea, Mr. Vickrey, Mr. Wolfe; no, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann; absent, Governor Ryan. (Mr. Lamont asked to be recorded as not voting on this item.)

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 10 through 22 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Revise *Bylaws* of the Board of Trustees

(10) The chair of the board recommends revision of the *Bylaws* as indicated in the attachment. (The *Bylaws* of the Board of Trustees is printed as an appendix to these minutes.)

This represents an updating of the *Bylaws* to reflect a change in the Open Meetings Act and a new standing committee, plus general editing.

On motion of Mr. Plummer, this recommendation was approved by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst,

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

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

Disclosure of Executive Session Minutes Under Open Meetings Act

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

Unreleased items from October 1999 through May 2002 are attached and are marked to indicate which items considered in executive session are recommended for continuing confidential status in order to protect the public interest or the privacy of an individual. (Attached materials are filed with the secretary of the board for record.) When the need for confidentiality has passed they will be released.

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

The president of the University concurs.

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

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

Amend Operating, and Services and Management Agreements of the University of Illinois Research Park, LLC

(12) At the March 2, 2000, and April 13, 2000, meetings, the board authorized formation of the University of Illinois Research Park, LLC (UIRP) to assist the University in developing and operating the research park in Urbana-Champaign. UIRP is governed by an Operating Agreement, which defines the composition of the Board of Managers and specifies the powers and responsibilities of various persons to manage the research park. In addition, a Services and Management Agreement has been negotiated between the UIRP and the University specifying the roles and responsibilities of those parties.

At its meeting on October 17, 2002, the Board of Managers recommended that the Board of Trustees adopt amendments to both the Operating Agreement, and Services and Management Agreement to clarify the roles and responsibilities of the vice president for economic development and corporate relations for oversight of the University's obligations, and the vice chancellor for research for the Urbana-Champaign campus for performance of the University's obligations concerning development of the research park. In addition, other technical amendments were recommended, including clarification of the process for appointing the 11 members of the Board of Managers.

The vice president for economic development and corporate relations in consultation with the chair of the Economic Development Committee, recommends that the comptroller of the board and the secretary of the board be delegated authority to execute the amendments to the Operating Agreement, and Services and Management Agreement as recommended by the Board of Managers.

The chancellor at Urbana concurs.

The president of the University recommends approval.

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

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

Amend Operating, and Services and Management Agreements of the Illinois VENTURES, LLC

(13) At the April 13, 2000, and September 14, 2000, meetings, the board authorized formation of the Illinois VENTURES, LLC (VENTURES) to assist the University in helping start-up companies obtain funding, recruit management talent, develop business plans, and provide other services and assistance. VENTURES is governed by an Operating Agreement, which defines the composition of the Board of Managers and specifies the powers and responsibilities of various persons to manage this endeavor. In addition, a Services and Management Agreement has been negotiated between VENTURES and the University specifying the roles and responsibilities of those parties.

At the meeting of the VENTURES' Executive Committee on October 29, 2002, the committee voted to recommend to the Board of Trustees the adoption of amendments to both the Operating Agreement, and Services and Management Agreement to clarify the roles and responsibilities of the vice president for economic development and corporate relations for oversight of the University's obligations while removing the vice president as a member of the Board of Managers. In addition, other technical amendments were recommended, including clarification of the process for appointing the 11 members of the Board of Managers in the Operating Agreement, and clarification of VENTURES' role in providing services to tenants in University incubator facilities in the Services and Management Agreement.

The vice president for economic development and corporate relations, in consultation with the chair of the Economic Development Committee, recommends that the comptroller of the board and the secretary of the board be delegated authority to execute the amendments to the Operating Agreement, and Services and Management Agreement as recommended by the Executive Committee of VENTURES.

The president of the University concurs.

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

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

Authorization for Settlement

(14) The university counsel recommends that the board approve settlement of *Arrezola v. Chemplavil, et al.*, in the amount of \$750,000. The plaintiff alleges that defendants failed to properly monitor 48-year-old Teresa Arrezola's condition during transfer from the Surgical Intensive Care Unit at University of Illinois Hospital to the Medical ICU there, resulting in her death.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Authorization for Settlement

(15) The university counsel recommends that the board approve settlement of *Wade v. Johnson, et al.*, in an amount not to exceed \$2,116,102. The plaintiff alleges that defendants inadvertently administered an excessive amount of potassium to three-month-old Jeremie Lewis, resulting in severe brain damage and neurological injuries.

This matter falls into an insurance policy year in which the University's self-insured retention was \$3.0 million, with St. Paul Insurance Company providing an additional \$30.0 million of coverage. St. Paul has indicated that they intend to negotiate a settlement with plaintiff in the near future that will exceed the University's self-insured retention, requiring payment from the excess coverage provided by St. Paul. As of November 4, 2002, however, only \$2,116,102 remained of the aggregate for that policy year, representing the University's share of any settlement or award. The University's share will continue to decrease as additional litigation costs are submitted and paid, but the exact amount will not be known until the University's account has been settled with St. Paul. Accordingly, the requested authorization for settlement is phrased as a maximum.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Revise University's Liability Self-Insurance Plan

(16) On July 21, 1976, the Board of Trustees authorized the establishment of a self-insurance program for certain types of liability claims which may be asserted against the University, board members, officers, employees, and students in professional training arising from the scope of their University duties, relationships, or employment. The plan was effective August 1, 1976, and was amended in 1985 and 1992. The following changes are necessary to clarify and fulfill the plan's intent.

- Clarify that the plan does not apply to:
 - An activity of a volunteer organization unless specified by written agreement with the University.
 - Any obligation for which an employee may be held liable under any breach of contract claim or suit. The practice has been that breach of contract events are not covered. This language formalizes the current practice.
- Extend medical malpractice coverage for an occurrence to the level that the excess liability insurance coverage begins (i.e., self-insured retention, the "deductible"). The self-insurance plan currently limits coverage to \$5.0 million per occurrence. Prior to Fiscal Year 2003, the excess liability insurance provided coverage above the \$5.0 million plan limit. Beginning in FY 2003, the excess liability insurance coverage begins at \$7.5 million per occurrence leaving a gap in coverage between \$5.0 million and \$7.5 million. This change eliminates that gap in coverage.

The vice president for administration and university counsel recommend approval.

The president of the University concurs.

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

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

Revise University's Risk Management Program

(17) In conjunction with the establishment of the liability self-insurance plan the University established a risk management program to oversee the operation. The risk management program has been amended over time to keep pace with changes in the market and with changes in the University organizational structure. The following changes will improve the quality of the program, increase efficiency, and update the program to reflect current University titles.

- Strengthen the risk control language to emphasize the importance of this function.
- Add language to clarify that the self-insurance program will fund only liability claims.
- Increase the settlement authority delegated to the vice president for administration from \$100,000 to \$250,000. The increase in settlement authority will allow the vice president for administration additional flexibility to resolve certain cases. For the period beginning July 1, 1990, through the present, indemnity payments under \$250,000 represent approximately 96 percent of the total settlements and approximately 15 percent of the total dollar amount paid via settlement. The claims over \$250,000 represent the remaining 4 percent of the claims and 85 percent of the total dollars paid.
- Adjust language to reflect current titles for various University administrators.

The vice president for administration and university counsel recommend approval. The president of the University concurs.

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

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

Award Contract for North Campus Parking Deck, Urbana

(18) 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.

Division I—General Work

F. A. Wilhelm Construction,	Base Bid	\$ 15,850,000
Indianapolis	Alt. G1 ¹	78,258
<i>Total</i>		<u>\$15,928,258²</u>

¹Description of Alternate #G1—Assignment of contracts.

²Contracts for other divisions were awarded that were within the delegated approval levels (Plumbing: McWilliams Mechanical, Champaign—\$488,700; Heating, Piping, Refrigeration & Temperature Control Work: A & R Mechanical, Urbana—\$1,265,000; Ventilation & Air Distribution Work: A & R Mechanical, Urbana—\$344,975; Electrical Work: Egizii Electric, Decatur—\$1,458,700; Fire Protection: F. E. Moran, Inc., Champaign—\$88,570), making a total award of \$19,574,203.

The \$31,800,000 multi-use, multi-story project includes parking for approximately 1,500 cars on seven levels, and approximately 20,000 gsf of retail space at the ground level on the south side. The project will include approximately 20,000 gsf of office space at the ground level on the north side. The project site is bounded by University Avenue on the north, Goodwin Avenue on the east, Clark Street on the south, and Mathews Avenue on the west.

Funds for the project will be made available from the proceeds of the Auxiliary Facilities System Revenue Bonds.

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

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

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

Employ Architect/Engineer for Family Resiliency Building, Urbana

(19) This \$8.5 million project is for construction of a new academic building with offices and labs for the College of Agricultural, Consumer and Environmental Sciences Department of Human and Community Development on the northwest corner of Lincoln Avenue and Nevada Street in Urbana.

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

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that Booth Hansen Associates, Chicago, be employed for the professional services required. The firm's fee through the warranty phase will be a fixed fee of \$708,500, including on-site observation and reimbursable expenses.

Funds for the project are available from gift funds.

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

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

Approve Project and Employ Engineer/Architect for South Farms Phase One Implementation, Urbana

(20) This \$25.0 million project includes relocation of the beef/sheep complex, roads and utilities required for these, waste management, and planning for the utilities required for implementing future phases of the South Farms plan.²

In order for the project to proceed, it is necessary to employ an engineer/architect for the required professional services. The selection of the engineer/architect for this

¹A selection committee consisting of Mark Inglert (Capital Programs), William Beard, Roland Kehe, and Ed Scopel (Planning, Construction & Maintenance), and Laurie Kramer and Diane Marlin (Human and Community Development) interviewed the following firms (listed in ranking order): (1) Booth Hansen Associates, Chicago; (2) Nagle Hartray Danker Kagan McKay Architects Planners Ltd., Chicago; and (3) Moorhead-Gruber Architects, Champaign. The committee recommends Booth Hansen Associates, Chicago, as best meeting the criteria for the project.

²A portion of the budget will be used by the University for land acquisition.

project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that the project be approved at \$25.0 million and that the firm of A. Epstein and Sons, International Inc., Chicago, be employed for the professional services required. The firm's fee for the pre-design phase through the construction administration phase will be \$1,900,000 including reimbursable expenses.

Funds are available initially from institutional funds budget of the Urbana campus with anticipated subsequent reimbursement from proceeds of the sale of Certificates of Participation (South Farms Phase One) Series 2003.

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

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

**University South Farms Project Phase One Financing
Certificates of Participation
(South Farms Phase One) Series 2003**

(21) The University is embarking on a multi-phase project to move the Urbana-Champaign campus² south farms to a new location. The South Farms Phase One Project ("the project") includes new construction of a beef/sheep complex, road infrastructure, utilities, waste management, clearing of the existing beef/sheep site, and land acquisition.

Contingent upon approval of the project and its budget, it is necessary for the University to provide funds to support it. Thus, it is proposed that Certificates of Participation (South Farms Phase One) Series 2003 be issued to finance the \$25.0 million project plus capitalized interest and costs of issuance in an amount not to exceed \$1.0 million.

The University reasonably expects to reimburse itself for certain costs of the project with the proceeds of the certificates. Such costs have been or will be paid no earlier than sixty days prior to the date hereof and the maximum principal amount of certificates expected to be issued for the project is \$26.0 million.

Accordingly, the vice president for administration recommends that the board approve:

1. Retention of Chapman and Cutler as bond counsel.
2. Retention of John S. Vincent & Co., LLC, as financial advisor.
3. Retention of UBS PaineWebber Inc., as managing underwriter. Additional co-managers and selling group members may be added to assist in the marketing of the Certificates.
4. Retention of Ungaretti & Harris as special issuer's counsel.
5. Appointment of Bank One, National Association, as trustee and vendor.
6. The preparation of the Preliminary Official Statement.
7. The preparation of the Certificate Purchase Agreement.
8. The preparation of the Installment Purchase Contract, the Indenture of Trust and Assignment of Purchase Contract, the Acquisition Agreement, and the Continuing Disclosure Agreement by the board with respect to the certificates.

¹A selection committee consisting of George Hendricks and Dan Faulkner (College of ACES), Michael Doerr (University Office for Capital Programs), and Bob Hannah and Kevin Duff (Planning, Construction and Maintenance) interviewed the following firms (listed in ranking order): (1) A. Epstein and Sons, International Inc., Chicago; (2) Clark Dietz, Inc., Champaign; (3) Hanson Professional Services, Inc., Springfield; and (4) Sodemann and Associates, Inc., Champaign. The committee recommends the firm of A. Epstein and Sons, International Inc., Chicago, as best meeting the criteria for the project.

²A portion of the budget will be used by the University for land acquisition.

9. The analysis of the purchase of bond insurance to determine if such purchase is deemed economically beneficial following consultation with the financial advisor and managing underwriter.
10. Actions to pursue and obtain a rating or ratings on the certificates.

Prior to the sale and delivery of the Certificates of Participation, the Board of Trustees will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the board in connection with such sale and delivery.

The president of the University concurs.

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

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

Purchases

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

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

The total amount of these purchases from institutional funds was \$25,135,877.

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. Plummer, the purchases recommended were authorized by the following vote: Aye, Mr. Shea, Mr. Eppley, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Mr. Plummer, Dr. Schmidt, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Ryan.

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

Report of Actions by the Executive Committee

(23) The following actions have been taken by the Executive Committee since the last meeting of the board. These actions are now reported to the board as a whole.

Authorization for Settlement

(1) The chancellor at Urbana recommends that the board approve settlement of *Doe v. Board of Trustees, et al.*, in the amount of \$215,000. In this lawsuit filed in 1996, the plaintiff alleges that she was subjected to discriminatory harassment while a student at University High School in the early 1990s.

The vice president for administration and the university counsel concur.

The president of the University recommends approval.

On motion of Mr. Plummer, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

Contracts Award for Townhouse Apartments, Phase II, Springfield

(2) The president of the University with the concurrence of the appropriate University officers recommends that the following contract be awarded. Competitive bidding proce-

dures 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 acceptance of the indicated alternates.

General Work

Diversified Buildings, Inc., Morton	Base Bid	\$5,850,000	
	Alt. G1	52,658	
	Alt. G2	71,000	
	Alt. G3	<u>66,000</u>	
<i>Total</i>			\$6,039,658 ¹

The project consists of the construction of townhouse apartments, consisting of thirteen buildings, each with four four-bedroom units, and two laundry-storage buildings. In addition, parking, site development, and landscape development are included.

Funds for the project are available initially from the Division of Campus Housing with anticipated reimbursement from a future sale of Auxiliary Facilities System Revenue Bonds.

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

On motion of Mr. Lamont, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont; absent, Mr. Plummer.

This report was received and confirmed.

President's Report on Actions of the Senates

(24) The president presented the following report:

Revise B.A. in Psychology, College of Liberal Arts and Sciences, Springfield

The Springfield Senate has approved a proposal from the College of Liberal Arts and Sciences to revise the B.A. in Psychology to include six concentrations: (1) Clinical/Counseling Psychology, (2) Developmental Psychology, (3) Educational Psychology, (4) Experimental Psychology, (5) Personal/Transpersonal Psychology, and (6) an individualized concentration. This curricular revision was accomplished by grouping existing courses into the desired concentrations.

Psychology is the scientific study of the myriad complexities of human and animal behavior. This complexity is reflected by the fact that the American Psychological Association has more than 50 divisions, each representing a general area of interest or expertise. The goal of the current curricular revision is to help students become familiar with common theoretical and research perspectives through a common core of courses, while still having the opportunity to pursue many of psychology's subdisciplines through their chosen concentrations.

The six concentrations allow students to prepare for entry-level positions in business, government, industry, and education—or to study psychology for their own personal growth. In addition, the required core courses and recommended course concentrations offered by the clinical/counseling, developmental, educational, and experimental areas are designed to offer an education for continued study at the graduate level in psychology and related fields. Students can also tailor their course selections to the particular admission requirements of a specific institution or profession by pursuing the individualized concentration.

No new resources are required.

¹Contracts for plumbing, heating, ventilation, and electrical work will be awarded through delegated authority to R. J. Power, Springfield, for \$694,530; Henson-Robinson, Co., Springfield, for \$191,741; T. A. Brinkoetter, Decatur, for \$684,400; and Egizii Electric, Springfield, for \$1,062,236, respectively; making the total award of contracts \$8,672,563.

**Establish Computational Science and Engineering Option
for the Ph.D. in Chemistry, Urbana**

The Graduate College, on behalf of the Urbana-Champaign Senate, has approved a proposal from the College of Liberal Arts and Sciences to establish a Computational Science and Engineering (CSE) option for the Ph.D. in Chemistry. Students in this option will be required to: (1) satisfy all the requirements for a Ph.D. in Chemistry; (2) take four core Computational Science and Engineering courses; (3) complete a thesis related to computational science; and (4) include at least one CSE faculty affiliate on his/her thesis committee. This option will better prepare students for positions in computational science and engineering by providing them with a more systematic training in numerical computation and the use of advanced computer architectures in their research.

This report was received for record.

**Comptroller's Financial Report
Quarter Ended September 30, 2002**

(25) The comptroller presented his quarterly report as of September 30, 2002. A copy has been filed with the secretary of the board.

This report was received for record.

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

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

In compliance with the board's policy, the vice chancellor for health affairs reports that the following agreements were approved by the chancellor at Chicago between July 2001 and November 2002:

Affiliate	Type of Agreement
Holy Cross Hospital	Master
Loyola Medical Center	Master
Our Lady of Resurrection	Master

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on October 15, 2002.

Summary

<i>Graduate Degrees</i>	
Doctor of Education	3

Doctor of Musical Arts	3
Doctor of Philosophy	235
<i>Total, Doctors</i>	(241)
Master of Architecture	1
Master of Arts	16
Master of Computer Science	9
Master of Education	4
Master of Fine Arts	1
Master of Music	2
Master of Music Education	4
Master of Science	62
Master of Urban Planning	1
<i>Total, Masters</i>	(100)
<i>Total, Graduate Degrees</i>	341
<i>Total, Degrees Conferred October 15, 2002.</i>	341

BOARD MEETING ADJOURNED FOR COMMITTEE MEETINGS

The board adjourned for meetings of the board as a Committee of the Whole and the Committee on the University Hospital and Clinics.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Shea convened this meeting and asked Dr. Gardner to begin. Dr. Gardner introduced Richard Mendola, associate vice president for administrative information technology services, to present a report on the current status of the UI-Integrate Project. First Dr. Mendola reviewed the budget for the project (materials are filed with the secretary) and commented on all three of the systems that make up the project, known as the Banner Suite. These are: student information, business information, and human resources information. Dr. Mendola elaborated on aspects of each of the three systems and he said all were progressing on schedule. He complimented the staff involved for superb teamwork. He also stressed that these systems would be long-lived. He said that the relations with the contractor for the Banner Suite, Systems and Computer Technology Corporation (SCT), have been quite good and that the company has accommodated special needs of the University with modifications to their system. At that time he introduced the president of SCT, Robert Moll. He also introduced Margaret Krol, the University's project director and commended her for excellent work.

Mr. Moll then described his company and said that higher education institutions accounted for most of the firm's clients, and that SCT was the market leader for higher education software development. He added that the modifications SCT is making to their systems for the benefit of the University of Illinois will become a part of the basic software in future.

MEETING OF THE COMMITTEE ON THE UNIVERSITY HOSPITAL AND CLINICS

Mr. Vickrey convened this meeting and invited William H. Chamberlin, M.D., chief of staff for the University Hospital, to report. Dr. Chamberlin was representing Charles L. Rice, M.D., vice chancellor for health affairs, Chicago. Dr. Chamberlin reported on matters related to the accreditation of the hospital, specifically human resources issues and safety issues.

He noted that the report on the hospital's risk/safety program is an annual presentation to the board, and then reviewed all elements of communication to the staff in the hospital regarding safety.

Mr. Vickrey reported that he had attended a meeting of the board of Wolcott, Wood and Taylor, Inc., the group responsible for the medical service plan for the medical staff.

The board reconvened in regular session at this time.

MINUTES APPROVED

The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of July 17-18, 2002, copies of which had previously been sent to the board.

Dr. Schmidt corrected the letters in the acronym of these minutes to TRECC. This correction was noted.

On motion of Mrs. Gravenhorst, these minutes were approved.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

President's Reports

The president then turned to the chancellors and asked them to report news from the campuses. He asked Chancellor Cantor to speak first. She told the board of efforts at Urbana to include more aspects of international education in the curriculum. She mentioned the international high school program that had been noted earlier in the day, and said that 20 percent of the undergraduates study abroad during their college years. She reported that there are many programs for undergraduates to prepare them for the international arena, and cited several programs that have an international focus and several colleges that have special international courses including a proposal to develop an international program for science and engineering students. And, she told of a program with the University of Bristol for international studies in the humanities; and of the Mortenson Center for exchanges of faculty in library science, noting that recent exchanges with

¹University Senates Conference: Thomas F. Conry, professor of general engineering, Urbana; Chicago Senate: Elliot Kaufman, professor and interim head of the Department of Biochemistry and Molecular Genetics; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate Council: Robert M. Fossum, professor of mathematics, and chair of the Urbana-Champaign Senate Council.

Russian universities had been a major effort. In closing, she said that the assets of the Urbana campus are being shared around the world, benefiting faculty and students at this campus and other universities.

President Stukel then asked Chancellor Ringeisen to report. The chancellor noted that the campus had been involved in the dedication of the Lincoln Presidential Library in Springfield earlier in the week, and that Mary Frances Berry would be the first Lincoln Lecture series lecturer. Also, he stated that the UIS Leadership Roundtable, a program that included graduates of UIS on a panel to discuss their work since graduation, had been a success and that the graduates had visited their former colleges on the campus. In addition he reported that the first intercollegiate men's basketball game had been played on campus recently.

Next, the president asked Chancellor Manning to comment. She stated that the south campus development was coming along well and that the retail space was being rented. She also noted that Professor Emeritus Robert Remini had been selected to write the history of the U.S. House of Representatives. In addition she told the board that the medical records department had received an information technology award.

Further, she noted that the Center for Digital Government had ranked Illinois first in the nation for advances in information technology, citing the Illinois Century Network and the Illinois Virtual Campus as examples. President Stukel noted that both were begun at the University of Illinois under Dr. Manning's direction.

OLD BUSINESS

Mr. Shea asked the board members to report on their involvement with University duties and activities since the last board meeting.

Mr. Eppley reported that he had attended a meeting of the board of the University of Illinois Alumni Association, and that one of the decisions to come from that meeting was that the board would seek to interview gubernatorial candidates for their views on higher education for the alumni magazine. He stated that the magazine is now on the World Wide Web. He also referred to the memorial to veterans that was to be dedicated in a few days and noted that the Alumni Association Board had a goal of building an Alumni Center by 2005.

Dr. Gindorf commented on meetings he, Mr. Plummer, and Mr. Shea had had with the president and vice presidents concerning the University's budget and commented that the outlook for the next budget was not encouraging.

Mrs. Gravenhorst noted that the College of Communications 75th anniversary gala, held a few weeks earlier, had been a very successful event. She also reported on a meeting she and Mr. Plummer had with the Executive Committee of the Chicago Senate, as the board's liaisons to this senate. She indicated that they discussed the University's budget and participation of the faculty in board meetings. In addition, she noted that she and other trustees had attended the faculty awards dinner at Chicago, and that she

had attended the award of merit ceremony for staff at Chicago. Then she reported on a meeting she had attended of the Council of Board Chairs of the Association of Governing Boards a week earlier in Washington, D.C. She described this as an exchange of ideas among board chairs and former chairs, and said that the message from this meeting was that governing board members should become advocates for higher education and make clear the value of higher education.

Dr. Schmidt reported on the conference, I-emerging, held at the Urbana campus a few weeks earlier and asked Vice President Chicoine to comment further. Dr. Chicoine said that the conference had been very successful and had increased the visibility of faculty researchers at Urbana and enhanced the possibility for commercialization of some of their research.

Dr. Schmidt also reported on the meeting of the Board of Managers of the University of Illinois Research Park, LLC, Urbana, that was held in St. Louis at Monsanto. He stated that this was an attempt to encourage St. Louis firms to consider a relationship with the research park. He also complimented Dr. Chicoine on streamlining and clarifying the interconnectedness of various programs focused on economic development.

Mr. Shea mentioned that Dr. Schmidt had written a letter to the *Daily Illini* to correct some facts in earlier stories about the trustees.

Mr. Lamont commented on the importance of the groundbreaking for new townhouse residences at the Springfield campus.

Mrs. Sodemann reported on the meeting of the Merit Board of the State Universities Civil Service System that she and Mrs. Gravenhorst had attended and noted that she and other board members thought that some of the problems presented to the board might be addressed at the campuses, and that she had passed this on to the administration where she had been assured it would be handled. She also said that she had represented Mr. Shea at the annual meeting of the University of Illinois Foundation's board, and that she had attended a gathering in Las Vegas of alumni hosted by the University of Illinois Foundation. Further, she told of visiting the Child Development Laboratory at Urbana and noted that it is a very impressive program. In addition, she reported that she and Mr. Vickrey had been attending meetings of the Tuition Planning Committee, chaired by Dr. Gardner, and that she found these very informative and noted that the committee is still reviewing various issues related to financial aid.

Mr. Stewart then commented on recent attacks on Asian women on the Urbana campus, and stated that student groups had held a rally to show solidarity for helping to keep the campus and the campus area safe.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

(27) Mr. Shea announced that the next meeting of the board scheduled for January 15-16, 2003, presented a problem, since the governor-elect might not have had time to make new appointments to the Board of Trustees by that time. Thus he suggested that this meeting be rescheduled to a time later in the month. After discussion Mrs. Sodemann suggested that the Jan-

uary meeting be canceled since there is a meeting scheduled for February this year that comes rather early in the month. This was refined into the following motion: It is recommended that the annual meeting of the Board of Trustees be held February 12-13, 2003, in Rockford.

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

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

GERALD W. SHEA
Chair

2002]

UNIVERSITY OF ILLINOIS

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APPENDIX

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

UNIVERSITY OF ILLINOIS

BYLAWS

OF THE

BOARD OF TRUSTEES

NOVEMBER 9, 2000 *November 14, 2002*

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Introduction

These bylaws have been written to provide guidance to the members of the board about the conduct of all meetings of the board. Attention has been given to flexibility in procedures and effort has been taken to avoid prescriptive direction.

The bylaws are reviewed and changes made as custom and board preference suggest. They are intended to inform the members of the Board of Trustees and others of processes used to facilitate orderly and effective meetings which are essential to conducting the business of the board.

BYLAWS OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

ARTICLE I. MEETINGS

Section 1. The Board of Trustees shall hold an annual meeting on the third Thursday of January, unless the date of such meeting be changed by the board. The board shall hold regular meetings to address business in a timely fashion. A yearly schedule of meetings for the next academic year is approved at a board meeting in the spring of each year. The date of any meeting may be changed by vote of the board or by order of the chair thereof; any monthly meeting may be omitted by vote of the board or by order of the chair thereof, in case it appears that the amount and nature of the business to be presented is not sufficient to justify a meeting.

Section 2. Special meetings may be called, whenever deemed necessary, by the chair or any three members of the board, by giving at least ~~twenty-four~~ 48 hours' notice thereof by mail, facsimile or telephone to each member of the board; ~~or notice to the public will be given~~ as required by law. In such notice, the object and general character of the special business to be transacted at such meeting shall be stated. *For a meeting held in the event of a bona fide emergency, notice shall be given as soon as practicable but in any event prior to the holding of such meeting.*

Section 3. All regular meetings of the board shall be held at one of the campuses of the University unless otherwise ordered by vote of the board or by the chair thereof. The members of the board shall be notified by mail not later than five days previous to any regular meeting.

Section 4. A majority of the voting members of the board shall be a quorum to transact business. A smaller number may meet and adjourn to some other time or until a quorum is obtained. The board may conduct any meeting by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other.

ARTICLE II. ORDER OF BUSINESS

Section 1. At all regular meetings and at special meetings, so far as it may be applicable, the following order of business shall be observed, unless suspended or modified by a consensus of those present as determined by the board chair.

1. Reports of Committees
2. Roll Call
3. Executive Session (as needed). Normally this is planned in advance and noted on board schedules available several days prior to a board meeting. However, urgent business may necessitate an unplanned executive session. An unplanned executive session normally is called by the chair or requested of the chair by three members of the board.
4. Comments and Petitions
5. Reading and approval of the minutes of previous meetings. If a printed copy thereof has been furnished each member before the beginning of the session, the reading may be dispensed with unless requested by a member of the board.
6. Election of officers (if necessary)
7. Reports and recommendations of the President of the University
8. Reports of officers (as needed)
9. Reports and recommendations of the chair of the board
10. Old business
11. New business
12. Presentation of agenda and voting by trustees
13. Announcements regarding future meetings by the chair of the board

ARTICLE III. RULES OF ORDER

Section 1. Robert's Rules of Order shall govern the consideration of all business and debate, so far as it may be applicable to this body. The University Counsel shall serve as the parliamentarian at all meetings of the Board and its committees.

Section 2. ~~Any member of the board may request that motions, resolutions, or other propositions be reduced to writing before being voted on (except usual, short parliamentary motions). All items on which the board will take action at a regular or special meeting shall be specifically set forth in an agenda published at least 48 hours before the beginning of the meeting at which action is to be taken. Short parliamentary motions and minor editing to clarify or correct an item may be made during a meeting. For a meeting held in the event of a bona fide emergency, notice shall be given as soon as practicable but in any event prior to the holding of such meeting. These Bylaws may be amended or repealed at any regular meeting of the board by a majority vote of record of voting members of the board, provided that copies of such amendments shall be submitted in writing and furnished each member at least 30 days prior to such meeting.~~ (in Article VIII. Amendments; Repeal)

Section 3. No second shall be required to any motion.

Section 4. A record vote of the board shall be had: (a) on any proposition to appropriate funds of the University; (b) on any proposition to create any liability; (c) on any proposition to sell, purchase, or lease real estate; or (d) upon the request of any member of the board made before the vote on the item is taken. A record vote is not required for (a), (b), or (c) where such authority is specifically delegated to University administrative officers by action of the board.

Section 5. Subject to applicable law, the board must have a motion from a member that is passed by a vote of the majority of those voting provided a quorum is present in order to hold an executive session.

Section 6. When the board meets in executive session all matters discussed in that session are strictly confidential and shall not be shared with others outside those assembled in the executive session. The one exception would be to share information with absent board members or officers. ~~Minutes of these meetings are will be released to the public pursuant to the Open Meetings Act when the board has determined that the need for confidentiality no longer exists.~~

ARTICLE IV. STANDING COMMITTEES OF THE BOARD

Section 1. At the annual meeting in January of each year, the board shall elect two members to an "Executive Committee," consisting of three members, the board chair to be the chair *ex officio*, which members shall hold office for one year, or until their successors have been elected.

Section 2. The Executive Committee shall meet whenever the chair, or two members thereof, shall find it necessary for the transaction of any business which is urgent and cannot be postponed to a regular meeting of the board. The committee may meet by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other. All trustees shall be given the same notice of the meeting that is sent to the members of the executive committee and any who wish may elect to participate in the meeting as non-voting participants.

Section 3. The Executive Committee functions as an instrument of the board and shall possess all the powers of the board when in session, provided that it shall not overrule, revise, or change the previous acts of the board, or take from regular or special committees any business referred to them by the board.

Section 4. The Executive Committee shall make a written record of all its transactions and submit it to the board at its next regular meeting, signed by all the members of the

Executive Committee agreeing thereto. Such record shall thereupon be incorporated in the minutes of the board as an integral part thereof.

Section 5. The standing committees of the board shall be comprised of all members of the board with committee chairs *and vice chairs* appointed by the chair of the board, and a list thereof inserted in the minutes of the annual meeting of the Board of Trustees or, at the latest, the minutes of the next meeting following the annual meeting.

Section 6. The chairs of committees are responsible for keeping the board informed of their committees' activities by way of reports, as needed.

It is expected that ordinarily the position of committee chair will rotate among board members every two years.

Academic Affairs: To review and evaluate major programs to determine that they are consistent with the academic mission of the University and reflect the programmatic emphasis as determined by the board. To support the statutory responsibilities of the colleges and campus senates in matters of academic policy.

Athletics: To be knowledgeable of the requirements issued by the Big Ten, NCAA, NAIA, and the federal government under which the athletic programs operate to ensure that procedures are in place to effect compliance and detect non-compliance. To encourage appropriate balance between athletics and academic work for scholar athletes to maximize the graduation rate of scholar athletes. The chair is expected to present information about athletic programs at each campus.

Buildings and Grounds: To evaluate long range plans which impact the University's infrastructure. To review and recommend for approval all capital projects, designs for projects and appointment of architects and construction managers for such projects. Approval for these is voted on by the board as an agenda item.

Economic Development: *To review, evaluate, and provide oversight of all policies concerning the University's economic development mission and strategies, including those units of the University responsible for and engaged in the commercialization of University-based technologies, such as the Offices of Technology Management, research parks, and incubator facilities, Illinois VENTURES, LLC, and other University-Related Organizations created to further these purposes (and to review and recommend nominations to their respective boards of directors and the appointment of their respective chief officers and advisors), and to review and recommend to the board policies, agreements, and opportunities concerning the same.*

Human Resources: To review, examine, and recommend policies so as to enhance the quality of life for University students and employees, to promote diversity, and to foster a climate in which University goals and objectives can best be achieved.

Finance and Audit: To review and recommend to the board all policies concerning the management and control of the financial resources of the University including the appointment of investment advisors, financial managers and bond underwriters. To maintain oversight of the University's audit function, including recommendations for, and review of, the annual internal audit program. To review, along with the comptroller, the annual financial statements and external audit.

Student Affairs: To review and evaluate information that reflects on all aspects of student development and life on campus. To evaluate major undertakings and their potential impact on student life. To review and approve the administration's recommended policies regarding provisions for the health, safety and general welfare of students.

Trusteeship and Governance: To *help* provide ~~for~~ orientation assistance for new trustees, including a mentoring program,¹ help with revision of board documents, review nominations for recipients of the Trustees' Distinguished Service Medallion, draft agendas for sessions during which the board works on its own processes and procedures, assume special projects at the discretion of the board chair, and otherwise be vigilant in all matters affecting board governance.

¹The chair of the Committee on Trusteeship and Governance together with the chair of the board will annually appoint mentors.

University Hospital and Clinics: To provide oversight of the University Hospital and Clinics and review and recommend approval of projects, as required.

Section 7. Committees shall consider all matters referred to them as soon as possible and carry out the orders of the board insofar as they are specifically empowered by the board and shall report their recommendations or action as soon thereafter as possible.

Section 8. The chair of the board shall appoint the chair *and vice chair* of each committee. Each committee chair will call meetings of the committee, and direct its proceedings; but shall not otherwise have greater power or authority than any other member.

Section 9. Special committees may be created by the chair to take charge of subjects specifically referred to them. Such committees shall be appointed in the manner, and shall consist of members, as may be ordered by the board at the time of their appointment, and shall cease to exist when discharged by the board from the consideration thereof. Their conduct of business shall be in accordance with the provisions of Section 8 of this Article.

Section 10. In addition to the assignments to the standing committees, three trustees are elected to the State Civil Service Merit Board. There is also a trustee appointed to meet with and make an annual report to the Alumni Association Board of Directors. Further, the chair of the board serves as delegate to the Board of Directors of the Foundation and is a member of that board. Also, the Chair of the Committee on Athletics serves as a member of the Athletic Board of Control of the Division of Intercollegiate Athletics at the Urbana Campus.

ARTICLE V. TERMS OF OFFICERS AND APPOINTEES OF THE BOARD

Section 1. The officers of the board shall consist of a chair, who shall be elected for a term of one year with the expectation that the chair shall serve two consecutive terms of one year each, secretary,¹ comptroller, and university counsel, who shall be elected for a term of one year, and a treasurer who shall be elected for a term of two years. In the absence of the chair of the board, the chair of the academic affairs committee shall serve in that capacity.

They shall be elected at the annual meeting of the board and shall hold office until their successors are elected and qualified. Prior to the election of the secretary, comptroller, and university counsel, the board shall have the advice of the President of the University. All vacancies for any cause shall be filled by vote of the Board of Trustees, provided that for the period between the occurrence of any vacancy and the next regular meeting of the Board of Trustees, the Chair of the Academic Affairs Committee of the board shall be and become chair, if the vacancy exists in that office; otherwise such person as may be designated by the chair shall serve as secretary, comptroller, university counsel, or treasurer, as the case may be.

ARTICLE VI. DUTIES OF OFFICERS AND APPOINTEES OF THE BOARD

Section 1. CHAIR. The trustee elected to serve as "President" of the Board shall be known and referred to as the Chair of the Board of Trustees. It shall be the duty of the chair to preside at all its meetings, to sign warrants for all accounts when properly audited and allowed, and to submit such recommendations and information as the chair may consider proper concerning the business and interest of the University. The chair participates with the president of the University in planning the meetings of the board, and works with the Committee on Trusteeship and Governance, as required. All requests from board members for special reports or other information shall be transmitted to the chair via the board secretary. The chair shall be considered the spokesperson for the board.

¹The Secretary shall perform the duties of the "Recording Secretary" and "Corresponding Secretary" as provided for by Illinois statute.

Section 2. SECRETARY. The secretary shall keep the records and minutes of the proceedings of the board and the books and papers pertaining to the office. They shall be open for inspection by any member of the board or officer of the University. The secretary shall be *ex officio* Clerk of the Executive Committee of the board and keep its record, shall counter-sign all warrants on the treasurer, and shall insert in each warrant the particular appropriation or fund as authorized by the board or the executive committee thereof. The secretary shall notify the president of the University of all votes, orders, or resolutions of the board relating to the management and control of the University, whenever these occur in the president's absence.

Section 3. The secretary shall keep minutes of the proceedings of the board, which shall contain summary statements of all matters presented by the chair, the president of the University, the secretary, the comptroller, or other officer, or communications of any character to the board on which action is taken, with identification referenced by title or number to all papers or other exhibits in connection therewith. Such communications shall not be recorded verbatim unless ordered by a vote of the board provided that all regular financial or business statements, recommendations, or reports, or lists of appointments submitted, shall be entered in complete form therein.

Section 4. TREASURER. The treasurer shall be the general custodian of all the funds and securities belonging to the University, and shall give bond for the faithful performance of the duties and the proper accounting and delivery thereof, whenever required and with such security as may be approved by the board.

Such bond shall be in such amount as the board may require, but not for less than five hundred thousand dollars (\$500,000.00).

The treasurer shall not have authority to invest any permanent funds or convert any securities held by that person, except as directed by the board. The treasurer shall not have authority to act or vote upon the making or letting of any University contract or the performance of any work, including, but not limited to, the selection of any bank in which the University's funds or property may be deposited.

The treasurer shall pay out of any funds such sums only as shall be represented by warrants signed by the chair and counter-signed by the secretary of the board.

Section 5. COMPTROLLER. The comptroller shall be the general fiscal officer of the Board of Trustees and of the University and shall approve for the board all expenditures for which an appropriation has been made. The comptroller shall assist the Finance and Audit Committee of the board in matters pertaining to the handling of funds and investments. The comptroller shall report to the board quarterly the financial condition and operations of the University, and at such times and on such other matters as it may direct. Unless otherwise ordered by the board in specific cases, contracts to which the University is a party shall be signed by the comptroller and attested by the secretary.

Section 6. UNIVERSITY COUNSEL. The university counsel shall be the general legal officer of the Board of Trustees and the University, and shall serve as legal advisor to the Board of Trustees, to the President of the University, and to other administrative officers of the University. The university counsel shall represent the University and the Board of Trustees in all legal proceedings, unless otherwise provided.

Section 7. ASSOCIATE OR ASSISTANT SECRETARY AND DEPUTY OR ASSISTANT COMPTROLLER. The chair, in consultation with the president of the University, may appoint members of the staff as associate or assistant secretary and deputy or assistant comptroller, who shall perform the duties of the secretary and comptroller, respectively, during occasional absences of those officers, and who shall perform such other duties as from time to time may be assigned to them.

Section 8. Duties of all officers and appointees of the board shall include those as may be defined in the *Statutes* and the *General Rules* of the University, or as may be otherwise ordered or authorized by the board.

ARTICLE VII. PRESIDENT OF THE UNIVERSITY¹

Section 1. PRESIDENT OF THE UNIVERSITY. The president of the University shall be the official adviser and executive agent of the board, shall be *ex officio* a member of all committees, without vote, and shall attend all meetings of the Board of Trustees. The president of the University shall make recommendations to the Board of Trustees and its committees as he/she deems wise, regarding any phase of University policy or administration. The president shall make all nominations for appointments to positions under the Board of Trustees.

All communications from any instructor, officer, or other employee of the University, addressed to the Board of Trustees of the University or to any committee thereof, shall be transmitted through the president of the University or his/her designee.

All rules, regulations, directions, orders or instructions of the Board of Trustees, or of any committee or member thereof, addressed to any instructor, officer, or other employee of the board shall be transmitted through the president of the University. This does not preclude board members from talking with University administrators and staff as may be required to discharge their board committee duties.

The president of the University shall perform such other duties as may be provided by the *Statutes* of the University.

The president of the University shall be elected to hold the office on indefinite tenure, at the pleasure of the board.

ARTICLE VIII. AMENDMENTS; REPEAL

Section 1. All *Bylaws of the Board of Trustees* and all resolutions or orders heretofore passed, inconsistent with the provisions of these Bylaws, are hereby repealed.

Section 2. These Bylaws may be amended or repealed at any regular meeting of the board by a majority vote of record of voting members of the board provided that copies of such amendments shall be submitted in writing and furnished each member at least 30 days prior to such meeting.

Bylaws on the Web: <http://www.uillinois.edu/trustees/bylaws/>

¹110 ILCS 305/4 (Formerly Illinois Revised Statutes 1991, Chapter 144, paragraph 25) provides: The board of trustees shall elect a regent who shall be charged with the general supervision of the educational facilities and interests of the university. Said regent shall be known as President of the University and his term of office shall be at the pleasure of the board of trustees.

SPECIAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

January 23, 2003



This special meeting of the Board of Trustees of the University of Illinois was conducted telephonically on Thursday, January 23, 2003, beginning at 2:10 p.m.

Dr. Kenneth D. Schmidt, chair *pro tem*, called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Mr. Thomas R. Lamont, Dr. Kenneth D. Schmidt, Mrs. Marjorie E. Sodemann, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was present. Mr. Art Moore, non-voting student trustee from the Springfield campus, was present. Mr. Keely J. Stewart, nonvoting student trustee from the Urbana-Champaign campus, was absent.

Also present were President James J. Stukel; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for

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

MOTION FOR EXECUTIVE SESSION

Dr. Schmidt stated: "A motion is now in order to hold an executive session to consider the following subjects: University employee matters; the purchase or lease of real property for use by the University; pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

EXECUTIVE SESSION

Purchase or Lease of Real Property for Use by the University

Dr. Schmidt called on Chancellor Manning to present the subject for this discussion. Dr. Manning asked to have several associates join this discussion. The board agreed and the following joined the group: Dr. Eric A. Gislason, vice chancellor for research, Chicago; Dr. Charles L. Rice, vice chancellor for health affairs, Chicago; Dr. Stanton Delaney, vice chancellor for administration, Chicago; and Dr. Arthur Savage, vice chancellor for external affairs, Chicago. Dr. Manning proceeded to explain that the one requirement for submission of a proposal to build a National Biocontainment Laboratory on the Chicago campus was board approval of the site and the land transfer necessary to enable the campus to build on this site. She then said that in order to discuss the site for the building it was also necessary to explain that a related part of the requirements given in the guidelines for the proposal is to show board approval of a guarantee the University will provide \$50.0 million in matching funds for the grant for which the campus is applying. Dr. Manning added that the Illinois Medical District Commission board had met earlier to authorize transfer of land under their control to the Chicago campus for this purpose. She asked Stephen K. Rugg, vice president for administration, to comment further on sources the University might turn to for the required \$50.0 million match in funds. Mr. Rugg indicated that five sources of possible funding had been identified. He said the first source to be considered would be a State appropriation, and he noted that the University's considerable success in economic development suggested that a special request to the State for these funds would be obvious, particularly since one of the main purposes of this facility is homeland security. He pointed out that if the grant is awarded, the University would begin to receive the funding in Fiscal Year 2004 and that 10 percent of the match would be needed in that year.

Mr. Rugg then invited Michael B. Provenzano, senior associate vice president for business and financial services, to comment on other possible

sources for the required \$50.0 million in matching funds. Mr. Provenzano indicated that one other source might be from the issue of revenue bonds by the University, with a 30-year repayment plan. He noted that the debt service on this would be \$3.25 million per year, and he presented possible ways for raising this. One of the ways he suggested was to sell timeshares to researchers for use of the laboratory. He also suggested using the indirect cost recovery (ICR) funds from research in the facility to pay the debt service, if allowed. He stated that this would require \$12.5 million in research grants.

Mr. Provenzano also suggested that it might be possible to issue revenue bonds through another authority, such as the Illinois Development Finance Authority. He stated that this would involve entering into an installment purchase agreement with a repayment plan of 30 years that would also involve providing money for the debt service. Mr. Eppley asked what purpose would be served by electing this source of funds. Mr. Provenzano stated that this would be pursued only if it was not possible to use ICR funds for debt service.

Next Mr. Provenzano suggested that the University might issue Certificates of Participation if the first two suggestions proved unworkable. He explained that the repayment plan for these would be 20 years and the debt service \$4.0 million per year, requiring \$15.0 million in research grants to provide the debt service. Mr. Eppley asked if the lab would be used entirely for government purposes. Dr. Gislason stated that a small amount of research might be performed in the laboratory by private companies, probably less than 10 percent. Mr. Eppley commented on the impact of the proposed funding plans on the University's debt capacity and future bond rating.

Mr. Provenzano then advised the board that the last possibility for raising the required \$50.0 million was from philanthropic sources. Mr. Rugg added that every reasonable opportunity would be pursued for gift money for this purpose, but that there is no assurance of such for this project.

Litigation

Dr. Schmidt asked Mr. Bearrows to summarize the facts in the recommended settlement in the case of *Brenston v. Vajaranant, et al.* Mr. Bearrows indicated that this case involved surgery during which a pad was left in the patient that later became infected requiring additional surgeries. He explained that the medical costs were over \$200,000, lost wages were significant, and pain and suffering were involved. He recommended the board accept the settlement offer of \$750,000.

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

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 3:05 p.m. The board convened in regular session at 3:10 p.m.

BOARD MEETING RECONVENED

When the board reconvened in regular session, those noted as being in attendance at the beginning of this meeting were still in attendance.

Dr. Schmidt asked if any board member had questions about the agenda items presented. Mr. Vickrey asked for a description of the perimeter of the site proposed for the National Biocontainment Laboratory. Dr. Manning referred to a map and indicated that the perimeter of the site would be some distance from the building itself. She explained that the National Institutes of Health (the organization to whom the proposal is being submitted for funding for this facility) requires that such buildings be set back 45 meters (approximately 148 feet) in all directions from the edge of the site. She explained that the edge of the site would be bordered with security planters with one gate for deliveries, and that there would also be a fence about 30 meters (approximately 100 feet) from the building with a single point of entry for pedestrians. She added that the plan called for six different security zones inside the building. In response to Mr. Vickrey's question about what it meant to call this a Level 4 Laboratory Dr. Manning stated that a Level 4 Laboratory provides the highest level of security internal to the building and that this involves many levels of security including screening of individuals and air locks for protection against microorganisms, and that special clothing prescribed for decontamination is required.

ELECTION OF THE EXECUTIVE COMMITTEE

Dr. Schmidt reported that since two members of the Executive Committee had resigned and the third member had concluded his term that it was necessary to elect a new Executive Committee to serve until the annual meeting of the board, February 12-13, 2003.

Dr. Schmidt then asked the secretary to read the language from the *Bylaws* of the Board of Trustees regarding the Executive Committee. Dr. Thompson read the following:

Article IV. Standing Committees of the Board

Section 1. At the annual meeting in January of each year, the board shall elect two members to an "Executive Committee," consisting of three members, the board chair to be the chair ex officio, which members shall hold office for one year, or until their successors have been elected.

Section 2. The Executive Committee shall meet whenever the chair, or two members thereof, shall find it necessary for the transaction of any business which is urgent and cannot be postponed to a regular meeting of the board. The committee may meet by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other. All trustees shall be given the same notice of the meeting that is sent to the members of the executive committee and any who wish may elect to participate in the meeting as nonvoting participants.

Section 3. The Executive Committee functions as an instrument of the board and shall possess all the powers of the board when in session, provided that it shall not overrule, revise, or change the previous acts of the board, or take from regular or special committees any business referred to them by the board.

Section 4. The Executive Committee shall make a written record of all its transactions and submit it to the board at its next regular meeting, signed by all the members of the Executive Committee agreeing thereto. Such record shall thereupon be incorporated in the minutes of the board as an integral part thereof.

Dr. Schmidt then nominated Mr. Lamont and Mr. Vickrey to serve with him as members of the Executive Committee until the annual meeting of the board, February 12-13, 2003.

Dr. Gindorf made the motion to approve the nominees.

Dr. Schmidt asked for a motion to close nominations. On motion of Mrs. Sodemann, the nominations were closed.

Dr. Gindorf's motion was approved unanimously.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 3 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Honorary Degree, Urbana

(1) The senate of the Urbana-Champaign campus has recommended that a honorary degree be conferred on the following person at the Commencement Exercises on May 18, 2003:

PETER GAY, historian of European culture and thought, and director, The New York Public Library's Cullman Center for Scholars and Writers—the honorary degree of Doctor of Letters.

Peter Gay is considered the most distinguished cultural historian of modern Europe. His scholarly work has encompassed five major cultural and geochronological areas: (1) the European and American Enlightenment of the eighteenth century; (2) the mind and culture of Victorian society; (3) European Modernism in the cultural areas; (4) the cultural politics of modern Germany; and (5) Sigmund Freud and the history of psychoanalysis. He is the recipient of the Amsterdam Prize in Historical Science, the National Book Award, a Wissenschaftskolleg zu Berlin Fellow, and the Gold Medal of the American Academy of Arts and Sciences. He has held distinguished appointments at Columbia University and Yale University, retiring from Yale as Sterling Professor Emeritus of History. A prolific writer, his publications are known for their scholarly approach as well as readability. His books continue to be assigned widely in graduate and undergraduate courses. Born in Berlin, Professor Gay was a German-Jewish émigré to the United States in late 1938.

The chancellor at Urbana concurs in the recommendation.

The president of the University recommends approval.

On motion of Mr. Lamont, this degree was authorized as recommended.

Interim Vice Chancellor for Student Affairs, Springfield

(2) The chancellor at Springfield has recommended the appointment of L. Christopher Miller, currently dean of students and associate vice chancellor for student affairs, as interim vice chancellor for student affairs, beginning January 24, 2003, on a twelve-month service basis with an administrative increment of \$13,200. Dr. Miller will continue to serve as dean of students and associate vice chancellor for student affairs on a twelve-month service basis, on 100 percent time, at an annual salary of \$80,000, for a total salary of \$93,200.

Dr. Miller will succeed Patricia Ann Swatfager-Haney, who has accepted a position as director of University-Wide Student Programs in the Office of the Vice President for Academic Affairs.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Lamont, this appointment was approved.

Designate the Incubator Facility as Enterprise Works @ Illinois, Urbana

(3) The chancellor at Urbana, with the advice of the Board of Managers of the University of Illinois Research Park, LLC, recommends naming the incubator facility as Enterprise Works @ Illinois. This facility promotes collaborative efforts between University researchers and industry; encourages research, development and commercialization of the University's intellectual assets; and fosters economic growth in Illinois.

The incubator provides opportunities for faculty and students to benefit from the commercialization of their research—keeping the University of Illinois at Urbana-Champaign competitive with other world-class research institutions for the very best talent. The incubator will also attract established technology firms as a source of new technologies complementary to their primary markets.

The name “Enterprise Works @ Illinois” makes the incubator distinctive, creates a strong image for clients, and distinguishes it from other technology facilities in Champaign County. “Works” indicates both a place where the “enterprise” of generating new businesses occurs at “Illinois” as well as the activity of commercializing research. The “@” lends to the distinctive name without narrowing expectations about the type of companies that would be housed in the incubator.

The president of the University concurs.

On motion of Mr. Lamont, 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. 4 through 6 inclusive. The recommendations were individually discussed but acted upon at one time.

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

**Employment of Architect/Engineer and Construction Manager
for Campus Recreation Facilities Expansion
and Renovation Project, Chicago**

(4) At the September 12, 2002, meeting, the board approved the Campus Recreation Facilities Expansion and Renovation Project for the Chicago campus. This action authorized the campus to begin work toward the construction of a new recreation building on the east side of campus and renovation of the recreation facilities on the west side of campus. A student referendum on this project was held in February 2002; 81 percent of the students voting approved a \$70 per semester fee increase to pay for the improvements and new construction. The fee will become effective the semester that the new facilities are open for use. The project will be funded from proceeds of a future sale of Auxiliary Facilities System Revenue Bonds. In accordance with Illinois Statutes, this noninstructional capital improvement was approved by the Illinois Board of Higher Education at its December 10, 2002, meeting.

This project consists of the construction of a new recreation building on the east side of campus and renovation of the recreation facilities on the west side of campus at the Chicago campus. The project budget is \$45,350,200.

The project consists of the following:

- Construction of 148,350 gross square feet of new barrier-free space on the east side of the campus consisting of an indoor jogging track, a four-court gymnasium, a two-court multi-purpose gymnasium, a weight training and cardiovascular equipment area, an aquatics area with lap pool and leisure area, racquetball and squash courts, three fitness studios, a climbing wall, lounge areas, and locker rooms.
- Construction of 17,400 gross square feet of construction and 28,000 gross square feet of renovation on the west side of the campus including a new weight training and cardiovascular equipment area, new fitness/martial arts studios, multi-purpose rooms and offices, renovation of the gymnasium, a jogging track, locker rooms, racquetball courts, upgrading of equipment and laundry rooms.

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

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that Phillips Swager Associates, Inc., Chicago, with Moody Nolan, Inc., be employed for the professional architectural and engineering services required. The firm's fee through the warranty phase, including reimbursables, will be \$3,226,500.

¹A selection committee consisting of James Foerster, Boyd Black, Ronald Giles, and Bradley Appier (Capital Programs—Chicago), Ray Clay (Campus Recreation), Michael DeLorenzo (Campus Auxiliary Services), Mark Donovan (Facilities Management), Darlene Ebel (Facilities Planning and Space Analysis), Michael Landek (Campus Services, Office of the Vice Chancellor for Student Affairs), Arla McMahon (Campus Services, Office of the Vice Chancellor for Student Affairs), Helen Ng (University Office for Capital Programs), Robert Rouzer (Campus Unions), and Student Representatives interviewed the following firms (listed in ranking order): (1) Phillips Swager Associates, Inc., Chicago, with Moody Nolan, Inc.; (2) Perkins & Will, Chicago, with Hastings & Chivetta; and (3) Cannon Design, Inc., Chicago. The committee recommends Phillips Swager Associates, Inc., Chicago, with Moody Nolan, Inc., as best meeting the criteria for the project.

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

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that Power Construction Company, Schaumburg, be employed for the professional construction management services required. The firm's fee, including reimbursables, will be \$1,958,300.

Funds for these contracts are available initially from the operating budget of the Campus Auxiliary Services unit with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

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

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

University National Biocontainment Laboratory Project, Chicago

(5) The National Biocontainment Laboratory Project ("the Project") includes construction of a research facility on the University of Illinois at Chicago campus under terms and conditions of a Request for Applications issued by the National Institutes of Health. The construction is estimated to be 75 percent funded by the National Institutes of Health with the remaining 25 percent to be funded from non-federal sources. The project budget is estimated to be \$200.0 million.

In order for the application to proceed, certain actions are required to be taken by the board, including authorization for submission of the proposal, a funding guarantee for the non-Federal funded portion of the project, and authorization to obtain the necessary property interest in the project site.

The Board of Trustees of the University of Illinois, in support of the project and in furtherance thereof, takes the following actions:

1. The Board of Trustees of the University of Illinois authorizes the filing of the application to the National Institutes of Health in response to the request for proposals and applications titled "BAA-NIH-NIAID-NCRR-DMID-03-36: Regional Biocontainment Laboratories (RBLS) and National Biocontainment Laboratories (NBLS)" including all understandings and assurances contained therein, as set forth in the University's application.
2. The Board of Trustees of the University of Illinois directs and authorizes the vice chancellor for research at Chicago, Dr. Eric A. Gislason, to function as the official representative of the campus, to act in connection with the application and to provide any additional information as may be required by the National Institutes of Health.
3. Contingent upon award of the grant to the University, the Board of Trustees of the University of Illinois guarantees securing the required matching funds as stipulated in the request for proposal and application identified above.

¹A selection committee consisting of James Foerster, Boyd Black, Ronald Giles, and Bradley Appier (Capital Programs—Chicago), Ray Clay (Campus Recreation), Michael DeLorenzo (Campus Auxiliary Services), Mark Donovan (Facilities Management), Darlene Ebel (Facilities Planning and Space Analysis), Michael Landek (Campus Services, Office of the Vice Chancellor for Student Affairs), Arla McMahon (Campus Services, Office of the Vice Chancellor for Student Affairs), Helen Ng (University Office for Capital Programs), Robert Rouzer (Campus Unions), and Student Representatives interviewed the following firms (listed in ranking order): (1) Power Construction Company, Schaumburg; (2) Turner Construction Company, Chicago; and (3) Ragnar Benson, Inc., Park Ridge. The committee recommends Power Construction Company, Schaumburg, as best meeting the criteria for the project.

4. The Board of Trustees of the University of Illinois authorizes the vice president for administration and comptroller to negotiate and execute an appropriate Intergovernmental Agreement with the Illinois Medical District for provision of a project site for the National Biocontainment Laboratory Project.

The chancellor at Chicago with the concurrence of the appropriate university officers recommends that the board take those actions necessary to pursue the project.

The president of the University concurs.

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

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

Authorization for Settlement

- (6) The university counsel recommends that the board approve settlement of *Brenston v. Vajaranant, et al.*, in the amount of \$1,875,000. The plaintiff, 44-year-old Cathy Brenston, alleges that a laparotomy pad was left in after abdominal surgery, causing her numerous complications and subsequent surgeries.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

STATEMENT FROM DR. KENNETH D. SCHMIDT, CHAIR *PRO TEM*

Dr. Schmidt then presented the following statement to the board in response to an article published in the *Chicago Tribune*, January 19, 2003.

Board Statement

By now, I am sure that everyone has read and thought about the article regarding the University of Illinois published in the Sunday edition of the *Chicago Tribune*. I think I can speak for every member of the board when I express my concern about the article and the impressions it left about the University. My own view is that we have now been appropriately challenged to evaluate what had become S.O.P.'s—standard-operating practices—in the fulfillment of our duties as members of the Board of Trustees. The provincial view would seem to be that we focus on board operations. However, the broader view, I believe, is to evaluate the *modus operandi* of our entire University—it would seem that there are things to think about at every level of our shared governance, the very concept which is a definer of universities over the country, and a concept which implies shared responsibility as well.

I have spoken with the president, and he has agreed to take on—to be responsible for—the evaluation of University operations that were brought into focus by the article—those that are not integral to board operations per se. The president will then work with the chair, the Executive Committee of the board, and ultimately the full board to develop the refining and defining policies that are needed for implementation and continued governance.

The board chair, in conjunction with the secretary of the board, will begin evaluation of board operations, especially those brought into focus by the *Tribune* article. This will be done in consultation with the members of the Executive Committee of the board, and eventually brought to the full board for debate, refinement, and establishment of policy. To that end, I have requested Secretary Thompson to gather data from peer institutions regarding Board of Trustees' operations and from other state boards and agencies regarding their operations, which are coincidental to ours. We will evaluate information from both public and private institutions, knowing that we share the sensitivity to the use of public funds more with other public university boards, and we share special missions with perhaps a different cohort.

It is not my belief that a "cookie cutter" approach to operations of governing boards is appropriate. It is not. Rather we are seeking information that will help us to define what in medicine is defined as "best practices," and information that allows us to make "apples to apples" comparisons. No doubt we will find ways to improve; no doubt that in some instances we will be validated. It will be important to evaluate all data in light of the University of Illinois as a unique entity with wide areas of engagement. This University has outreach programs and operations in every county of a large state. There is active promotion of statewide diversity. And beginning some four years ago, there is the added fourth mission of economic development—this in itself has doubled the workload and travel commitments of the board. Observers may note that we have decreased the number of board meetings to conserve both time and money; however, this in turn mandated more trustee committee work—again, more travel. As both administration and faculty can attest over the past four years there has been extraordinary commitment and activism by the board.

Considered also will be funding alternatives for board operations—are there sources other than public monies to carry out the board's role in the growth and continued quality of our state's flagship public university? It should be clearly noted that legitimate expenses of board operations are indeed part and parcel, in light of the state mandated mission of the University, of appropriate expenditures of public monies.

In specific regard to air travel, I am—we are—currently reviewing all charter invoices for the past five years. This is not to assess the flights of individual trustees, but rather to look at the pattern of how we conduct business. As a matter of operation, before formal policies in regard to air travel are adopted, the following:

1. When clearly appropriate, air travel will be utilized.
2. When requested, alternatives will be sought.
3. When not necessary, air travel will not occur.

The most well intentioned practices can become a bad habit over time—we must not let inertia overcome common sense. The above will be monitored by the board chair and the secretary of the board, in conjunction with the Executive Committee of the board. The bottom line is the successful operation of the University, in all four of its missions, in a manner that is the most fiscally responsible in the context of the work and goals of any given day.

I trust that this is a good beginning to an ongoing evaluation. To those who are involved in the process, as well as to those who will be observers of the process, I would urge:

- Be sensitive to the needs of the University in light of its multiple missions.
- Be sensitive to the stewardship of tax dollars.
- Be sensitive to the needs of those who serve *pro bono*.

- Be sensitive to the needs of our students and faculty.
- Be sensitive to the voices of all who love and support this University.

It is an appropriate time to make change, following the lead of our governor and echoing his promise—"No more business as usual." We are committed that every dime of spending, including the GRF Appropriation, which represents 30 percent of our \$3.0 billion annual budget, must serve the University's mission to the fullest.

With the above in mind let us begin.

I would now invite comments from members of the board.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

KENNETH D. SCHMIDT, M.D.

Chair pro tem

ANNUAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

February 12-13, 2003



This meeting of the Board of Trustees of the University of Illinois was held in Rooms B and C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Wednesday and Thursday, February 12-13, 2003, beginning at 2:15 p.m. on February 12.

Dr. Kenneth D. Schmidt, chair *pro tem*, 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, Mr. Thomas R. Lamont, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was present. The following non-voting student trustees were present: Mr. Art Moore, Springfield campus; Mr. Keely J. Stewart, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and

Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

INSTALLATION OF NEW TRUSTEES

Dr. Schmidt introduced and welcomed Mr. Devon C. Bruce, Mr. Niranjan S. Shah, and Mr. Robert Y. Sperling to the Board of Trustees. He then invited them to join him at the front of the room and he read the following concerning the statutory basis for the Board of Trustees and the responsibilities associated with the role of trustee.

The statutes of the State of Illinois which created the University in 1867 prescribe the powers of the trustees: to establish and provide for the educational program; to hold and convey property; to provide the requisite buildings, apparatus, and conveniences, etc., etc.

The University of Illinois *Statutes*, promulgated by this Board, emphasize the responsibility of the Board: to secure the needed revenues for the University and to determine the ways in which the University funds shall be applied—and they make clear the distinction between the formulation of policy by the Board and the execution of policy by the President, other officers and other bodies of the University under authority delegated by the Board.

However, beyond these formal specifications is a tradition of a dual stewardship—to the people of Illinois and to the University community, a difficult yet essential, inter-relationship which must be constructed and maintained by each of us as trustees of the University and for the people.

My colleagues and I now formally welcome you to this difficult and important task, and we look forward to your participation in it.

SPECIAL ORDER OF BUSINESS

Election of Officers

Chair of the Board

Dr. Schmidt called for nominations for chair of the board.

Mr. Shah nominated Mr. Eppley, and Mr. Lamont seconded this nomination.

Dr. Schmidt then asked for a motion to close nominations.

Mr. Lamont moved to close nominations, and Mr. Shah seconded this motion.

Mr. Eppley was elected unanimously to serve as chair of the board until the next annual meeting of the board or until his successor shall have been elected. Mr. Eppley took his seat as chair of the board and was applauded by his colleagues.

Executive Committee

Mr. Eppley nominated Mr. Lamont and Dr. Schmidt to serve as members of the Executive Committee, with the chair of the board serving as chair of the committee, *ex officio*.

Nominations were closed and by unanimous ballot Mr. Lamont and Dr. Schmidt were elected members of the Executive Committee to serve until the next annual meeting of the board or until their successors shall have been elected.

Secretary, Comptroller, and University Counsel of the Board

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

Dr. Schmidt moved that a unanimous ballot be cast, and the incumbents—Ms. Thompson and Messrs. Rugg and Bearrows—were elected secretary, comptroller, and university counsel of the board, respectively, to serve until the next annual meeting of the board or until their successors have been elected.

Treasurer of the Board

On motion of Dr. Schmidt, the incumbent, Mr. Lester H. McKeever, Jr., was reelected to serve as treasurer of the board for a two-year term in accordance with the statutory provision for a biennial term for the treasurer. Mr. McKeever will serve until the annual meeting of 2005, or until his successor is elected and qualified.

Motion to Fix the Bond of the Treasurer

On motion of Dr. Schmidt, the amount of the treasurer's bond was fixed at \$500,000, as required by State law and the bylaws of the Board of Trustees.

Authority to Receive Moneys

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

Resolved that the treasurer of the Board of Trustees of the University of Illinois be, and hereby is, authorized to receive and receipt for all moneys, and to endorse all orders, drafts, and checks due and payable to the Board of Trustees or to the University of Illinois, and especially all drafts drawn by the treasurer of the United States payable to the Board of Trustees or the University of Illinois.

Delegation of Signatures

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

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

Resolved further that the secretary of the Board of Trustees is authorized to delegate to such individuals as she may designate from time to time authority to sign her name as secretary of the Board of Trustees to vouchers presented to the

state comptroller and to warrants on the university treasurer covering vouchers approved in accordance with regulations of the board. And be it further

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

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

Appointment of Chair, Committee on Academic Affairs

Mr. Eppley announced that he was appointing Dr. Schmidt to serve as chair of the Committee on Academic Affairs and, as a provision of that appointment, as chair *pro tem* of the Board of Trustees.

RECESS FOR COMMITTEE MEETING

The board meeting recessed for a meeting of the Committee on Buildings and Grounds.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Dr. Gindorf convened the committee and asked Robert K. Todd, associate vice president for administration and human resources, to present the agenda. Mr. Todd stated that the first matter for the committee to consider was a design proposed for The Alice Campbell Alumni Center at Urbana, a gift from Robert and Alice Campbell. He indicated that the estimated budget for the building was \$15.0 million, and that the architect was BLDD Architects, Inc. Gene Dillon, representing the architectural firm, presented the design (materials filed with the secretary). He showed several large pictures of the design on display boards. He stated that the intended location for the building was Lincoln Avenue near California Street, and he described the building materials and the interior space in the design.

Mr. Vickrey asked what material was planned for the roof and was told that it was to be gray metal. Discussion followed about the suitability of a metal roof in an environment of electronic equipment. Mr. Todd assured the board that this would not pose a problem for the functioning of electronic equipment, as it had been tested.

On motion of Mr. Vickrey, the members of the committee voted unanimously to proceed with this design.

Mr. Lamont then inquired about the funding for the building and Mr. Todd replied that half of the necessary funds were available at present.

In response to a query from Dr. Schmidt Mr. Todd explained that the capital projects status report was provided since the board had asked to receive progress reports on all projects with a budget of \$5.0 million or more. Mr. Todd added that all designs and sites for new buildings or renovations to buildings are brought to the Committee on Buildings and Grounds for approval.

BOARD MEETING RECONVENED

At this time, the board reconvened in regular session.

DISCUSSION OF ITEMS ON THE AGENDA AND OTHER MATTERS

Mr. Eppley asked for questions from the board regarding the agenda or other matters. In response, Dr. Schmidt asked for an explanation of the program recommended in agenda item no. 8, "Establish the M.S. in Human Factors in the Institute of Aviation, Urbana." At Chancellor Cantor's request Richard H. Herman, provost at Urbana, explained that this was an interdisciplinary program between the Department of Psychology and the Institute of Aviation that was nationally known and well regarded. He explained that the area of inquiry focuses on the interstitial relationships between human factors and the development of skills to ensure safety in aviation.

Dr. Schmidt also inquired about agenda item no. 13, "Approve Amendment to the Fiscal Year 2003 Annual Operating Budget"; specifically, he wanted to know how the additional revenue to the budget would be expended. Dr. Gardner answered, stating that \$3.5 million would be for academic programs, \$5.0 million would go toward students' services and needs, and \$3.5 million would be used for non-recurring expenses this year and for continuing expenses in the next fiscal year.

Mr. Eppley commented on the addition of issuers counsel in the item recommending issuance of Certificates of Participation for the South Farms Project, Urbana, agenda item no. 14. He stated that this represents a positive change in procedure in the issuance of such financial instruments. Discussion of this addition followed and Dr. Gindorf asked if there had ever been problems stemming from such transactions that suggested this addition. Mr. Rugg responded that there had not been problems in the past but that this provides added assurance for the University that the transaction will be free of problems. Mr. Eppley added that this was common and was considered a best practice in the industry.

Mr. Vickrey asked for an explanation of differences in the costs of leased space as presented in agenda items, "Lease of Space, University of Illinois Extension Building, East Moline, Urbana"; "Lease of Space, University of Illinois Extension, Decatur, Macon County, Urbana"; and "Sublease for Space, Illini Center in Chicago, Urbana." He questioned the cost per square foot for the lease in East Moline, stating that it seemed expensive for the area. In response Chancellor Cantor asked Dr. Steven F. Schomberg, vice chancellor for public engagement and institutional relations, to describe the review process for evaluating the costs of leases. He stated that there had been a market analysis for space of the kind needed by the Extension Service's activities and the recommendation for the lease in East Moline was in line with similar space in the area. Mr. Michael Provenzano, senior associate vice president for business and financial services, added that this was a renewal lease and that the property costs based on location

were greater in East Moline than in Decatur, the location of the other Extension Service lease.

Mr. Lamont asked what was planned for an item that was withdrawn shortly before the board meeting. This is a delegation of authority to sell Allerton farmland to the Illinois Department of Natural Resources for prairie restoration. Mr. Lamont commented that this recommendation had been discussed by the board two years earlier and he thought that decisive action was in order. President Stukel stated that he had withdrawn this item based on a request from a legislator in the area who wished time to conduct a community meeting on the matter. The president said that he planned to recommend this sale at the next meeting of the board. He explained that the board's approval was the first step of three required for the proposed sale. He said that in addition to the Board of Trustees approval, the chair of the board of the University of Illinois Alumni Association must approve this action, and the chief judge of the Illinois Supreme Court must also approve the recommendation to sell some of the Allerton farmland.

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; the purchase or lease of real property for use by the University; campus security; and pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

EXECUTIVE SESSION

Campus Security

Mr. Eppley asked Chancellor Manning to report on a matter of campus security for the Chicago campus. The chancellor invited Dr. Charles L. Rice, vice chancellor for health affairs, to join the meeting to inform the board about a program for providing smallpox vaccinations for staff in the hospital and clinics as part of the U.S. Government Homeland Security Program. Dr. Rice explained that the vaccine was being made available as protection against an outbreak of smallpox that might occur as an act of terrorism. He then described the nature of the vaccination procedure including the need for a three-week leave for staff after vaccination to avoid risk of transmitting the virus through shedding of the vaccine. He estimated the cost of the leave to be between \$200,000 and \$500,000, depending on various factors. Dr. Rice reported that 350 hospitals in the nation have declined to participate in the program for vaccinating staff. However, he recommended that the University Hospital participate, making the vac-

cine available to those who wish it, and he added that since the campus hopes to attract a National Biocontainment Laboratory that would be a site for research on such diseases as smallpox introduced as a terrorist act, it seemed that the hospital should participate. He added that the Illinois Nurses Association and the Service Employees International Union have urged their members to decline this offer. He recommended that the University Hospital participate in the national program, but that choosing vaccination be optional to staff. Dr. Gindorf commented on research in this area and noted that the smallpox virus is considered eradicated in the world today chiefly because those infected can be identified and isolated. He suggested that introducing the smallpox virus in a hospital through vaccination of staff might create a risk and concurred with Dr. Rice's recommendation to make vaccination voluntary.

Dr. Schmidt commented, stating that if just a few staff are vaccinated that would seem a futile effort. He added that since UIC hopes to attract a National Biocontainment Laboratory that greater participation might be expected. Dr. Rice stated that vaccination subsequent to exposure is effective too. Dr. Gindorf then noted that one out of 750,000 people vaccinated for smallpox dies, which is high for immunizations.

Dr. Manning closed the discussion by saying that she wanted to bring this subject to the attention of the board so that they would be aware of the potential risks and costs involved in vaccinating staff, and also to gather any ideas the board might have about the role of a public hospital related to this Federal program.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

Chancellor Cantor reported on the search for a dean for the Graduate School of Library and Information Science and indicated that nine candidates were considered for the position. She named the candidate to whom she said she would probably offer the position, contingent upon board approval.

Purchase or Lease of Real Property for Use by the University

Chancellor Manning informed the board that the Chicago campus was one of five institutions proposing to enter into a partnership with the Terra Museum of Art. She indicated that the museum wants to move from its current location on North Michigan Avenue in Chicago, and options under consideration include: trading University property, probably a facility, for

the current museum property; constructing a building on campus and leasing it to the museum; or providing a ground lease on campus at a nominal cost and permitting the museum to build its own facility on campus. The chancellor stated that the partnership would provide several programmatic benefits for faculty and students.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned.

BOARD MEETING RECESSED

The board recessed to reconvene at 8:30 a.m., Thursday, February 13, 2003.

BOARD MEETING, FEBRUARY 13, 2003

When the board reconvened in regular session at 8:40 a.m. on Thursday, February 13, 2003, the following members of the board were present: Mr. Lawrence C. Eppley, Mr. Devon C. Bruce, Dr. Jeffrey Gindorf, Mr. Thomas R. Lamont, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Art Moore, Springfield campus; Mr. Keely J. Stewart, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

PUBLIC COMMENT

The first matter of business was to receive public comment. Six individuals had requested time to address the board through the usual procedure and had been approved. The following five persons appeared at the meeting and addressed the board on the topics noted below.

John W. Martin introduced himself as a staff member at the Urbana campus and stated that he has been a University employee for 10 years. He commented on President Stukel's recommendation introduced at the November 2002 meeting of the board to provide health and dental benefits for same-sex domestic partners of University employees. Mr. Martin objected to this and cited several bases for his opinion including medical studies and admonitions of religious leaders.

Patrick Finnessy spoke next in favor of the University providing health and dental benefits to domestic partners of University employees. He stated that in his job at the University, as director of the Office for Gay, Lesbian, Bisexual & Transgender Concerns, he tries to equalize benefits. He indicated that candidates for positions at the Chicago campus had called him to ask if the University provided equal benefits for domestic partners because it was important to them in selecting an institution at which they would work. He said that if the University does not provide such benefits to all employees it ought not claim to be a nondiscriminatory institution (materials filed with the secretary).

Joe Iosbaker addressed the board on the subject of budget cuts and the effect of these on job security for many employees. He urged cuts at the top of the organization and referred to a study that he distributed (filed with the secretary). He said the study showed that proportionally salaries for administrators at the University had increased more than the salaries of other employees. He called for a moratorium on cuts to wages, and increases to tuition, and asked that a taskforce be appointed to involve groups currently left out of budget decision-making.

Angel Alvarez introduced himself as a student at the Chicago campus and proceeded to speak to budget cuts made over the last two years. He stated that these cuts have negatively affected the quality of education at the University. He addressed financial aid and suggested that the University provide more scholarships, decried the reliance on loans for financial aid for students, and asked for more work-study opportunities for students. He said that more financial aid would probably aid in retention of students.

Nicholas Sakurai introduced himself as a student at the Urbana campus and stated that he worked in the Office for Gay, Lesbian, Bisexual & Transgender Concerns. He stated that the failure to provide health and dental benefits for domestic partners by the University and the State is discriminatory. He asked that the University move beyond the State and provide these benefits and suggested that failure to do so rendered the University vulnerable to grievances and lawsuits. He stated that it was unethical for the University not to provide such benefits (materials filed with the secretary).

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

The board recessed for meetings of the board as a Committee of the Whole and the Committee on Finance and Audit.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley convened this meeting and asked President Stukel to comment. The president said that there would be no recommendation on tuition for Fiscal Year 2004 at this time, and that he would rather present a methodology for financing higher education and then engage the board in discussion.

He asked Chester S. Gardner, vice president for academic affairs, to report on the work of the Tuition Committee that concluded their deliberations in December 2002. Dr. Gardner indicated that the committee included two trustees, Mrs. Sodemann and Mr. Vickrey, the chancellors and provosts, other vice chancellors, and faculty. He said that the committee met during the fall semester from September to December, and that the charge to the committee was to gather, analyze, and provide information on tuition and student financial aid for the board.

Dr. Gardner then presented a summary of the findings of the committee that included such things as the national trend in rising costs of tuition and comparisons of tuition increases at private and public universities, the decline in State support for higher education in Illinois since 1980, and financial aid provided by the Illinois Scholarship Assistance Commission (materials filed with the secretary).

He emphasized the importance of financial aid to students so that everyone qualified for admission to the University has an opportunity to attend. He then reviewed sources of financial aid from the Federal government, State government, and the University. He noted that it is possible for a student to receive grants from all three sources as well as loans and work-study employment. He reported that 30 percent of the students at the University receive awards for the full cost of tuition and fees, and that 50 percent of the students receive some financial aid. He noted that students at the Chicago campus receive more aid than students at the other two campuses.

Dr. Gardner also reviewed the Monetary Award Program (MAP) administered by the Illinois Scholarship Assistance Commission, stating that it was initiated 30 years ago by the legislature and was intended to cover tuition and fees for all the public institutions. He explained that this was true until the last few years when the University tuition exceeded the maximum award. He then explained that the University of Illinois began to supplement the MAP grant when the University's tuition exceeded the maximum award and that this has had a major impact on affordability for many students.

He also reviewed the guiding principles for determining tuition at the University of Illinois: a commitment to affordability; a realization that the value of a University of Illinois education accrues to both students and the

State; recognition of the fact that some disciplines are more expensive to operate than others, necessitating differential tuition; the assumption that a portion of tuition provides for financial aid; and nonresident students pay more than residents.

Dr. Gardner described the components of a possible tuition plan as one that would include: the need for a salary increase for faculty and staff; the cost of inflation; investments in academic programs; and an adjustment to cover inadequate State financial aid. He added that a recommendation for tuition for the next year was several months away.

Next, he stated that the guiding principles for financial aid were: admission to the University is based on credentials only, and a supplement is needed for the MAP grant.

He recommended that the University's supplement to the MAP grant be limited to eight semesters with a provision to grant support for a ninth semester, to be determined by the directors of student financial aid at the campuses. He also recommended that the directors be authorized to adjust individual financial aid for students based on a student's circumstances.

President Stukel commented, saying that the main issue in the discussion was the preservation of faculty quality that is becoming increasingly more difficult because salaries available at private universities are considerably better than those at public universities, principally because the private institutions can increase tuition more easily than public institutions. He added that this portends difficulty for the public universities due to the fact that excellent faculty may leave for better salaries and take their research grants with them. The president said that there is danger of a gap developing in the quality of teaching and research between the two types of institutions if salaries for faculty are not competitive. In addition, he noted that quality research is the basis for the economic development role of universities like the University of Illinois.

Discussion followed on the following subjects: the number of credit hours students accumulate per semester and the possibility that this might be increased; the number of undergraduate programs that require five years; the need for financial aid for five years for students who must be employed many hours per week; the basis for tuition differences among public universities (explained as based on the size of endowments and amount of State support); and the danger to the University of losing excellent faculty and losing research funding concomitantly.

MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Dr. Gindorf convened this meeting and asked Michael B. Provenzano to present the Fiscal Year 2002 annual financial report for the University that indicates sources of revenue and expenditures (materials filed with the secretary). Mr. Provenzano compared revenues and operating expenses for several years, reviewed the financial strength of the University at year's end, and stated that the audit of the University by the State Auditor General showed that the University was following generally approved accounting standards.

Following this President Stukel commented on the cost of overhead at the University, stating that it was very competitive among research universities.

Mr. Provenzano then stated that the University paid off some debt in the last year and lost some endowment funds, and that its financial status was comparable to peer institutions. He also pointed out that the University was now paying for the cost of health insurance for employees, a significant expenditure that was hitherto paid by the State. Further, he told the board that more than 65 percent of the University's buildings are more than 30 years old and that the cost of maintenance is a major concern.

At the conclusion of this meeting there was a discussion of the University's debt portfolio regarding fixed and variable debt, and Mr. Eppley noted that some variable debt was a best practice in order to achieve lower debt rates.

BOARD MEETING RECONVENED

When the board reconvened in regular session, the members of the board noted as present earlier in the day were still present with the exception of Mr. Shah who departed just before the board reconvened.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

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

Chancellors' Reports

The president then turned to the chancellors and asked Chancellor Cantor to report from her campus. She began by stating that the quality of the faculty is crucial to the campus and that the Urbana campus is confident that its faculty are truly excellent. She said that as evidence for this she wanted to announce that Professor Carl Woese had been awarded the Crafoord Prize from the Swedish government, and explained that this prize is given for work in those disciplines not covered by the Nobel Prize. She said that Professor Woese's award, that includes a prize of \$500,000, was based on his research that resulted in the identification of another classification of life on earth—archaea. She also commended the Urbana campus web page to all for a description of ten new cross-disciplinary endeavors ranging from the arts to food security. The chancellor apprised the board of a new grant the campus had received of \$1.2 million from the Mellon Foundation for research in the humanities and a MacArthur Foundation grant for research in the area of arms control and technology. She concluded by noting that a priority for the campus is the renovation of Lincoln Hall, and that the cam-

¹University Senates Conference: Gerald S. Strom, professor of political science, Chicago campus; Chicago Senate: William G. Jones, assistant university librarian and associate professor, University Library, and secretary of the UIC Senate; Springfield Senate: Ardesbir Lohrasbi, associate professor of business administration; Urbana-Champaign Senate Council: Peter L. Mortensen, associate professor of English; Robert M. Fossum, professor of mathematics, and chair of the Urbana-Champaign Senate Council; Felipe A. Hillard, president of the Student-Senate Caucus and a junior in accountancy and finance in the College of Commerce and Business Administration.

pus hopes to accomplish this by the time of the 200th anniversary of Abraham Lincoln's birth which is approaching.

Chancellor Manning stated that at the beginning of the week, the Chicago campus had filed a proposal for funding a National Biocontainment Laboratory that would be built on land owned by the Illinois Medical District adjacent to the Chicago campus. She described the great support for this from various groups, including over 100 letters of support from 30 institutions, including a dozen universities, government officials, business leaders, scientists, and community groups. She also cited support from the media in the form of glowing editorials from the *Chicago Sun Times*, *Crain's Chicago Business*, and *The Chicago Journal*.

The chancellor lauded the extraordinary efforts of over 100 faculty and staff on the campus who had been involved in preparing this application in just the time between October and February. She named a few individuals who had been especially instrumental in bringing the application to fruition, including: Professor James L. Cook, section chief, Infectious Diseases, College of Medicine at Chicago, and Professor Bellur S. Prabhakar, head of the Department of Microbiology and Immunology, College of Medicine at Chicago. She also praised Vice Chancellor Eric A. Gislason, Vice Chancellor Charles L. Rice, and Vice Chancellor Arthur A. Savage for their key roles in leading the entire process. In addition, she stated that Mark Rosati, associate chancellor for public affairs, had been enormously helpful in working the media to gain their support. She also thanked Kelly M. Smith, program coordinator, Research Development Services, for her help in writing the application and the chancellor expressed appreciation to Katherine Rose, associate vice chancellor for health affairs, for her work in coordinating the overall project.

The chancellor told the board that the competition was stiff for this award and that other proposals from all over the country had been submitted. She then said that whatever the ultimate outcome of this process, UIC proved to itself, its peers, and all related communities, that it could compete for something as major as this facility.

In closing, Chancellor Manning also thanked her colleagues in the University administration for being responsive to requests and supportive throughout the preparation of the funding application for a National Biocontainment Laboratory.

Next she announced that the Gemini system for maintaining medical records had received an award from *CIO* magazine. She stated that the introduction of this system caused a transformation in the work behavior of all involved in medical records. The chancellor also saluted Professor Emerita A. Lavonne Brown Ruoff, the recipient of the Modern Language Association's lifetime achievement award. She stated that this award was presented to Professor Ruoff for creating the field of Native American literature. In closing Chancellor Manning told the board that *USA Today* had chosen an All Academic College Team of 20 college students from across the nation, and that two of these were students at UIC.

Chancellor Ringeisen reported that enrollment had increased for the spring semester at the Springfield campus, and that applications for the freshman class for fall 2003 had doubled from last year's number. Further, he announced a 29 percent increase in enrollments in on-line courses. He praised Professor Raymond Schroeder, director, Office of Technology-Enhanced Learning, for his efforts to develop the on-line course programs and stated that Professor Schroeder had received an award for his superb work. He also said that the campus is launching a national alumni program as part of the plan to improve development activities for the campus. In addition, he reported that the new Classroom/Office Building was under way and that 13 new townhouse residences for students were in progress. He also told the trustees that the campus debate team had won several awards, and that the basketball team was quite successful in its first year. In closing he introduced Dr. L. Christopher Miller, interim vice chancellor for student affairs.

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Mr. Eppley stated that Dr. Schmidt had prepared a consensus statement on the subject of providing health and dental benefits for domestic partners of University employees and asked Dr. Schmidt to read this.

Statement Regarding University Provided Health and Dental Benefits for Domestic Partners of University Employees

The Board of Trustees is cognizant of the sincerity and urgency of the request that the University provide health and dental benefits to domestic partners of University employees. However, in view of the ongoing dialogue concerning the State budget and the certain impact on the University's budget, it is imprudent at this time to introduce additional costs including benefits for faculty and staff, particularly those that carry an unknown price. We have barely begun to work with a new administration in Springfield, have yet to learn the priorities for that administration or their plans for the future, and understand fully that the University must support executive branch efforts in regard to the FY '04 budget. Clearly, in addition, the University must cooperate with the legislature in their attempts to work with the governor in identifying and solving problems.

We may see a Statewide plan for provision of health benefits to additional groups and hope that the State will consider this a priority. For the University to introduce the issue at this time, acting as a sole agent with the State, particularly without solid estimates of the cost, would be unwise. More importantly, such action would be establishing new policy in the use of State funds, something that is not clearly within the purview of the University until such time as the direction of the legislature and the executive branch is more fully understood. We will continue to investigate costs of various approaches to providing this benefit and will continue considering it in budget planning for the next year and beyond, assuming that State government stands in approval—that we are in fact acting consistent with legislative intent.

The University has infinite needs, and a finite budget. Even though the board indicated an interest in voting on the issue of domestic partners benefits at the February 12-13, 2003, board meeting when it voted to withdraw this item from its agenda in November 2002, new information about the University's budget for Fiscal Year 2004 has made it perfectly clear that almost all new programs will

have to be deferred. In fact, all programs and benefits will be subject to cost/benefit analysis. We regret that we cannot consider added benefits at this time, and will work with the new administration in Springfield and the legislature to attempt to improve all aspects of our multiple campus working environment in a manner consistent with State policy.

OLD BUSINESS

Mr. Eppley then asked Dr. Schmidt to report on the board meeting of the University of Illinois Foundation, held earlier this month and other business he had to report. Dr. Schmidt stated that the endowment managed by the Foundation was down 3.3 percent for last year compared to a drop of 6.3 percent for the endowments of peer institutions as reported by the National Association of College and University Business Officers. He said that the Foundation plans a reassessment of the spending rate of the endowment, that has long been 4.75 percent as part of their fiduciary responsibility, and that a report is due in May 2003. He informed the board that the Foundation plans a new capital campaign that will start in the near future with a focus on student needs such as scholarships and the need for more endowed chairs to strengthen the academic programs.

Next, Dr. Schmidt reported on matters affecting the two research park boards on which he serves. First, he stated that the State appropriation for a facility at the DuPage Research Park had been frozen. Then he told the board that the University of Illinois Research Park, LLC, Urbana, anticipated having 320,000 square feet of space completed by April 2003. He said that there were currently 12 tenants in the park and 540 employees. Dr. Schmidt said that the next focus for the park will be to implement a marketing plan that has been developed. He added that the University is the key to marketing the research park.

Mr. Lamont then reported on the most recent meeting of the Illinois Board of Higher Education on which he serves, and told the board that this group's current focus is on affordability for students and the budget for this fiscal year and next fiscal year. He also noted that the Committee on Access and Affordability was in the process of holding hearings.

Mrs. Sodemann told the board of a meeting of the State Universities Civil Service Merit Board on which she serves as a representative of the Board of Trustees. She stated that the new executive director was restructuring the organization and that vacant positions were not to be filled in the near future.

NEW BUSINESS

Dr. Schmidt stated that at this time he wanted to publicly apologize to Chancellor Cantor for the fact that the board was unable to deter an individual in Champaign from installing large sign boards that carried a negative message directed at her regarding Chief Illiniwek. Dr. Schmidt said he wanted to state again that the Board of Trustees is solely responsible for the status of Chief Illiniwek on the Urbana campus. He then said that he and others wanted to reiterate confidence in Chancellor Cantor.

Mr. Vickrey asked that agenda item recommending lease of space for the University of Illinois Extension in East Moline, Illinois, be withdrawn from the agenda of today's meeting and reviewed. By consensus, the board agreed to this.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 12 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Resolution for Susan Loving Gravenhorst

(1) For 18 years you have served as a dedicated and exemplary trustee of the University. You are known for extraordinary commitment and for fostering excellence throughout the University.

You have served as chair of most of the committees of the board and have given generously of your time in representing the board to the Alumni Association, the University of Illinois Foundation, the State Universities Civil Service Merit Board, and to the Athletic Board at the Urbana campus. In each of these roles you have provided a model of leadership as a governing board member.

Your tenure as chair of the Board of Trustees was marked by innovation and positive efforts to build cohesion. In this role you increased interaction between the board and the faculty and staff, you instituted a self-evaluation of the board, you introduced the Committee on Trusteeship and Governance, and you formalized mentoring for new trustees.

You will be remembered for inviting student leaders to board meetings to meet trustees and to learn of their work, and for bringing trustees into classrooms and into closer contact with faculty. You are also the first woman to chair the Committee on Athletics.

Your strong support for new programs and facilities at each of the campuses, and your belief that the needs of each campus had to be addressed by the board as evenly as possible has helped to build support for the theme of one University among administrators, faculty, and staff.

You are recognized nationally as a champion of cooperation within universities and as one who seeks opportunities to serve your university. In 1999 the Association of Governing Boards honored you with its Distinguished Service Award in Trusteeship, for the "best of volunteer service to public higher education."

As a guardian of the University your performance has been extraordinary, in scope, devotion, and excellence. You have defended principles you value and have faced difficult decisions squarely with conviction, while always striving to achieve consensus and harmony.

The University has been enriched by your intelligent guidance and your generosity of spirit. Your legacy is one of splendid counsel and steadfast advocacy for our University. All associated with the University of Illinois are beneficiaries of your selfless service.

Your colleagues on the board, the president, and other administrative officers of the University wish to thank you and pay you tribute at this time, and to wish the best for you and your husband, Alby, and all your family.

The Board of Trustees directs that this be incorporated in the minutes of today's meeting to become a part of the official public record, and that a suitable copy be given you as a permanent reminder of the esteem in which you are held.

On motion of Mr. Lamont, the foregoing resolution was adopted.

Resolution for Gerald W. Shea

(2) The Board of Trustees wishes to record its gratitude to you for your generous service to the University as a member of this board, and for two years its chairman.

Your leadership of the board is noteworthy. In appointing trustees as liaisons to the campus senates you made for more inclusiveness in the shared governance process at the University. Your establishment of the Economic Development Committee of the board provided for better information to the board about this area, and for greater interaction with campus groups involved in economic development and technology transfer activities. You suggested a review of the status of women at the University, and you included student members of the board in meaningful ways, such as chairing a special committee on tuition policy.

Your experience as a member and leader of the House of Representatives of the Illinois General Assembly proved to be of considerable value to the University by way of understanding deliberations about University matters in the legislature, and because of your vigilance in noting proposed legislation that might have an impact on the University. Your advocacy for the University with the State legislature and the governor helped the University win support for important initiatives.

The president and other administrative officers of the University join the members of the Board of Trustees in this special tribute to you and extend best wishes to you and your family for your dedicated service.

The Board of Trustees directs that this resolution be incorporated in the minutes of today's meeting to become a part of the official public record and that a suitable copy be given you as a permanent reminder of the esteem and affection in which you are held.

On motion of Mr. Lamont, the foregoing resolution was adopted.

Memorial Resolution for Nina T. Shepherd

(3) The University of Illinois Board of Trustees records with sorrow the death on January 18, 2003, of Nina T. Shepherd, a former member of this board and the first woman to serve as president of the board.

Mrs. Shepherd came to the board at the end of the era of student activism in American universities and devoted much time to listening to the voice of students on myriad topics. She also involved herself in all issues of the governance of the University with an unparalleled intensity. She was known for the depth of her questioning on matters of operation of the University and was a dependable voice for common sense approaches joined with integrity and principles.

She was president of the Board of Trustees when the University's policy on divestment in South Africa was considered, debated, and approved by the board. She participated in launching the Food for Century III initiative, the consolidation of the Chicago campus, and the establishment of the Beckman Institute. Mrs. Shepherd was known for asking hard questions and taking courageous stands, and a passionate devotion to the University.

Nina Shepherd's ties to the University spanned half a century. She was a student at the Urbana campus, from which she graduated magna cum laude and was elected to membership in Phi Beta Kappa. As a trustee she served for 18 consecutive years and was a participant in a remarkable period of the University's growth and ferment coupled with fiscal constraints. She had deep affection for the Urbana campus and also worked tirelessly, sometimes fiercely, for the development of the Chicago campus. In her years as trustee and later, she served as an advisor to many trustees and administrators of the University. In her last service to the University she founded the Study Abroad Office at the Chicago campus to afford opportunities for students at that campus to enrich their college education through travel and study in other cultures.

Mrs. Shepherd received many honors for distinguished service including the Alumni Association's Loyalty Award in 1992, the Distinguished Service Award by the Urbana-Champaign chapter of the American Association of University Professors, and the Distinguished Service Award from the senate at the Chicago campus in 1993. At the Chicago

campus commencement exercises in 1997, she received the University of Illinois Alumni Association's Distinguished Service Award.

At this time, the trustees and the administrative officers of the University wish to pay tribute to Nina Shepherd. For her efforts the University is much the better.

On motion of Mr. Lamont, the foregoing resolution was adopted.

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

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

The chancellor at Chicago recommends the following reappointments to the DSCC Advisory Board for a term ending June 30, 2006:

BILLIE ADAMS, M.D., pediatric hematologist; clinical associate professor, Department of Pediatrics, University of Illinois at Chicago College of Medicine

WILLIAM A. FARRIS, M.D., child neurologist; private practitioner, Carle Clinic, Urbana; clinical associate professor, Department of Pediatrics, University of Illinois at Chicago, College of Medicine at Urbana

LISA S. THORTON, M.D., director, Pediatric and Adolescent Rehabilitation, Schwab Rehabilitation Hospital; chief, Pediatric Rehabilitation, LaRabida Children's Hospital; clinical assistant professor, Department of Orthopedics and Rehabilitation, University of Chicago Pritzker School of Medicine; clinical assistant professor, Department of Pediatrics, University of Chicago Pritzker School of Medicine

LUIS TREVINO, M.D., pediatrician; private practitioner; clinical assistant professor, Department of Pediatrics, University of Illinois at Chicago College of Medicine

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Lamont, these appointments were approved.

Honorary Degrees, Chicago

(5) The senate of the Chicago campus has recommended that honorary degrees be conferred on the following persons at the Commencement Exercises on May 11, 2003:

SIR RICHARD DOLL, distinguished academic physician and preeminent epidemiologist—the honorary degree of Doctor of Science

Sir Richard Doll, with his student, Richard Peto, pioneered the epidemiological methodology of meta-analysis to detect small, otherwise obscure differences in clinical responses to therapeutic interventions. Professor Doll, the former Regis Professor of Medicine at Oxford University, the highest medical position in the United Kingdom, is widely respected for being the first to show that smoking causes cancer of the lung. For this discovery, he was awarded the United Nations Award for Cancer Research in 1962 and the Charles S. Mott Prize for Cancer Research in 1979. Queen Elizabeth awarded Professor Doll the Companion of Honor distinction in 1996: a title restricted to no more than forty people at any one time. Sir Richard has been recognized by receiving honorary degrees from thirteen institutions including Harvard and Oxford; has been nominated for the Nobel Prize for his work on both cancer and epidemiology; was knighted in 1971; named 2001's Outstanding International Physician by the American Medical Association; and was inducted into the National Academy of Sciences in 2002. Still active as a spokesman, scholar, and researcher, Professor Doll's international efforts have helped shape tobacco-related health policies in both Britain and the United States.

FRIEDRICH E. P. HIRZEBRUCH, major figure of twentieth century mathematics and research visionary—the honorary degree of Doctor of Science

Professor Hirzebruch is perhaps most famous for proving what is now known as the Hirzebruch-Riemann-Roch Theorem, one of the most famous and important mathematical breakthroughs of the last century. He has made fundamental contributions in algebraic geometry, algebraic topology, and differential topology. His work changed mathematicians' point of view on these subjects and mathematics in general. The influence of his seminal contributions spreads well beyond mathematics and plays a prominent role in areas like String Theory and Quantum Field Theory. Professor Hirzebruch created the Max Planck Institute of Mathematics in Bonn overcoming enormous obstacles and turned it into one of the most active and prestigious research centers in the world. His contributions have been so significant that he has been acknowledged by the awarding of just about all the most prestigious awards available to mathematicians. For his outstanding contributions in Mathematics, Winner of the Wolf-Prize in Mathematics (1988); Lobachevskij-Prize of the Academy of Sciences, United States of Soviet Russia (1990); Seki Prize of the Japanese Mathematical Society (Gold Medal 1996); Cothenius Gold Medal, Deutsche Akademie der Naturforscher Leopoldina (1997); Lomonosov Gold Medal of the Russian Academy of Sciences (1997); Albert Einstein Medal, Albert Einstein Society, Bern (1999); Stefan Banach Medal of the Polish Academy of Sciences (1999); and the Krupp Science Prize (2000). Professor Hirzebruch has also received honorary degrees from nine institutions, including the University of Gottingen, Oxford University, University of Notre Dame, and the University of Athens.

The chancellor at Chicago concurs in this recommendation.

The president of the University recommends approval.

On motion of Mr. Lamont, these degrees were authorized as recommended.

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

ANNE REBECCA ARMSTRONG, assistant reference librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning January 1, 2003 (NY), at an annual salary of \$41,000.

- JOHN STEPHEN BRANTLEY, assistant reference librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning January 1, 2003 (NY), at an annual salary of \$41,400.
- EUNICE EUNKYUNG CHOI, assistant professor of public health, mental health and administrative nursing, on 100 percent time, beginning January 6, 2003 (1), at an annual salary of \$58,000.
- SCOTT ANDREW COLLARD, assistant reference librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning January 1, 2003 (NY), at an annual salary of \$42,000.
- TIFFENI JACQUETTA FONTNO, assistant document librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning December 1, 2002 (NY), at an annual salary of \$42,000.
- HELEN GEORGAS, coordinator of bibliography instruction and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning December 1, 2002 (NY), at an annual salary of \$45,600.
- *MARK H. GONZALEZ, professor of orthopaedic surgery, College of Medicine at Chicago, on 39 percent time, at an annual salary of \$121,500; physician surgeon in orthopaedic surgery, College of Medicine at Chicago, on 28 percent time, at an annual salary of \$88,500; physician surgeon in orthopaedics, University of Illinois Hospital and Clinics, on 8 percent time, at an annual salary of \$25,000; and adjunct professor of mechanical engineering, College of Engineering, University of Illinois at Chicago, on zero percent time (non-tenured and non-salaried), beginning September 1, 2002 (AY39;NY28;NY8;N), for a total salary of \$235,000.
- COURTNEY R. GREENE, assistant reference librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning January 1, 2003 (NY), at an annual salary of \$42,000.
- MARK GREVIOUS, assistant professor of surgery, College of Medicine at Chicago, on 51 percent time, at an annual salary of \$50,000; and physician surgeon in surgery, College of Medicine at Chicago, on 49 percent time, at an annual salary of \$150,000, beginning December 11, 2002 (1Y51;NY49), for a total salary of \$200,000.
- MEMOONA HASNAIN, assistant professor of family medicine, College of Medicine at Chicago, on 100 percent time, beginning December 1, 2002 (NY), at an annual salary of \$75,000.
- ROBERT D. JOHNSTON, associate professor of history, on 100 percent time, December 1, 2002 - August 31, 2006 (Q), at an annual salary of \$64,000.
- LYN SUE KAHNG, assistant professor of medicine, College of Medicine at Chicago, on 51 percent time, beginning November 1, 2002 (NY), at an annual salary of \$31,345.
- *JASON LEIGH, associate professor of computer science, College of Engineering, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$85,000.
- KRYSTAL LEWIS, assistant reference librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning January 1, 2003 (NY), at an annual salary of \$41,000.
- ALEX O. MORLA, assistant professor of biomedical sciences, College of Medicine at Rockford, on 100 percent time, beginning August 21, 2002 (1), at an annual salary of \$50,000.
- *DIANA WILKIE, professor of medical-surgical nursing, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$120,000.

Emeriti Appointments

- GEOFFREY A. CORDELL, professor emeritus of pharmacognosy in the Department of Medicinal Chemistry and Pharmacognosy, June 21, 2002
- WELLINGTON JAO, professor emeritus of pathology, February 1, 2002
- ZANE FRANK MUHL, professor emeritus of orthodontics, June 1, 2002

Springfield

Emeriti Appointments

- JAMES H. CHERRY, associate professor emeritus, Educational Leadership Program, January 1, 2003

Urbana-Champaign

- *PAUL ANGUS DUNCUM, associate professor, School of Art and Design, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$60,829.
- ANNE M. FARRELL, assistant professor of accountancy, on 100 percent time, beginning November 15, 2002 (N), at an annual salary of \$137,000.
- *BARBARA J. FORD, director, Mortenson Center for International Library Programs and professor of library administration, on 100 percent time, beginning January 2, 2003 (AY), at an annual salary of \$118,000. In addition, Ms. Ford will hold the rank of C. Walter and Gerda B. Mortenson Distinguished Professor for International Library Programs, on zero percent time (non-tenured and non-salaried), beginning January 2, 2003 (N), for a total salary of \$118,000.
- JULIA M. GEORGE, assistant professor of molecular and integrative physiology, on 100 percent time, beginning November 4, 2002 (N), at an annual salary of \$60,000.
- LESLIE W. LOONEY, assistant professor of astronomy, on 100 percent time, beginning October 21, 2002 (N), at an annual salary of \$55,000.
- CRIS SUSAN MAYO, assistant professor of educational policy studies, College of Education, on 51 percent time, and assistant professor, Women's Studies Program, College of Liberal Arts and Sciences, on 49 percent time, beginning January 6, 2003 (N51;N49), at an annual salary of \$59,000.
- CRAIG ANDREW MIZZEN, assistant professor of cell and structural biology, on 100 percent time, beginning November 4, 2002 (N), at an annual salary of \$60,000.
- *MIRANDA BEAVEN REMNEK, head of the Slavic library and professor of library administration, University Library, on 100 percent time, beginning January 2, 2003 (AY), at an annual salary of \$78,000.
- DIMITRIOS V. ROVAS, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning November 1, 2002 (N), at an annual salary of \$65,000.
- PETER J. SEILER, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning December 1, 2002 (N), at an annual salary of \$65,500.
- CHRISTOPHER SPAN, assistant professor of educational policy studies, on 100 percent time, beginning January 6, 2003 (N), at an annual salary of \$54,000.
- XINLEI WANG, assistant professor of agricultural engineering, on 100 percent time, beginning December 16, 2002 (N), at an annual salary of \$65,000.
- HUNG-CHANG H. YAO, assistant professor of veterinary biosciences, on 100 percent time, beginning January 1, 2003 (N), at an annual salary of \$77,000.
- JIAN ZHANG, assistant professor of civil and environmental engineering, on 100 percent time, beginning October 21, 2002 (N), at an annual salary of \$67,000.

Emeriti Appointments

- MARIANNA T. CHOLDIN, C. Walter and Gerda B. Mortenson Distinguished Professor Emerita for International Library Programs, University Library, December 21, 2002
- JIMMY HOWARD CLARK, professor emeritus of nutrition in the Department of Animal Sciences, February 1, 2003
- GERT EHRLICH, professor emeritus of physical metallurgy in the Department of Materials Science and Engineering, January 1, 2003
- CLYDE W. FORREST, JR., professor emeritus of urban and regional planning, August 21, 2002
- ANTHONY P. HALTER, associate professor emeritus, School of Social Work, January 1, 2003
- MORGAN J. LYNCE, JR., professor emeritus of finance, December 10, 2002
- ANTHONY J. MCHUGH, professor emeritus of chemical and biomolecular engineering, January 1, 2003
- STEVEN T. SONKA, professor emeritus of agricultural and consumer economics and Soybean Industry Endowed Chair in Agricultural Strategy Emeritus, January 1, 2003
- BURTON E. SWANSON, professor emeritus of agricultural and consumer economics, August 21, 2003
- PAUL W. THURSTON, professor emeritus of educational organization and leadership, August 21, 2002

Administrative/Professional Staff

*SAMUEL K. APPAVU, chair of the Department of Surgery, College of Medicine at Rockford, on a twelve-month service basis with an administrative increment of \$25,000, beginning April 1, 2003 (NY). In addition, Dr. Appavu will be appointed to the rank of professor of surgery, College of Medicine at Rockford, on indefinite tenure on a twelve-month service basis, on 49 percent time, beginning April 1, 2003 (AY49), at an annual salary of \$90,000. Dr. Appavu will continue to serve as physician surgeon in family and community medicine, College of Medicine at Rockford, on a twelve-month service basis, on 51 percent time, effective April 1, 2003 (NY51), at an annual salary of \$135,000, for a total salary of \$250,000.

SARI GILMAN ARONSON, head of the Department of Psychiatry, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$45,000, beginning February 17, 2003 (KY). Dr. Aronson will continue to hold the rank of clinical associate professor of family practice, on a twelve-month service basis, on 4 percent time, at an annual salary of \$5,000; clinical associate professor of internal medicine, on a twelve-month service basis, on 28 percent time, at an annual salary of \$32,800; clinical associate professor of psychiatry, on a twelve-month service basis, on 18 percent time, at an annual salary of \$21,865, and adjunct associate professor of psychology, on zero percent time (non-tenured and non-salaried), effective February 17, 2003 (NY4;NY28;NY18;N), for a total salary of \$104,665.

DAVID Y. BADAWI, director of ophthalmic information systems, Department of Ophthalmology and Visual Sciences, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$23,000, beginning February 17, 2003 (NY). Dr. Badawi was appointed to serve as visiting director of ophthalmic information systems under the same conditions and salary arrangement beginning September 1, 2002. He will continue to hold the rank of assistant professor of ophthalmology and visual sciences, on a twelve-month service basis, on 51 percent time, at an annual salary of \$60,000; and will continue to serve as physician surgeon in ophthalmology and visual sciences, on a twelve-month service basis, on 49 percent time, at an annual salary of \$85,000, effective February 17, 2003 (2Y51;NY49), for a total salary of \$168,000.

MICHAEL D. BAILIE, vice dean, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$50,000, beginning February 17, 2003 (NY). In addition, Dr. Bailie will continue to hold the rank of professor of pediatrics, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$110,200; and will continue to serve as physician surgeon in pediatrics, College of Medicine at Chicago, on a twelve-month service basis, on 49 percent time, at an annual salary of \$110,200; and professor of biomedical and therapeutic science, College of Medicine at Peoria, on indefinite tenure on a twelve-month service basis, on zero percent time (non-salaried), effective February 17, 2003 (AY51;NY49;A), for a total salary of \$270,400.

CHARLES L. BAUM, medical director of community relations, Office of Advancement and Community Relations, College of Nursing, Chicago, on a twelve-month service basis, on 36 percent time, beginning February 17, 2003 (NY36), at an annual salary of \$43,415. Dr. Baum was appointed to serve as visiting medical director of community relations under the same conditions and salary arrangement beginning September 1, 2002. Dr. Baum will continue to hold the rank of associate professor of medicine, College of Medicine at Chicago, on a twelve-month service basis, on 64 percent time, effective February 17, 2003 (QY64), at an annual salary of \$77,182. In addition, he will continue to serve as physician surgeon in medicine, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); associate professor of surgery, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); and associate professor of public health, mental health and administrative nursing, College of Nursing, on zero percent time (non-tenured and non-salaried), for a total salary of \$120,597.

JOHN J. DENARDO, associate vice chancellor for health affairs, Office of the Vice Chancellor for Health Affairs, Chicago, on a twelve-month service basis with an administrative

tive increment of \$63,180, beginning February 17, 2003 (NY). Mr. DeNardo will continue to serve as the executive director, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 100 percent time, effective February 17, 2003 (NY100), at an annual salary of \$261,820. In addition, he will continue as adjunct professor of pharmacy administration, College of Pharmacy, on zero percent time (non-tenured and non-salaried); and adjunct professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$325,000.

GREGORY G. FREUND, head of the Department of Pathology, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$5,000, beginning February 17, 2003 (KY). Dr. Freund will continue to hold the rank of associate professor of pathology, College of Medicine at Urbana-Champaign, on indefinite tenure on a twelve-month service basis, on 100 percent time, at an annual salary of \$120,860; and will continue as physician surgeon in pathology, College of Medicine at Urbana-Champaign, on a twelve-month service basis, with an annual increment of \$49,610, effective February 17, 2003 (AY100;NY). In addition, he will continue to hold the rank of adjunct associate professor of animal sciences, College of Agricultural, Consumer and Environmental Sciences, on zero percent time (non-tenured and non-salaried); and associate professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$175,470.

MARTIN H. W. GRUEBELE, director of the Center for Biophysics and Computational Biology, School of Molecular and Cellular Biology, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$3,000, beginning February 17, 2003 (NY). Dr. Gruebele will continue to hold the rank of professor of chemistry on indefinite tenure on an academic year service basis, on 100 percent time, effective February 17, 2003 (A100), at an annual salary of \$110,000. He will also continue as professor of physics, on zero percent time (non-tenured and non-salaried); and professor, Beckman Institute for Advanced Science and Technology, on zero percent time (non-tenured and non-salaried), for a total salary of \$113,000.

TAMAR HELLER, head of the Department of Disability and Human Development, College of Applied Health Sciences, Chicago, on an academic year service basis with an administrative increment of \$4,090, beginning March 1, 2003 (K). Dr. Heller will receive an amount equal to two-ninths of her administrative increment for two months' service during each summer of her appointment as head (\$910 for 2002-03). In addition, she will continue to hold the rank of professor of human development, Department of Disability and Human Development, College of Applied Health Sciences, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$140,000; and associate professor, Division of Community Health Sciences, School of Public Health, on zero percent time (non-tenured and non-salaried), effective March 1, 2003 (A100;N), for a total salary of \$145,000.

DAVID L. IKENBERRY, chair of the Department of Finance, College of Commerce and Business Administration, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning February 17, 2003 (N50), at an annual salary of \$82,500. In addition, for service as chair, Dr. Ikenberry will receive an administrative increment of \$5,000, on an academic year service basis (N). He will receive an amount equal to two-ninths of his total annual salary for two months' service during each summer of his appointment as chair (\$37,778 for 2002-03). Dr. Ikenberry was appointed to serve as interim chair under the same conditions and salary arrangement beginning December 10, 2002. He will continue to hold the rank of professor of finance on indefinite tenure on an academic year service basis, on 50 percent time (A50), at an annual salary of \$82,500, for a total 2002-03 salary of \$207,778.

JOY G. KEELER, associate vice chancellor for health affairs, Office of the Vice Chancellor for Health Affairs, University of Illinois at Chicago, on a twelve-month service basis, on 100 percent time, effective February 17, 2003 (NY), at an annual salary of \$190,000.

YOUNG K. KWON, director of the Ph.D. Program in Accountancy, College of Commerce and Business Administration, Urbana-Champaign, on an academic year service basis with an administrative increment of \$10,000, beginning February 17, 2003 (N). Dr. Kwon was appointed to serve as interim director, under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of professor of accountancy on indefinite tenure on an academic year service basis, on 100 percent time (A100), at an annual salary of \$126,324. He will also continue as A. C. Littleton Professor of Accountancy (non-tenured) on an academic year service basis with an increment of \$12,954 (N), for a total salary of \$149,278.

STIG LANESSKOG, associate director, Office for Strategic Business Initiatives, College of Commerce and Business Administration, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning February 13, 2003, (NY), at an annual salary of \$100,000. Mr. Lanesskog was appointed to serve as interim associate director under the same conditions and salary arrangement beginning January 21, 2003.

SCOTT A. LATHROP, associate director of the Education, Outreach and Training Division, National Center for Supercomputing Applications, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning February 17, 2003 (NY), at an annual salary of \$108,000. Mr. Lathrop was appointed to serve as interim associate director of the Education, Outreach and Training Division under the same conditions and salary arrangement beginning February 1, 2003.

MARY ANN LILA, assistant dean for research leadership, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$12,000, beginning February 17, 2003 (NY). In addition, Dr. Lila will receive an amount equal to one-ninth of her academic year base salary for one month's service during each summer of her appointment as assistant dean (\$10,456 in 2002-03). Dr. Lila was appointed to serve as interim assistant dean under the same conditions and salary arrangement beginning January 1, 2003. She will continue to hold the rank of professor of plant physiology in the Department of Natural Resources and Environmental Sciences on indefinite tenure, on an academic year service basis, on 100 percent time (A100), at an annual salary of \$94,100. Dr. Lila will also continue as professor of plant physiology in the Division of Nutritional Sciences, on zero percent time (non-tenured and non-salaried), for a total 2002-03 salary of \$116,556.

*THEODORE MAZZONE, associate director, General Clinical Research Center, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$36,000; and chief, Section of Diabetes and Metabolism, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$75,000, beginning February 17, 2003 (NY;NY). In addition, Dr. Mazzone will also be appointed to the rank of professor of medicine, College of Medicine at Chicago, on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000; and will be appointed to serve as physician surgeon in medicine, College of Medicine at Chicago, on a twelve-month service basis, on 49 percent time, at an annual salary of \$39,000, beginning February 17, 2003 (AY51;NY49), for a total salary of \$250,000.

MARK A. MIKEL, associate director, Biotechnology Center, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning February 17, 2003 (NY), at an annual salary of \$100,000. Dr. Mikel was appointed to serve as interim associate director under the same conditions and salary arrangement beginning January 27, 2003.

RASHID MOSAVIN, assistant director of Ambulatory Care Pharmacy, Department of Pharmacy Practice, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning February 17, 2003 (NY), at an annual salary of \$90,125. Dr. Mosavin will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$90,125.

*NEIL J. NUSBAUM, chair of the Department of Medicine, College of Medicine at Rockford, on a twelve-month service basis with an administrative increment of \$25,000,

beginning February 17, 2003 (NY). In addition, Dr. Nusbaum will be appointed to the rank of professor of medicine, College of Medicine at Rockford, on indefinite tenure on a twelve-month service basis, on 49 percent time, at an annual salary of \$90,000; and will be appointed to serve as physician surgeon in medicine, College of Medicine at Rockford, on a twelve-month service basis, on 51 percent time, at an annual salary of \$115,000, beginning February 17, 2003 (AY49;NY51), for a total salary of \$230,000.

RALPH G. NUZZO, director, Frederick Seitz Materials Research Laboratory, College of Engineering, Urbana-Champaign, on an academic year service basis, on 25 percent time, beginning February 17, 2003 (N25), at an annual salary of \$39,000. In addition, for service as director, Dr. Nuzzo will receive an administrative increment of \$3,500 on an academic year service basis (N). He will receive an amount equal to one-ninth of his total annual salary for one month's service during each summer of his appointment as director (\$17,722 for 2002-03). Dr. Nuzzo was appointed to serve as interim director under the same conditions and salary arrangement beginning January 1, 2003. He was appointed as professor, Materials Research Laboratory, on an academic year service basis on 25 percent time, non-tenured, beginning January 1, 2003 (N25), at an annual salary of \$39,000. He will continue to hold the rank of professor of chemistry, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 50 percent time (A50), at an annual salary of \$78,000. He will also continue as professor of materials science and engineering, College of Engineering, on zero percent time (non-tenured and non-salaried) and William H. and Janet G. Lycan Professor of Chemistry, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried), for a total 2002-03 salary of \$177,222.

KEN N. PAIGE, head of the Department of Animal Biology, School of Integrative Biology, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$5,500, beginning August 16, 2003 (K). Dr. Paige was appointed to serve as interim head of the Department of Animal Biology under the same conditions and salary arrangement beginning January 21, 2003. He will receive an amount equal to one-ninth of his total annual salary for one month's service during each summer of his appointment as head (\$10,278 for 2003-04). In addition, Dr. Paige will continue to hold the rank of professor of animal biology, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$87,000, for a total salary of \$102,778.

NORMAND PAQUIN, director of external affairs, College of Engineering, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning February 17, 2003 (NY), at an annual salary of \$91,000. Dr. Paquin was appointed to serve as visiting director of external affairs under the same conditions and salary arrangement beginning September 21, 2002.

ROBERT A. SCHULTZ, senior director, IllinoisVENTURES, LLC, on a twelve-month service basis, on 30 percent time, effective January 24, 2003 (NY30), at an annual salary of \$49,500. In addition, Mr. Schultz will be appointed to serve as assistant vice president for economic development and corporate relations, Office of the Vice President for Economic Development and Corporate Relations, University Administration, on a twelve-month service basis, on 70 percent time, effective January 24, 2003 (NY70), at an annual salary of \$115,500, for a total salary of \$165,000.

JAMES M. SLAUCH, director of the Medical Scholars Program, College of Medicine at Urbana-Champaign, on an academic year service basis with an administrative increment of \$16,000, beginning February 21, 2003 (N). He will receive an amount equal to two-ninths of his total annual salary for two months' service during each summer of his appointment as director (\$18,000 for 2002-03). In addition, Dr. Slauch will continue to hold the rank of associate professor of microbiology, Department of Basic Sciences, College of Medicine at Urbana-Champaign, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$65,000; and associate professor of microbiology, College of Liberal Arts and Sciences, Uni-

versity of Illinois at Urbana-Champaign, on zero percent time (non-tenured and non-salaried), effective February 21, 2003 (A100;N), for a total salary of \$99,000.

*ROSEMARY SOKAS, director of the Division of Environmental and Occupational Health Sciences, School of Public Health, Chicago, on an academic year service basis with an administrative increment of \$10,000, effective February 17, 2003 (N). In addition, she will be appointed to the rank of professor, Division of Environmental and Occupational Health Sciences, on indefinite tenure on an academic year service basis, on 100 percent time, beginning February 17, 2003 (A100), at an annual salary of \$150,000, for a total salary of \$160,000. Dr. Sokas was appointed to serve as interim director of the Division of Environmental and Occupational Health Sciences and visiting professor, Division of Environmental and Occupational Health Sciences, under the same conditions and salary arrangement beginning November 4, 2002.

WILLIAM C. STAUFFER, assistant vice president of computer and network operations, Administrative Information Technology Services, University Administration, on a twelve-month service basis, on 100 percent time, beginning February 17, 2003 (NY), at an annual salary of \$137,000. Mr. Stauffer was appointed to serve as interim assistant vice president of computer and network operations under the same conditions and salary arrangement beginning January 6, 2003.

STEVEN R. WILLIAMS, head of the Department of Economics, College of Commerce and Business Administration, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning February 17, 2003 (K50), at an annual salary of \$62,500. In addition, for service as head, Dr. Williams will receive an administrative increment of \$10,000, on an academic year service basis (K). He will receive an amount equal to two-ninths of his total annual salary for two months' service during each summer of his appointment as head (\$30,000 for 2002-03). Dr. Williams was appointed to serve as interim head under the same conditions and salary arrangement beginning January 6, 2003. He will continue to hold the rank of professor of economics on indefinite tenure on an academic year service basis, on 50 percent time (A50), at an annual salary of \$62,500, effective January 6, 2003, for a total 2002-03 salary of \$165,000.

CHRISTINE DA-RUH WU, associate dean for research, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$30,000, beginning February 17, 2003 (NY). Dr. Wu was appointed to serve as visiting associate dean for research under the same conditions and salary arrangement beginning November 18, 2002. In addition, Dr. Wu will continue to hold the rank of professor of periodontics, College of Dentistry, on indefinite tenure on a twelve-month service basis, on 100 percent time (A100), at an annual salary of \$120,000, for a total salary of \$150,000.

PETER M. YAU, director of proteomics, Biotechnology Center, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning February 21, 2003 (NY), at an annual salary of \$95,000. In addition, Dr. Yau will be appointed as professor of cell and structural biology, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried), beginning February 21, 2003, for a total salary of \$95,000.

Intercollegiate Athletic Staff

DONALD R. HARDIN, head varsity coach, women's volleyball, Division of Intercollegiate Athletics, Urbana-Champaign, a third amendment to extend the current multi-year agreement and existing amendment to that contract regarding compensation for summer camp services, on a twelve-month service basis, effective February 1, 2003, through January 31, 2006 (NY100), at an annual base salary of \$75,712. In addition, Coach Hardin will receive an increment for educational, public relations, and promotional activities at an annual rate of \$10,000 (NY), for a total annual salary of \$85,712. A performance review will be held in December of each contract year to determine any compensation increases after January 31, 2003; the timing of such adjustments may be delayed at the discretion of the director of athletics based upon the salary freeze and timing of pay adjustments for University of Illinois at Urbana-

Champaign employees. This third amendment supersedes Coach Hardin's current employment contract effective from February 1, 2000, through January 31, 2003, and extends the existing amendments.

MARK A. JOHNSON, head varsity coach, wrestling, Division of Intercollegiate Athletics, Urbana-Champaign, a third amendment to extend the current multi-year agreement, on a ten months' service paid over twelve months service basis, effective March 1, 2003, through March 31, 2006 (NB100), at an annual base salary of \$88,192. In addition, Coach Johnson will receive an increment for educational, public relations, and promotional activities on a ten months' service paid over twelve months service basis, at an annual rate of \$6,000 (NB), for a total annual salary of \$94,192. A performance review will be held in December of each contract year to determine any compensation increases after February 28, 2003; the timing of such adjustments may be delayed at the discretion of the director of athletics based upon the salary freeze and timing of pay adjustments for University of Illinois at Urbana-Champaign employees. This third amendment supersedes Coach Johnson's current employment contract effective from March 1, 2000, through February 28, 2003, and extends the existing amendments.

LISA J. RYCKBOSCH, head varsity coach, women's basketball, Division of Intercollegiate Athletics, Chicago, on a twelve-month service basis, with a multi-year agreement beginning September 1, 2002, through August 31, 2006 (NY), at an annual salary of \$75,000 for the period of September 1, 2002, through August 31, 2003; \$80,000 for the period of September 1, 2003, through August 31, 2004; \$85,000 for the period of September 1, 2004, through August 31, 2006. Coach Ryckbosch shall be eligible to be paid at a merit raise level above the guaranteed base salary amount if justified by the periodic evaluations of the athletic director. Ms. Ryckbosch was previously appointed to serve as head varsity coach, women's basketball, Division of Intercollegiate Athletics, Chicago, for one year beginning May 20, 2002.

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

Establish the Ph.D. in Earth and Environmental Sciences, College of Liberal Arts and Sciences, Chicago

(7) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College Executive Committee, and the College of Liberal Arts and Sciences, recommends the establishment of a new graduate degree, the Doctor of Philosophy in Earth and Environmental Sciences.

Since 1974 the Department of Earth and Environmental Sciences has jointly administered and offered course work for the Ph.D. in Geotechnical Engineering and Geosciences with the Department of Civil and Materials Engineering. Students interested in earning a degree in the geological/earth sciences were admitted to the College of Engineering which awarded the degree. When the Earth and Environmental Sciences degree programs underwent Illinois Board of Higher Education-mandated review in Fiscal Year 2001, the external reviewers, both experts in earth sciences, strongly recommended and supported the creation of a doctoral degree in the Department of Earth and Environmental Sciences.

The recommendation of the external reviewers is based, in part, on the fact that virtually all of the course work required for the degree, the teaching, and student support are provided by faculty in the Department of Earth and Environmental Sciences. Both the programmatic and administrative structures are already in place in the department to sustain fully the proposed Ph.D. program.

The earth and environmental sciences deal with complex processes over a broad range of scales, from atomic to planetary, are strongly multidisciplinary, and lead the way in generating new knowledge and providing solutions to environmental challenges. The intellectual substance of earth and environmental sciences is fundamental to society's greatest needs and aspirations, and it is this richness of opportunity that the Chicago Department of Earth and Environmental Sciences seeks to address with its proposed Ph.D. program. The program will provide multidisciplinary, research-based graduate

training anchored in the earth and environmental sciences with complementary knowledge from the physical, social, engineering, and health sciences focused on state-of-the-art environmental inquiry.

Graduates of the program with interdisciplinary training will be prepared to address a host of environmental challenges, and opportunities for employment are predicted to be strong. In Illinois alone, there are more than 400 environmental science-based firms that require professionals with interdisciplinary training. Since 1998, the earth and environmental science positions in Illinois comprise one of the top eight fastest-growing job categories, with a projected growth greater than 30 percent by 2008. It is estimated that more than two percent of the Gross Domestic Product is devoted to environmental research, assessment, and remediation. This indicates a major need for well-qualified graduates with advanced degrees in earth and environmental sciences. The proposed Ph.D. program will help meet this need.

The proposed Ph.D. in Earth and Environmental Sciences requires completion of 104 semester hours beyond the baccalaureate, including 52 hours of course work, eight hours of seminar, and 44 hours of thesis. Students must successfully pass a written and oral departmental qualifying examination, a written and oral preliminary examination, and submit an acceptable dissertation based on research and prior study.

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

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

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

Establish the M.S. in Human Factors in the Institute of Aviation, Urbana

(8) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Institute of Aviation to create an M.S. in Human Factors in the Institute of Aviation. A B.S. in Human Factors was approved by Illinois Board of Higher Education in 1998.

Currently, the Institute of Aviation partners with the Department of Psychology to offer a graduate specialization in applied engineering psychology as one option in the psychology program. Given that the majority of the classes in the applied engineering psychology option are taught by faculty from the Institute of Aviation, we propose to terminate this option in psychology and establish a more fully developed M.S. in Human Factors through the Institute of Aviation. Moving the degree to the Institute of Aviation allows the program to grow, consolidates the human factors degrees and connects the human factors graduate program with the human factors faculty members, most of whom are housed in the Institute of Aviation. Students in this program will complete nine units of course work in aviation and psychology and a thesis. This proposal has been reviewed and approved by the Institute of Aviation, the Department of Psychology, the College of Liberal Arts and Sciences, the Department of Mechanical and Industrial Engineering, the College of Engineering, the Graduate College, the Office of the Provost, and the Urbana Senate.

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

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

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

Redesignate the Center for Legal Studies as the Institute for Legal, Administrative and Policy Studies, Abraham Lincoln Presidential Center for Governmental Studies, Springfield

(9) The chancellor at Springfield, with the advice of the Springfield Senate and the Abraham Lincoln Presidential Center for Governmental Studies (Presidential Center), recom-

mends that the Center for Legal Studies be redesignated as the Institute for Legal, Administrative and Policy Studies.

The State of Illinois has asked the Presidential Center to develop, administer, and deliver academic programs and activities in partnership with the new Abraham Lincoln Presidential Library and Museum. The Center for Legal Studies is a sub-unit of the Presidential Center.

A recommendation was made during planning sessions for this partnership to standardize the nomenclature of the Presidential Center's research, training, and technical assistance units. The term *institute* was chosen to reflect the mission and activities of certain units within the Presidential Center. The present action supports this standardization process. In addition, the new institute will subsume the activities of the former Office for Policy and Administrative Studies as the most effective and efficient means to organize the new initiatives of the Presidential Center.

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

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

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

**Redesignate the Illinois Legislative Studies Center as the Institute
for Legislative Studies, Abraham Lincoln
Presidential Center for Governmental Studies, Springfield**

(10) The chancellor at Springfield, with the advice of the Springfield Senate and the Abraham Lincoln Presidential Center for Governmental Studies (Presidential Center), recommends that the Illinois Legislative Studies Center be redesignated as the Institute for Legislative Studies.

The State of Illinois has asked the Presidential Center to develop, administer, and deliver academic programs and activities in partnership with the new Abraham Lincoln Presidential Library and Museum. The Illinois Legislative Studies Center is a sub-unit of the Presidential Center.

A recommendation was made during planning sessions for this partnership to standardize the nomenclature of the Presidential Center's research, training, and technical assistance units. The term *institute* was chosen to reflect the mission and activities of certain units within the Presidential Center. The present action supports this standardization process.

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

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

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

**Redesignate the College of Commerce and Business
Administration as the College of Business, Urbana**

(11) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends approval of a proposal from the College of Commerce and Business Administration to change its name to the College of Business.

The college's new name will more accurately reflect its current scope and mission and enhance its visibility. When the college was first named in the early 20th century, "commerce" and "administration" were the accepted terms for business and industry. However, the 1960s and 1970s saw changes that led to almost all universities replacing the word commerce with business. Urbana is one of only three universities out of 400 that has retained the word commerce in its name. As such, the current name is anachronistic and confusing. Recent interviews with prospective students, corporate recruiters, and exter-

nal business partners revealed that all three groups found the current name confusing and unclear. Therefore, changing the name will more accurately reflect the college's mission, position it for the future, and enhance its ability to recruit students and corporate partners.

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

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

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

Revise University Policy to Comply with Federal and State Regulations of the Federal Family and Medical Leave Act

(12) The University's Family and Medical Leave Policy became effective in August 1993, with amendments approved on May 11, 1995, to comply with the Federal Family and Medical Leave Act (FMLA) of 1993. The existing University policy was written to be more generous than the law in the areas of eligibility, approvals, and application procedures.

Since the policy was amended in 1995, significant changes in Central Management Services (CMS) policy interpretations have occurred that affect University employees eligible for family and medical leave benefits. While CMS has typically honored University policy differences from the Act, they will no longer do so. Because of this, the University is obligated to revise the policy.

Revisions to the University policy are required to meet CMS regulations and to comply with the Federal Family and Medical Leave Act. Eligibility requirements and tracking year parameters will be revised, and authority will be given to University administration to designate FMLA leave. Other minor language changes are recommended to clarify processes and procedures.

As revised, the University's Family and Medical Leave Policy contains provisions that apply to individuals who have been employed by the University for at least 12 months and who have performed at least 1,250 hours (60 percent service for a 40-hour work week or 64 percent service for a 37.5 hour work week) during the previous 12-month period. The Act requires that up to 12 weeks of paid leave (accumulated vacation and /or sick leave) or unpaid leave be granted to an employee during a consecutive 12-month period for the birth or adoption of a child; for the care of a child, spouse, or parent who has a serious health condition; or when the employee is unable to perform the function of his or her position due to a serious health condition. During periods of family and medical leave, the University is required to continue to provide health and dental insurance for the employee. Upon return from leave, employees are entitled to be restored to the same or an equivalent position with equivalent benefits, pay, and other conditions of employment.

Eligibility Requirements Revisions		
<i>Current</i>	<i>Revised</i>	<i>Effective Date</i>
50 percent appointment	1,250 hours of work in the last 12-month period	February 14, 2003
Tracking Year Parameters		
<i>Current</i>	<i>Revised</i>	<i>Effective Date</i>
Academic year	"Rolling" year	April 15, 2003

The vice president for administration recommends approval of the revisions to the University Policy on Family and Medical Leave to comply with the Federal Family and Medical Leave Act and with CMS regulations as set forth in the attached document. (A copy of the document is filed with the secretary of the board for record.)

The president of the University concurs.

On motion of Mr. Lamont, 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. 13 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.)

Approve Amendment to the Fiscal Year 2003 Annual Operating Budget

(13) On September 2002, the Board of Trustees approved the University's Fiscal Year 2003 operating budget and the allocation of estimated operating income including \$323.9 million of University Income Fund revenue. That revenue estimate was based on projected enrollments and other factors influencing Income Fund revenue realization. Fall semester enrollments at the Chicago and Urbana Champaign campuses exceeded enrollment projections resulting in an increase in estimated Income Fund revenue of \$8.0 million for Chicago and \$6.0 million for Urbana-Champaign. A partial offset to this increase in estimated revenue is a decline in investment income, due to investment returns lower than originally forecast that will reduce estimated investment income by approximately \$2.0 million.

The vice president for administration recommends that the Board of Trustees approve a \$12.0 million increase in the FY 2003 University Income Fund budget to a total authorization of \$335.9 million and authorize the allocation of these funds to pay expenses associated with the additional students. In future budget reports to the Board of Trustees, the increase will be itemized as Personal Services \$12.0 million, Contractual Services \$0.4 million, and Awards and Grants \$1.6 million.

The president of the University concurs.

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

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

Certificates of Participation (South Farms Project) Series 2003

(14) The board, at its meeting on November 14, 2002, authorized a number of actions leading toward the issuance of Certificates of Participation (South Farms Project Series 2003) evidencing proportionate interests in installment payments to be made by the board (the "Series 2003 Certificates"). Such actions have been completed and now it is requested that the board authorize the issuance of the Series 2003 Certificates in an amount not to exceed \$26.0 million with a final maturity of not more than 20 years to fund the South Farms Project, including capitalized interest plus necessary issuance costs.

The annual payments to the certificate holders are estimated to approximate \$2.03 million over the 20-year life of the Series 2003 Certificates. The Series 2003 Certificates are subject to redemption after five years at a premium and after 10 years at par because, under state law, the underlying installment purchase contract must be subject to termination after five years and expires after 10 years, with renewal at the option of the board after 10 years.

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

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

The vice president for administration recommends:

1. Approval of the Preliminary Official Statement and approval of the Final Official Statement with the addition of the final terms of the Series 2003 Certificates.¹
2. Approval of the form of the Certificate of Purchase Agreement¹ with UBS PaineWebber Inc., as underwriter, wherein the underwriter agrees to purchase from the board not less than all of the Series 2003 Certificates in an aggregate original principal amount not exceeding \$26.0 million. The price at which the Series 2003 Certificates will be purchased from the board by the underwriter, exclusive of original issue discount, will not be less than 98 percent of the par amount thereof and the net interest cost of borrowing for the Series 2003 Certificates will not exceed 5.50 percent.
3. Approval of the form of the Installment Purchase Contract.¹
4. Approval of the form of the Indenture.¹
5. Approval of the Acquisition Agreement.¹
6. Approval of the form of the Continuing Disclosure Agreement by the board with respect to the Series 2003 Certificates.¹
7. Approval of Bank One, National Association, as trustee and vendor.
8. Approval to pursue and obtain a rating or ratings on the Series 2003 Certificates.
9. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the Series 2003 Certificates to the underwriter.
10. That the comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the Indenture, the Certificate Purchase Agreement, the Installment Purchase Contract, the Acquisition Agreement, the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The president of the University concurs.

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

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

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

Contract Award for Adaptive Reuse Phase III, Chicago

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

Division I—General Work

McHugh/Riteway Construction, a Joint Venture, Chicago	Base Bid	\$2,857,000	
	Alt. 3.1.B.	46,929	
	Alt. A1	7,000	
	Alt. A2	4,000	
	Alt. A3	4,000	
	Alt. A4	39,000	
	Alt. A5	5,000	
<i>Total</i>			\$2,962,929 ²

The project involves planning, design, and implementation of the adaptive reuse program for the South Campus Development located on Halsted Street south of Roosevelt Road and Maxwell Street. This project includes the following:

- Reconstruction of six facades salvaged during the demolition of the development.
- Building of new structures behind the reconstructed facades.
- Building of new space for retail operations and offices.

Funds for this project are available from the proceeds of the Auxiliary Facilities System Revenue Bonds, Series 1999 A and B and UIC South Campus Development Project Revenue Bonds, Series 1999 (Tax Exempt) and Series 2000 (Taxable).

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

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

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

Employment of Architect/Engineer for Advanced Chemical Technology Building, Chicago (Capital Development Board Project)

(16) With the concurrence of the appropriate University officers the president of the University recommends that the Board of Trustees request the Capital Development Board to employ the architect/engineer as indicated below for the design and construction of the Advanced Chemical Technology Building (ACTB) at the Chicago campus. The professional fee for the firm employed will be negotiated by the Capital Development Board in accordance with its procedure.

¹ Description of Alternates: #3.1.B.—Assignment of Contracts; #A1—Cast stone coping; #A2—Cast stone medallions; #A3—Cast stone lintels; #A4—Cast stone veneer; and #A5—Roof drainage.

² Contracts for other divisions were awarded that were within the delegated approval levels (Plumbing Work: A & H Plumbing, Elk Grove Village—\$196,250; Fire Protection Work: McDaniel Fire Systems, Valparaiso, IN—\$81,435; Heating, Piping, and Refrigeration Work: Ideal Heating, Brookfield—\$102,222; Ventilation and Air Distribution Work: Ortiz Mechanical, Orland Park—\$317,000; and Electrical Work: Jolen Electric & Communications, Inc., New Lenox—\$241,680) making a total award of \$3,901,516.

<i>Project</i>	<i>Project Budget</i>	<i>Professional Firm Recommended</i>
Advanced Chemical Technology Building	\$64,000,000	Loebl Schlossman & Hackl, Chicago, in association with Flad & Associates, Madison, Wisconsin

Funds for the employment of the professional firms have been appropriated to the Capital Development Board for Fiscal Year 2002.

The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

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

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

Employment of Architect/Engineer for Micro and Nanotechnology Lab Addition and Remodel, Urbana (Capital Development Board Project)

(17) The State of Illinois and the University have recognized the increased challenges and opportunities for the laboratory, and they have accordingly committed \$18.0 million under the new Illinois VENTURE TECH Program to expand the building and upgrade its physical facilities. The expansion will add up to 45,000 square feet of equivalent space to the building. This space will provide room for more faculty and students' offices, a bio-process laboratory, general-purpose laboratories, mail and lounge area, and an auditorium. Overall, this expansion will allow the laboratory to be more responsive to the needs of the faculty and students from across the campus as well as the needs of entrepreneurs. This accords with the stated mission of the laboratory which is "to create, support, and sustain an environment to facilitate advanced research in photonics, microelectronics, nanotechnology, and biotechnology for the benefit of the University community, the State of Illinois, and the society as a whole."

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).²

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that the Board of Trustees request the Capital Development Board to employ Teng & Associates, Chicago, for the professional services required.

¹A selection committee consisting of Inder Batra (Physics); James Foerster, Boyd Black, Ronald Giles, and Edward Brown (Capital Programs—Chicago); Bette Bottoms (Liberal Arts and Sciences); David Crich, Donald Wink, and Timothy Keiderling (Chemistry); Scott DeBlaze (Facilities Planning and Space Analysis); Michael Doerr (University Office for Capital Programs); James Fredrick (Facilities Management); Eric Gislason (Vice Chancellor for Research); David Gulley (Technology Management, Office of the Vice Chancellor for Research); Lon Kaufman (Biological Sciences); and Abdulgaffar Shedbalkar (Capital Development Board) interviewed the following firms (listed in ranking order): (1) Loebl Schlossman & Hackl, Chicago, in association with Flad & Associates, Madison, Wisconsin; (2) Perkins & Will, Chicago; and (3) Cannon Design, Chicago. The committee has selected the firm of Loebl Schlossman & Hackl, Chicago, in association with Flad & Associates, Madison, Wisconsin, as best meeting the criteria for the project.

²A selection committee consisting of Ilesanmi Adesida and Richard Blaney (Micro and Nanotechnology Laboratory); Mark Inglerter (Office for Capital Programs); Roland Kehe, Jeff Schrader, and James Spese (Planning, Construction & Maintenance); James Coleman (Electrical and Computer Engineering); Randy Ervin, and Myron Salamon (College of Engineering) interviewed the following firms (listed in ranking order): (1) Teng & Associates, Chicago; (2) Cannon Design, Chicago; and (3) Severns, Reid & Associates, Inc., Champaign. The committee recommends Teng & Associates, Chicago, as best meeting the criteria for the project.

The professional fee for the firm employed will be negotiated by the Capital Development Board in accordance with its procedure.

Funds for the project have been appropriated to the Capital Development Board for Fiscal Year 2003.

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

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

Approve Developer for the East Campus Commercial Center, Urbana

(18) The East Campus Commercial Center (ECCC) is a proposed mixed-use development, to be located at the southwest corner of Gregory Place and Oregon Streets, across from the Krannert Center for the Performing Arts on the Urbana campus.

The ECCC will be a privately constructed building on University-owned land. The project will include development of commercial space on the first floor, and residential space on the upper story. The purpose of the development is to provide services and residential opportunities that have been lost to the eastern edge of the campus as a result of University expansion. The city of Urbana is also supportive of the development, as it will generate tax revenues for the city. There will be some costs associated with site clearance and reimbursement to the University of Illinois Foundation for the purchase of an apartment building on the site. These costs will be paid from the land lease proceeds.

After solicitation of responses through a request for proposal process, interviews with and presentations to a selection committee, JSM Management has been identified as the preferred developer. The selection committee was comprised of campus, University, and municipal representatives. JSM Management has significant ownership and development experience in the community and has the financial capability to develop, construct, and manage the ECCC. In addition, their design concept reflected the University of Illinois' design and architectural guidelines.

The chancellor at Urbana and the vice chancellor for administration and human resources recommend that JSM Management be approved as developer of the East Campus Commercial Center.

The president of the University concurs.

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

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

Lease of Space, University of Illinois Extension, Decatur, Macon County, Urbana

(19) The chancellor at Urbana with the concurrence of the appropriate University officers recommends, subject to the satisfactory agreement with the landlord of final lease terms, that the comptroller be authorized to execute a renewal agreement to lease 13,100 gsf of space, 10,480 gsf of which is in the buildings at 2535 Millikin Parkway and 2525 Federal Drive, Decatur, and 2,620 gsf of which is in the building at 2555 Federal Drive, Decatur. The space is required for University of Illinois Extension to continue to provide extension education to clientele in Macon County.

The proposed lease will begin July 1, 2003, and terminate on June 30, 2008. The gross monthly rent will be \$11,333.34 (\$10.39/gsf per year) for the life of the contract.

The buildings were built-out to the specifications of the University under terms of the original agreements. 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, as being in effect prior to the inception of the Illinois Procurement Code, which became effective July 1, 1998, subject to a finding of "no objection" on the part of the State Procurement Policy Board. This transaction is scheduled for review by the Procurement Policy Board during their next meeting, approximately February 21, 2003.

Funds for the lease years will be included in the future fiscal year University of Illinois Extension restricted funds operating budget authorization request to be submitted to the Board of Trustees. The contract is subject to the Board of Trustees approval of the operating budget.

The president of the University concurs.

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

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

Sublease for Space, Illini Center in Chicago, Urbana

(20) The chancellor at Urbana with the concurrence of the appropriate University officers recommends that the comptroller be authorized to execute an agreement to sublease the fourth floor (21,852 sf) at 200 South Wacker Drive in Chicago, subject to the resolution of a satisfactory agreement with the landlord and sub landlord regarding the final lease terms. Space on the fourth floor of the Illini Center will be used to accommodate specialized classes to be offered by the College of Law, and two Urbana programs currently using space on the thirty-ninth floor—the Executive M.B.A. Program, and programming offered by the Office of Continuing Education (OCE).

OCE and the Executive MBA Program will vacate the space they now use on the 39th floor which will result in a savings for the University since the current rent for the soon-to-be-vacated 39th floor is \$37.00 RSF. The proposed sublease is scheduled to begin on April 1, 2003, and to terminate on July 31, 2007. The base rent will not exceed \$23.50 per rentable square foot in the first year and increase three percent annually thereafter. The sub landlord has tentatively agreed to abate a portion of the first year's rent—four to six months—at the beginning of the lease term. If this agreement with the sub landlord is made part of the final lease agreement, the total base rent during the term of the lease will be lowered to an estimated average between \$21.92 and \$22.85 per rentable square foot.

Funds for Fiscal Year 2003 are available from the institutional funds operating budget of the Urbana campus. Funds for future fiscal years will be included in the Urbana campus institutional funds operating budget authorization request to be submitted to the Board of Trustees. The contract is subject to the Board of Trustees approval of the budget.

The president of the University recommends approval.

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

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

Purchases

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

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

The total amounts of these purchases were:

<i>From Appropriated Funds</i>	
Recommended	\$ 1,300,000
<i>From Institutional Funds</i>	
Recommended	<u>14,473,995</u>
<i>Grand Total</i>	\$15,773,995

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

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

Report of Actions by the Executive Committee

(22) The following actions have been taken by the Executive Committee since the last meeting of the board. These actions are now reported to the board as a whole.

Honorary Degrees, Urbana

(1) The senate of the Urbana-Champaign campus has recommended that honorary degrees be conferred on the following persons at the Commencement Exercises on May 18, 2003:

IRVING AZOFF, entertainment promoter and film producer—the honorary degree of Doctor of Music

Irving Azoff began promoting and booking bands during his early college years at the University of Illinois at Urbana-Champaign. Now chairman of Azoff Music Management Group, Mr. Azoff is a successful agent, personal manager (Eagles, Don Henley, Christina Aguilera, John Fogerty, Journey), concert promoter, movie producer (*Urban Cowboy*, *The Hurricane*, *Fast Times at Ridgemont High*), independent record-label owner, and music publisher. He has received several humanitarian awards for his work on behalf of charitable causes. He serves as an advisory board member of the Walden Woods Project and sits on the board of directors for Mulholland Tomorrow. He has been honored by both the T. J. Martell Foundation and by the City of Hope—receiving their prestigious "Humanitarian of the Year" Award and "Spirit of Life" Award, respectively.

BARRY BEARAK, *New York Times Magazine* reporter and 2002 Pulitzer Prize in International Reporting recipient—the honorary degree of Doctor of Literature

A University of Illinois at Urbana-Champaign alumnus, Barry Bearak received the Pulitzer Prize "for his deeply affecting and illuminating coverage of daily life in war-torn Afghanistan" following the September 11, 2001, attacks on New York City, while serving as the co-South Asia bureau chief for the New York Times. In 1980-81, he was named a fel-

low by the National Endowment of the Humanities at the University of Michigan, Ann Arbor, where he conducted research on developmental economics, religion, and literature. He is known for his compassion and moral courage as well as his physical courage in performing his duties as correspondent, while facing the risks of war and terrorism. Mr. Bearak is the scheduled speaker for the campuswide commencement ceremonies in May 2003.

LOUISE BOURGEOIS, American artist—the honorary degree of Doctor of Fine Arts

Louise Bourgeois has created an immense body of work including prints, drawing, paintings, and sculpture, the latter being the medium that brought her international attention. In 1993, she represented the United States in the Venice Biennial, the world's most prestigious international exhibition. She was honored with a one-person exhibition at the Museum of Modern Art, New York, and the Museum of Modern Art of the City of Paris. A recipient of the "National Medal of Arts," Ms. Bourgeois also presented an exhibition at The State Hermitage Museum in St. Petersburg in 2001—the first living American artist to be invited to exhibit. She was chosen as one of the century's top twenty-five most influential artists in the West by *ARTNews* magazine for the great impact her work has had on other artists in the exploration of "human forms, relationships and language." This past spring Ms. Bourgeois generously lent a major exhibition of her early work to the Krannert Art Museum.

RITA COLWELL, director, National Science Foundation—the honorary degree of Doctor of Science

Dr. Rita Colwell became the eleventh Director of the National Science Foundation (NSF) in 1998. She has spearheaded the agency's emphases in K-12 science and mathematics education, graduate science and engineering education/training, and the increased participation of women and minorities in science and engineering. Before coming to the NSF, Dr. Colwell was president of the University of Maryland Biotechnology Institute, and remains professor of microbiology and biotechnology at the University of Maryland. She has held many advisory positions in the U.S. government, non-profit science policy organizations and private foundations, as well as in the international scientific research community. Dr. Colwell is an honorary member of the microbiological societies of the United Kingdom, France, Israel, Bangladesh, and the United States. A geological site in Antarctica, Colwell Massif, has been named in recognition of her work in the polar regions.

HERMANN ZAPF, distinguished typographer, calligrapher, and type designer—the honorary degree of Doctor of Fine Arts

Hermann Zapf has highly influenced the fields of type design, calligraphy, and typography. He has designed more than 30 typefaces, many of which have become standards in the repertoire of type foundries and font licensors worldwide. His "Marconi" typeface design of 1972 was the very first alphabet designed specifically for digital composition. His "Palatino" type is used by Apple computer and appears on University of Illinois letterhead. Hermann Zapf is also one of the most noted calligraphers of the past fifty years. His manual of calligraphic styles, *Pen and Graver* (1949), set a standard that has been admired by several generations of calligraphers. During the 1970s and 1980s he expanded his teaching and taught special sessions at the Rochester Institute of Technology. He has also held a number of senior teaching positions in Europe. He has been type director of several European type foundries and consultant to many others. His work has achieved an unmatched popular success, while maintaining an aesthetic level that has earned him praise from connoisseurs throughout the world.

The chancellor at Urbana concurs in the recommendation.

The president of the University recommends approval.

On motion of Mr. Lamont, these degrees were authorized as recommended by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

**Amend Multiyear Contract and Professional Services Agreement
with Head Basketball Coach, Urbana**

(2) On July 20, 2000, the Board of Trustees approved a multiyear employment contract with Bill Self to serve as head basketball coach from June 9, 2000, through June 8, 2005. The initial contract provided for a base salary of \$175,000 per year with further annual base salary increases contingent upon University policy; payment of \$400,000 per year for radio and television broadcasting services; compensation of 90 percent of the net profit of the University's summer men's basketball camp for coach's services related to the camp; and \$250,000 per year for educational, public relations, and promotional activities required by the University. In addition, the board approved a provision to facilitate future service arrangements and payments for Coach Self's television and radio services via a company to be formed by Mr. Self. Coach Self elected to create such a company, and in October 2000 an amendment to the initial employment contract was executed to provide for a separate professional services agreement, also executed in October 2000, between the University and BCLT, LLC, for Coach Self's radio and television appearances and services, with payment of \$400,000 annually.

The chancellor at Urbana now recommends a second amendment to the employment contract to extend the term of the contract through April 20, 2008, and to establish a deferred compensation account for Coach Self. The Division of Intercollegiate Athletics will deposit \$110,000 per year for five years in a deferred compensation account to be administered through the University. Coach Self will be entitled to receive the accumulated \$550,000 plus accumulated income or losses on investments if he remains employed as head men's basketball coach at the University of Illinois at Urbana-Champaign through April 20, 2008. Coach Self's base salary for coaching responsibilities will remain at \$175,000 for 2002 and compensation for educational, public relations, and promotional activities will remain at \$250,000 for 2002.

The chancellor at Urbana also recommends that the professional services agreement for radio and television broadcasting services through BCLT, LLC, be extended through April 20, 2008, with compensation increased from \$400,000 to \$475,000 per year effective June 21, 2003. Coach Self's base salary is funded by operating revenue in the Division of Intercollegiate Athletics; his radio and television broadcasting services are funded by broadcast revenue; his summer camp services are funded by camp revenue; and his educational, public relations, and promotional activities are supported by corporate contracts.

These changes would result in an increase in total compensation from \$825,000 in 2001, to \$900,000 in 2002, excluding the deferred compensation account.

Funds are available from the sources listed above.

The president of the University concurs.

On motion of Mr. Plummer, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Administrative/Professional Staff

RICHARD A. MENDOLA, associate vice president for administrative information technology services, University administration, on a twelve-month service basis, on 100 percent time, effective December 21, 2002 (NY), at an annual salary of \$240,000. This supersedes the academic year 2002-03 budget report salary of \$215,000.

President Stukel stated that in addition to directing the Office of Administrative Information Technology Services, Dr. Mendola is also responsible for the UI-Integrate Project, a five-year initiative to implement an integrated and sustainable computer system (SCT BANNER) for University business, personnel, and student records. President Stukel said that Dr. Mendola's continued leadership of this project is crucial to its success. In order to encourage him to remain at the University, the president is authorized to enter into a completion agreement that will stipulate a lump sum payment of \$150,000 to Dr. Mendola upon implementation of the final module of the Banner Suite.

On motion of Mr. Plummer, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

Designate the Incubator Facility as Enterprise Works @ Illinois, Urbana

(4) The chancellor at Urbana recommends designating the incubator facility as Enterprise Works @ Illinois. This facility encourages collaborative efforts between University researchers and industry, and encourages research, development and commercialization of the University's intellectual assets, and fosters economic growth in Illinois.

The incubator provides opportunities for our faculty and students to benefit from the commercialization of their research—keeping the University of Illinois competitive with other world-class research institutions for the very best talent. The incubator will also attract many established technology firms as a source of new technologies complementary to their primary markets.

The president of the University concurs.

There was discussion of this and the trustees asked questions regarding the process for selecting the name.

Mr. Lamont then offered a motion to defer approval of the recommendation to designate the incubator facility as Enterprise Works @ Illinois until such time as the Board of Trustees of the University and the Board of Managers of the University of Illinois Research Park, LLC, could be polled for their opinions.

This motion was approved by the following vote of members of the Executive Committee: Aye, Mr. Shea, Mr. Lamont, Mr. Plummer; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(23) The president presented the following report:

Establishment of a Concentration in Biochemistry in the B.S. in Chemistry, College of Liberal Arts and Sciences, Springfield

The Springfield Senate has approved a proposal from the College of Liberal Arts and Sciences to offer a concentration in biochemistry within the B.S. in Chemistry.

This action will allow UIS to provide academic preparation for students who wish to enter medical school or to pursue careers in forensic science or biotechnology. Although the concentration will serve all students, it is particularly responsive to the educational needs of students in the Capital Scholars Program. Curricular requirements follow the guidelines of the American Chemical Society's Committee on Professional Training for biochemistry concentrations.

This biochemistry concentration will be structured from existing courses in the degree program; thus, no new resources are required.

Establishment of a Combined B.S./M.S. in Mechanical and Industrial Engineering, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Engineering to establish a combined B.S./M.S. in Mechanical and Industrial Engineering. The combined program will allow undergraduates with 96 hours of course work and superior academic performance to gain admission to both the B.S. and M.S. (thesis option) programs. The M.S. component of the combined program is exactly the same as the current M.S. program. The B.S. component of the combined program includes the same required courses as the current B.S. program, but consists of a minimum of 120 hours rather than 132 hours. This is accomplished by eliminating two technical electives and one free elective. However, quality is maintained because students will get equal or greater technical content through participation in the zero credit hour graduate seminar course every semester they are in the combined program. This program produces many benefits for both students and the University including: encourages the best students to stay at Urbana for graduate school; smoothes integration of the undergraduate and graduate experience; introduces students to research earlier in their academic career; introduces highly qualified and much needed graduates into the technology workforce earlier; and, enhances the ability to recruit the brightest and most talented undergraduates to Illinois.

Establishment of an ACES International Minor

The Urbana-Champaign Senate has approved a proposal from the College of Agricultural, Consumer and Environmental Sciences to establish an undergraduate ACES international minor. The ACES international minor is designed to provide students the international skills expected by employers in today's global marketplace. In consultation with an adviser, students will be required to complete 21 hours of course work by selecting three to nine hours of courses in three areas: global study in the social sciences; global study in the natural sciences; and regional specialization. The ACES international minor will benefit students who want to gain the skills necessary to compete successfully in an ever-increasing global economy.

This report was received for record.

Comptroller's Financial Report Quarter Ended December 31, 2002

(24) The comptroller presented his quarterly report as of December 31, 2002. A copy has been filed with the secretary of the board.

This report was received for record.

Report, Vice Chancellor for Health Affairs January 1 to December 31, 2002

(25) The vice chancellor for health affairs presented a report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations of all medical staff appointments and resignations for 2002. A copy has been filed with the secretary of the board.

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on December 23, 2002.

Summary*Graduate Degrees*

Doctor of Education	3
Doctor of Musical Arts	3
Doctor of Philosophy	102
<i>Total, Doctors.</i>	(108)
Master of Accounting Science	5
Master of Architecture	4
Master of Arts	38
Master of Business Administration	5
Master of Computer Science	23
Master of Education	37
Master of Fine Arts	2
Master of Human Resources and Industrial Relations.	54
Master of Landscape Architecture.	5
Master of Music	5
Master of Music Education.	4
Master of Science	317
Master of Social Work	55
Master of Urban Planning	3
<i>Total, Masters</i>	(557)
Advanced Certificate in Education	4
<i>Total, Certificates</i>	(4)
<i>Total, Graduate Degrees</i>	669

Professional Degrees

College of Law	
Juris Doctor	8
<i>Total, Professional Degrees.</i>	8

Undergraduate Degrees

College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	99
College of Applied Life Studies	
Bachelor of Science	87
College of Commerce and Business Administration	
Bachelor of Science	200
College of Communications	
Bachelor of Science	20
College of Education	
Bachelor of Science	14
College of Engineering	
Bachelor of Science	261

College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	6
Bachelor of Fine Arts	24
Bachelor of Landscape Architecture	1
Bachelor of Music	5
Bachelor of Music Education	20
Bachelor of Science	6
<i>Total, College of Fine and Applied Arts</i>	<i>(62)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	299
Bachelor of Science	217
<i>Total, College of Liberal Arts and Sciences</i>	<i>(516)</i>
<i>Institute of Aviation</i>	
Bachelor of Science in Aviation Human Factors	200
<i>Total, Undergraduate Degrees.</i>	<i>1,267</i>
<i>Total, Degrees Conferred December 23, 2002.</i>	<i>1,944</i>

CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES AWARDED

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

Summary

<i>Certificates Awarded January 18, 2002</i>	
By Reciprocity	7
By Transfer of Examination Credit.	<u>12</u>
<i>Total, Certificates Awarded January 18, 2002</i>	<i>19</i>
<i>Certificates Awarded January 30, 2002</i>	
By Passing Written Examination on November 7-8, 2001, in Illinois	694
<i>Certificates Awarded February 8, 2002</i>	
By Reciprocity	25
By Transfer of Examination Credit.	<u>15</u>
<i>Total, Certificates Awarded February 8, 2002.</i>	<i>40</i>
<i>Certificates Awarded March 8, 2002</i>	
By Reciprocity	17
By Transfer of Examination Credit.	<u>14</u>
<i>Total, Certificates Awarded March 8, 2002</i>	<i>31</i>
<i>Certificates Awarded April 12, 2002</i>	
By Reciprocity	73
By Transfer of Examination Credit.	<u>26</u>
<i>Total, Certificates Awarded April 12, 2002</i>	<i>99</i>
<i>Certificates Awarded May 10, 2002</i>	
By Reciprocity	69
By Transfer of Examination Credit.	<u>22</u>
<i>Total, Certificates Awarded May 10, 2002.</i>	<i>91</i>
<i>Certificates Awarded June 14, 2002</i>	
By Reciprocity	28
By Transfer of Examination Credit.	<u>16</u>
<i>Total, Certificates Awarded June 14, 2002.</i>	<i>44</i>

<i>Certificates Awarded July 12, 2002</i>	
By Reciprocity	50
By Transfer of Examination Credit	<u>16</u>
<i>Total, Certificates Awarded July 12, 2002</i>	66
<i>Certificates Awarded July 31, 2002</i>	
By Passing Written Examination on May 8-9, 2002, in Illinois.	680
<i>Certificates Awarded August 9, 2002</i>	
By Reciprocity	18
By Transfer of Examination Credit	<u>12</u>
<i>Total, Certificates Awarded August 9, 2002</i>	30
<i>Certificates Awarded September 13, 2002</i>	
By Reciprocity	25
By Transfer of Examination Credit	<u>17</u>
<i>Total, Certificates Awarded September 13, 2002</i>	42
<i>Certificates Awarded October 11, 2002</i>	
By Reciprocity	13
By Transfer of Examination Credit	<u>21</u>
<i>Total, Certificates Awarded October 11, 2002</i>	34
<i>Certificates Awarded November 20, 2002</i>	
By Reciprocity	39
By Transfer of Examination Credit	<u>19</u>
<i>Total, Certificates Awarded November 20, 2002</i>	58
<i>Certificates Awarded December 6, 2002</i>	
By Reciprocity	17
By Transfer of Examination Credit	<u>9</u>
<i>Total, Certificates Awarded December 6, 2002</i>	26

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: March 12-13, Rockford; May 14-15, Springfield; July 16-17, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

March 13, 2003



This meeting of the Board of Trustees of the University of Illinois was held in Room E120 in the College of Medicine at Rockford, 1601 Parkview Avenue, Rockford, Illinois, on Thursday, March 13, 2003, beginning at 10:10 a.m.

In the absence of Chair Lawrence C. Eppley¹ who, along with President James J. Stukel, and Chancellor Sylvia Manning, was welcoming Governor Rod R. Blagojevich to the Chicago campus for a press conference, Trustee Kenneth D. Schmidt, M.D., chair *pro tem*, called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjan S. Shah,² Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. The following members of the board were absent: Governor Rod Blagojevich, Mr. Lawrence C. Eppley, Mr. Thomas R. Lamont. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Art Moore,³ Springfield campus; Mr. Keely J. Stewart,⁴ Urbana-Champaign campus.

¹Chair Eppley joined the meeting at 1:45 p.m.

²Mr. Shah joined the meeting at 10:20 a.m.

³Mr. Moore joined the meeting at 10:40 a.m.

⁴Mr. Stewart participated in the meeting telephonically.

Also present were President James J. Stukel;¹ Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine,¹ vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning,¹ chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell,¹ executive director for governmental relations; Mr. Thomas P. Hardy,¹ executive director for university relations; Ms. Susan J. Sindelar,¹ executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

ASSIGNMENTS TO STANDING COMMITTEES OF THE BOARD

Dr. Schmidt called attention to assignments made by Chair Eppley to positions of chair and vice chair of the standing committees of the board and asked that a listing of these be distributed to the board.

Name of Committee	2003	
Executive Committee	Eppley, Lamont, Schmidt	
Standing Committees		
	Chair	Vice Chair
Academic Affairs	Schmidt	Moore, Stewart
Athletics	Lamont	Sperling, Wolfe
Buildings and Grounds	Shah	Lamont
Economic Development	Eppley	Gindorf, Schmidt
Finance and Audit	Gindorf	Bruce, Vickrey
Human Resources	Sodemann	Shah
Student Affairs	Bruce	Moore, Stewart, Wolfe
Trusteeship and Governance	Sperling	Sodemann
University Hospital and Clinics	Vickrey	Gindorf, Wolfe
External Boards		
University of Illinois Foundation	Eppley	
State Universities Civil Service Merit Board	Shah, Sodemann, Sperling	
University of Illinois Alumni Association	Bruce	
University of Illinois Research Park		
LLC, Urbana	Eppley, Schmidt	
IllinoisVENTURES, LLC	Eppley, Gindorf	
Wolcott, Wood and Taylor, Inc.	Vickrey	

INTRODUCTIONS

Dr. Schmidt asked Vice President Gardner, representing President Stukel, to introduce the senate observers and the other University officers in attendance. Dr. Gardner introduced Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Richard D. Ringeisen, chancellor, University of

¹President Stukel, Vice President Chicoine, Chancellor Manning, Mr. Schoell, Mr. Hardy, and Ms. Sindelar joined the meeting at 1:45 p.m., with Mr. Hardy and Ms. Sindlar participating telephonically. Before joining the meeting, President Stukel was represented by Dr. Gardner, and Chancellor Manning was represented by Dr. Michael Tanner, provost and vice chancellor for academic affairs, Chicago campus.

Illinois at Springfield; Stephen K. Rugg, vice president for administration, Thomas R. Bearrows, university counsel; and Michele M. Thompson, secretary of the board and secretary of the University. He then welcomed and introduced the senate observers.¹

PUBLIC COMMENT

Dr. Schmidt announced that there were four individuals who had requested time and had qualified to address the board through the procedures provided. He stated that each person would have five minutes for remarks. The following addressed the board.

Mr. James A. Reed, introduced himself as the coordinator of a Piatt County group united against the sale of farmland given to the University by Robert Allerton that adjoins Alleton Park (materials on file with the secretary). He criticized the University's proposal to sell approximately 1,300 acres of this farmland to the Illinois Department of Natural Resources for use as a natural prairie area for recreation and research, stating that the rate of return from investing the money realized from the sale would be less than that currently realized from the sale of crops cultivated on the land. He cited two reports that assert farming to be a better investment than return on an endowment. Also, he stated that the local community would lose \$328,000 from purchases made in connection with farming the land and in payments in lieu of taxes made by the University to Piatt County. He urged the board to consider the public relations issues presented and to decide against sale of the farmland.

Mr. Charles Morris spoke next (materials on file with the secretary). He introduced himself as the fire chief for the area near Allerton Park, and stated that the proposal by the Illinois Department of Natural Resources (IDNR) to plant tall prairie grass on this farmland presented a fire hazard. He stated that he was concerned about the plan for controlled fires planned by IDNR once prairie grass is planted. He also told the board that there is one entrance to Allerton Park and that the road is not suitable for emergency vehicles; further he stated that firebreaks are almost non-existent and the Piatt County fire departments would have difficulty fighting any fire on this land. In addition he noted that there is a 4-H Camp next to the farmland and that evacuating the camp in the event of a fire would be difficult. He said that the board would be compromising safety in voting to sell the farmland for a tall grass prairie and urged them not to do this.

Mr. Alex Bonick addressed the board on the subject of benefits for domestic partners of University employees (materials on file with the secretary). He said that his group would plan to attend every board meeting to urge the board to approve these benefits until they are provided. He stressed the University would benefit as an employer if benefits were pro-

¹University Senates Conference: Elliot Kaufman, professor and interim head of the Department of Biochemistry and Molecular Genetics, Chicago campus; Chicago Senate: Gerald S. Strom, professor of political science; Springfield Senate: Ardesbir Lohrasbi, associate professor of business administration; Urbana-Champaign Senate Council: Kenneth E. Andersen, professor emeritus of speech communication; Robert M. Fossum, professor of mathematics, and chair of the Urbana-Champaign Senate Council

vided domestic partners of University employees and he stated that the cost of such benefits is not great, citing a 1.2 percent increase in the cost of benefits in 2002 at other universities where such benefits are provided. He added that an article in the September 1997 issue of *Risk Management* reported that the cost of providing benefits for domestic partners is less than the cost of providing the same benefits for spouses. He stated that most insurers charge the same for health insurance for domestic partners as for spouses. He accused the board of discriminating against employees with domestic partners, and indicated that legal action could ensue. He presented material to the board that he stated represented 500 petitions urging the board to provide benefits to domestic partners of University employees.

Stanley Campbell, who introduced himself as the executive director of Rockford Urban Ministries, welcomed the board to Rockford, “the home of Blackhawk.” He then told the board that there were no longer any Native American tribes in Illinois, due to wars and other problems. And he spoke to the board about the continuation of Chief Illiniwek as the symbol of the Urbana campus, stating that it was unseemly for the University of Illinois at Urbana-Champaign to have a mascot that demeans Native Americans. He noted that many Native American tribes are opposed to the continuation of Chief Illiniwek and stated that the board should listen to and heed the wishes of Native Americans on this subject.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Dr. Schmidt indicated that Dr. Bernard P. Salafsky, regional dean, College of Medicine at Rockford, would present information about an important program at Rockford that educates health care professionals for practices in rural areas. He then introduced Dean Salafsky.

Dr. Salafsky began his presentation by stating that the College of Medicine at Rockford is uniquely situated to provide education for health care professionals for rural areas. He shared data with the board that described the scarcity of health care professionals for populations in rural areas in the United States, citing that 61.0 million Americans living in rural areas are without health care available to them that those living in urban areas have. He also noted that 83 of the 102 counties in Illinois are underserved in health care, and that 50 of these counties have no health care providers. He observed that a minority of counties in Illinois are fully served in terms of access to health care. Dr. Salafsky remarked that the College of Medicine at Rockford is uniquely qualified to provide education for rural health care providers by virtue of a decade of experience in educating physicians in specialties most appropriate for rural areas (materials on file with the secretary). He added that the World Health Organization has designated the program at Rockford as a Center for Rural Health Professions Education, Evaluation and Research.

Dean Salafsky went on to describe the Rural Medical Education Program (RMED) that includes 23 hospitals near Rockford collaborating with the College of Medicine at Rockford in the education of physicians who will

serve rural areas. He noted that most of these students come from rural areas in Illinois.

Next, he told the board of the Center for Rural Health Professions Education, Evaluation and Research Program (RPEER), a cooperative effort with other health sciences colleges at UIC in the education of health professionals to serve rural areas.

Dean Salafsky then proposed that a National Center for Rural Health Professions be located at Rockford, and said that the first need for this center was a facility that will house a National Rural Health Resource Center. He stated that the cost for the facility would be approximately \$24.0 million and that Congressman Manzullo, who represents Rockford, had acquired \$1.5 million from Federal sources toward this goal. Dean Salafsky indicated that the funds for this facility would come from Federal and State sources and from private funds.

He stated that the programs in the education of health professionals for rural areas were of such caliber they would make Rockford the leader in the nation in the education of professionals for rural health care. In turn, he predicted that having adequate health care in these areas would aid economic development there also.

In closing, Dean Salafsky thanked Trustee Vickrey for his assistance in raising funds for the new facility.

Following the presentation Dr. Schmidt described the special emphases of the programs at each of the College of Medicine programs at Chicago, Peoria, Rockford, and Urbana. He then asked Dean Salafsky to comment on the family practice residency program at Rockford. Dean Salafsky said that this residency program was one of the oldest in the State and that it involved affiliations with many hospitals in the area for residencies.

Discussion followed about securing funding for the new facility that would house the National Rural Health Resource Center and Dean Salafsky said that funding was being sought from communities in need of health care professionals, businesses and organizations interested in the development of rural communities, and the State and the Federal governments.

The trustees asked about retention of physicians and other health care professionals in rural areas and about diversity in enrollments in the programs. Dean Salafsky explained that recruitment to these programs emphasizes the need for health care professionals in rural areas and that there is deliberate selection of individuals from rural areas who also have an interest in returning to these areas. He added that the program is diverse and enrollments reflect the diversity of the Rockford area, with the exception of the rural medicine program whose students come from rural areas that are not as diverse as urban areas.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Mr. Shah, chair of the committee, convened this meeting and asked Robert K. Todd, associate vice president for administration and human resources, to present the agenda for this meeting.

East Campus Commercial Center, Urbana—Project Design

Mr. Todd stated that a design for the East Campus Commercial Center at Urbana was ready for presentation (materials on file with the secretary). He reminded the board that discussion of providing a commercial district on this part of the Urbana campus began 14 years ago when some commercial enterprises were removed for construction of academic buildings in the area. He said that the presentation to be made is for Phase I of the project. He introduced Scott Kunkle, the representative of JSM Management, who made the presentation for the project that is to consist of 21,000 square feet of retail, residential, and parking space. The budget for the first phase is estimated at \$5.0 million. The developer, selected at the February 2003 meeting of the board, is to design, fund, and manage the project.

In the discussion that followed Mr. Bruce asked about funding and costs to the University. Mr. Todd explained that the developer would pay for the project and that the University would lease the land to the developer for 50 years.

Mr. Stewart asked if the building would be strictly commercial with no academic or University programs housed there. And, he asked what benefit this development would provide to the University. Mr. Todd responded that this development would replace taxable property taken over by the University to construct academic buildings in that part of Urbana 14 years ago. He also added that this development would provide services to students and faculty on the east side of the campus, such as quality housing and services of several retail businesses.

Mr. Sperling asked if the University might be foreclosing on an opportunity to build an academic building at this location in the future. Mr. Todd responded that this commercial district was envisioned in the campus master plan approved several years ago. Mr. Sperling then asked if the apartments to be built in this development would be beyond the means of students. The developer stated that market studies indicate a market for apartments at the price for which these will lease. Dr. Gindorf then commented that apartments are needed for students since the University is not building more residence halls, and Mrs. Sodemann noted that the same developer recently built an apartment building near campus that was of good quality and filled immediately.

Mr. Shah then asked what the anticipated time lag between Phase I and Phase II would be. Mr. Todd said that that would depend on the viability of the development in Phase I.

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

Employment of Construction Manager for Campus Recreation—Renovation and Expansion of the Intramural-Physical Education Building (IMPE)—Phase II, Urbana

Mr. Todd described this recommendation in the agenda for today's meeting. He reminded the board that they had approved VOA Architects, Chicago, as the architect/engineer for this project, and that now employment

of a construction manager was recommended because the project merits this. He noted that time for completion was short and the renovation planned was major, both of which suggested the need for professional assistance in managing the construction aspects. He stated that Gilbane, Chicago, was recommended at a cost of \$3.5 million. He assured the board that this firm was selected by the qualified bidder selection process, and told them that this firm had recently completed similar projects at The Ohio State University and at Washington State University.

Discussion followed with Mr. Sperling and Mr. Shah raising questions about the fixed fee contract. They asked if this fee would be reduced if the services were less than anticipated. Mr. Sperling suggested a professional service contract that would protect the University if the need for services from the contractor was less than envisioned. Mr. Sperling also stated that he would like a cap on expenses and charges. University staff members commented on this indicating that the construction estimates were segmented and that these could be reduced if the University decided to make changes. Mr. Shah asked if any special service contracted for could be eliminated and was told by staff that this would be possible. Mr. Shah also expressed a preference for having a designated individual for the project. In addition he asked if the contract ensured certain performance stipulations such as handling change orders, timeliness, and meeting budget. A staff member stated that there were no caps for cost and no specific stipulations in the contract. Mr. Todd said that the contract would be amended to reflect these suggestions.

After discussion about how to handle the recommendation in the agenda Mr. Shah suggested that the board approve the design phase, part one, today. By consensus the board agreed to this and instructed the secretary to work with university counsel to make the necessary change to the item and present the revised item for the agenda.

Dr. Schmidt said he wanted to stress that funding for this project is from student fees that the students agreed to in a referendum held earlier in the year.

MEETING OF THE COMMITTEE ON THE UNIVERSITY HOSPITAL AND CLINICS

Annual Report on Quality

Mr. Vickrey, chair of the committee, convened this meeting. He introduced Charles L. Rice, M.D., vice chancellor for health affairs, Chicago, and asked him to present the agenda.

Dr. Rice indicated that the first item was a report on several quality measures that the accrediting agency for hospitals and health care organizations, the Joint Committee on Accreditation of Health Organizations (JCAHO), requires that the governing board receive annually. Dr. Rice selected several areas to report to the board (materials on file with the secretary). Among the quality measures reported was suicide prevention in psychiatric patients and Dr. Rice noted that the number of patients at risk

for this has risen in the last 10 years. He also noted that since certain intervention procedures have been introduced at the medical center the number of suicide attempts has decreased. Another quality measure was in the financial area and dealt with improving collection of money owed the hospital. Dr. Rice stated that collections have improved markedly in the last three years. He also reported on the effectiveness of information management in the hospital. Further, he reported amazing improvement in the rate of completion of medical records since 2001.

Three other areas referenced in the report included a patient safety program that requires proactive identification of safety risks. He indicated that the Safety Committee in the hospital is implementing the JCAHO Patient Safety Standard including identification of root causes of near misses, employee training, and an on-line occurrence reporting system. Also, he described new computer learning modules from JCAHO available for residents and physicians for specialized training and evaluation. In addition, Dr. Rice described elements of the Health Insurance Portability and Accountability Act, stating that it is intended to protect individual, identifiable, health information through confidential transmission, and storage of this information. He said that it is also intended to reduce costs of administering health information by standardizing the electronic transmission of such data and stated that the entire workforce in the medical center must have basic training in implementing this Act by April 13, 2003. He explained that specific training is available electronically via a channel, website, and a newsletter for accomplishing this.

Medical Center Financial Update

Dr. Rice reported on the medical center's budget for the first seven months of the current fiscal year (materials on file with the secretary). In summarizing revenues and expenditures he stated that the budget was ahead of projections in that \$2.1 million in excess revenues over expenses had been projected, and in this time period \$3.4 million had been posted. He also reported that although the length of stay of patients was not as brief as had been hoped, the number of discharges was ahead of schedule. He also noted that the census for the hospital and outpatient activity was up. In addition, Dr. Rice stated that the operating capital for the medical service plan was \$11.4 million.

Dr. Schmidt commended the medical center's financial performance for the time period reported.

BREAK FOR LUNCHEON

The board interrupted meetings of the committees for one hour at 12:10 p.m. for luncheon.

MEETING OF COMMITTEE ON FINANCE AND AUDIT

Dr. Gindorf, chair of this committee, convened the meeting. He said there were two reports to be given, a quarterly review of investments and an over-

view of the annual report. He then asked Douglas E. Beckmann, assistant vice president for business and finance, to report. Mr. Beckmann discussed the inventory of assets and stated that the endowment assets were \$600.0 million for the endowment managed by the University of Illinois Foundation and \$215.0 million for the University's endowment. He also reported data for the investments of the endowment for the fourth quarter, noting that the Foundation's endowment performed better due to more diversification. He observed that the threat of war has created uncertainty in the market, and he said that the University is attempting to add diversification to the endowment's portfolio and to add more active management of assets to improve investment performance.

Mr. Beckmann then introduced Mr. Steve Voss of the firm of Ennis Knupp + Associates to report on the performance of investments for the quarter ended December 31, 2002 (material on file with the secretary). Mr. Voss referred to the report sent the trustees earlier and commented on how difficult the last two years have been for investments, noting that the stock market had declined 21 points in the last year. He said that the University's endowment is invested 70 percent in stocks and 30 percent in bonds and he indicated that the endowment pool has declined for the last three years. He then reviewed the performance of the funds managers, noting that Amervest, Western Asset, and Morgan Stanley performed well, despite a difficult year. Mr. Voss stated that the market is at a 44-year low now, and he reported on past performance of the stock market in periods surrounding four conflicts in the past 50 years.

Mr. Voss reported that Ennis Knupp issued a request for proposals for equity managers for active management and that 11 proposals had been received. He said that there was also a request for proposals issued for private equity managers and that 30 proposals had been received in response. He indicated that the selection would be made next week. Mr. Shah then asked if any minority firms were among the 11 proposals. Mr. Beckmann responded that the Amervest firm was a minority-owned firm and a contractor of the University, but that they were not among those responding to the proposal. He added that there are about 15 firms in this particular niche of the market, and that none are minority firms. He told the board that Amervest is performing well and that this firm manages about \$30.0 million for the University. Mr. Shah stated that public universities need to seek out minority firms as contractors. Dr. Gindorf responded stating that the University has had a record of contracting with minority firms for several years.

In closing the committee meeting Dr. Gindorf reminded the board that the University is different from individual investors in that University investments are made for a very long term on the assumption that the University will exist indefinitely. He noted that the pool has decreased over the last three years, but that the investment strategy still seems good as a long term plan.

BOARD MEETING RECONVENED

At 1:45 p.m. the board reconvened in regular session. As noted earlier, the following joined the meeting at this time: Chair Eppley, President Stukel, Vice President Chicoine, Chancellor Manning, Mr. Schoell, Mr. Hardy, and Ms. Sindelar.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel informed the board that Governor Blagojevich had recently asked each of the public universities to present a plan for placing 8 percent of the Fiscal Year 2003 budget in reserve. The president noted that he presumed that this amount would then be available for a later rescission. He said that Dr. Gardner had been working with the campuses on ways that this might be accomplished and had identified approximately 4.25 percent of the current fiscal year's funds that might be placed in reserve for such a potential rescission (materials on file with the secretary). He added that this reduction in budget would necessitate cuts in academic programs, services, and in employment, and that if the reduction to the current fiscal year's budget were to be 8 percent that this would result in extremely severe cuts that would probably compromise the quality of the institution. He stated that Dr. Gardner had been working with the campuses on ways that the University might accomplish both a 4.25 percent budget rescission and an 8 percent rescission. He asked Dr. Gardner to report on the analyses prepared for these two possibilities.

Report from Vice President Gardner Concerning Possible Budget Reductions

Dr. Gardner said that he had consulted with economists at the University in August 2002 about the State's economic outlook, and on the basis of information received had decided, in consultation with the chancellors, not to distribute the reserves for renovation and remodeling projects in case there was a budget cut later in the year. These reserves totaled \$13.4 million. He stated that in October 2002 and in January 2003 they again reviewed the budget and began planning for a possible rescission. He reported that early in 2003 Representative Ricca Slone asked the University to present plans for budget reductions of 5 percent and 10 percent. He stated that a 10 percent cut would amount to a reduction of \$120.0 million. He stated that the recent message from the Governor directing the University put 8 percent of the current budget in reserve made it clear that a rescission was imminent.

He explained that if the budget were reduced by 8 percent (\$59.0 million) at this time in the fiscal year the impact on students and staff would be very severe. He said that that a cut of 4.25 percent from the State appropriation of \$750.0 million for this fiscal year, would be difficult but tolerable, and he said that the University offered this to the Bureau of the Budget. He then stated that the sources for this cut from the University

administration budget would be the \$13.4 million intended for renovations that had been held in abeyance, plus another \$4 million. He indicated that the impact of this cut to the University administration would be felt in lay-offs for 50 employees who would have been engaged in the renovations of facilities; an indefinite delay in filling vacancies in positions in all areas; a reduction in the number of student employees; and a reduction in funds available for technology transfer activities which would be manifest in the loss of funding for two start-up companies. He then stated that a rescission of 4.25 percent would mean that the campuses would give up the following: Chicago, \$6.4 million; Springfield, \$550,000; and Urbana, \$6.7 million. He added that in the scenario of an 8 percent rescission, the University administration would have to contribute the \$13.4 million in reserve discussed earlier, plus an additional \$4.1 million. He stated that this would indeed be damaging and would result in a reduction in expenditures for supplies, information technology, and travel that would constrain the work of many; a reduction in expenditures for outside legal counsel causing delays as the University counsel's staff take on more work; elimination of student employees; and elimination of 15 positions. He stated that the campuses would be required to contribute the following: Chicago, \$19.3 million; Springfield, \$1.2 million; and Urbana, \$20.7 million.

Dr. Gardner then asked the chancellors to describe the impact of a rescission of 4.25 percent and one of 8 percent on the programs and services of their individual campuses.

Report of Impact of Budget Reductions on Urbana Campus

Chancellor Cantor stated that a budget rescission of 4.25 percent would necessitate elimination of 120 Freshman Discovery courses; discontinuation of learning technologies used by approximately 16,000 students in about 288 courses; and elimination of 150-200 positions for such services as custodial, grounds maintenance, painting, mail delivery, etc.

She then said that a rescission of 8 percent would require elimination of more of the 240 Freshman Discovery courses serving about 4,000 students; elimination of 75-80 general education courses; reduction of grant-matching funds that would lead to the loss of about \$20.0 million per year in research funding and 232 research-related jobs; elimination of 50 business support offices across campus with three to fifteen staff each; reduction of the teaching staff by about 200 teaching assistants and about 50 instructors and lecturers; and reduction in the number of communities and departments served by the Fire Service Institute.

Dr. Cantor added that the campus is working to streamline services that will result in a savings. She stated that if the cut is 8 percent then health and safety operations that have been previously protected may also have to be cut and approximately 300 discussion sections related to large courses would also be cut.

Dr. Schmidt asked if there would be an impact on academic advising in the colleges and if the core curriculum would be affected. Dr. Cantor said that the courses in the core curriculum would be reduced significantly if the cut is at the 8 percent level, and that academic advising services would also be at risk.

Report of Impact of Budget Reductions on Springfield Campus

Chancellor Ringeisen said that a budget reduction of any amount at this time in the academic year would be disruptive to the Springfield campus, as there are no reserves. He stated that the Springfield campus would not be able to identify funds for such a rescission, and he added that already this year reductions had been made such as offering fewer courses at the campus and at the Peoria campus; positions in the counseling center were not being filled; the position of dean of students was being left vacant; library acquisitions and services had been reduced. He said that if it becomes necessary to identify funds for a reserve of 4.25 percent the campus would reduce funds for library materials, suspend purchase of educational technology equipment, and suspend searches for unfilled faculty and staff positions.

He indicated that if the rescission is 8 percent then the campus would have to eliminate about 10 staff positions, eliminate several graduate assistantships and numerous student hourly employee positions, and eliminate some admissions activities.

Report of Impact on Budget Reductions on Chicago Campus

Chancellor Manning said that the suddenness of the mandate to put 4.25 percent of the current budget in reserve would force the campus to seize whatever funds are left in the campus budget, since the campus had been spending evenly throughout the year. She stated that under this scenario funds for library materials would be reduced; library service hours would be reduced; two branch libraries would be closed; the campus shuttle bus service would be reduced; buildings and grounds maintenance would be reduced; and 400 hourly jobs for undergraduates would be eliminated. She said that reductions to the library acquisitions must be carefully handled in order to preserve funding for some essential additions. Also she said that elimination of student jobs must be approached with care too, as these jobs bind the student to the campus for an enormously positive effect. Further, she cautioned about deferring building maintenance that would result in more costly repairs later.

She stated that if the rescission were 8 percent then it might be necessary to eliminate summer session, which would impact about 8,000 students by increasing their time to graduation; it would also be necessary to eliminate the summer orientation for about 3,000 new students and their parents; 275 non-contract employees would be laid off; 850 hourly jobs for undergraduates would be eliminated; and matching funds for Federal

grants would be reduced, resulting in a reduction in the number of grants received.

Comments from President Stukel

President Stukel, commenting on the campuses' plans to eliminate certain seed funds for research told the board that \$600.0 million comes to the University from research funds that provide directly for support of 5,000 jobs and indirectly for 18,000 jobs. He stated that these grants are also related to economic development in the State and have a significant general economic impact. Further, he told the board that the quality of the University is tied to such funding.

Discussion

Dr. Schmidt asked if it might be possible to take all of the 4.25 percent reduction in administrative functions and not cut the academic programs. Dr. Gardner responded that this would not be possible because the administrative functions are essential to the operation of the University and cannot be cut further than already suggested. Then Dr. Schmidt asked what amount of tuition increase would be needed to avoid cutting the academic programs. The chancellors all urged consideration of a tuition increase to avoid diminishing academic programs and services to students. President Stukel stated that tuition increases are made with agreement with the students about how the increased funds will be used. The president also stressed that his earlier remarks about this discussion not being about tuition were important. He reinforced this by stating that the current discussion was about addressing a possible budget rescission and that it was premature to discuss a tuition increase.

Mr. Shah asked if the formula for the calculation of indirect cost recovery (ICR) from Federal grants might be increased. He suggested that the University obtain an external opinion on this and compare the current rate with peer institutions. He also asked about the possibility of using graduate students for more research and teaching positions. Michael B. Provenzano, senior associate vice president for business and financial services, responded by explaining that all funds from indirect cost recovery are calculated by a cost formula provided by the Federal government. President Stukel stated that the University compares very favorably in a comparison of ICR funds awarded among peer institutions. Mr. Shah observed that costs are sensitive and acknowledged that caution is important but that he would think that more might be awarded on the base of \$600.0 million in grants and contracts. He asked for an analysis of the research base and an attempt to increase the amount of ICR the University receives.

Dr. Gindorf urged the board to set priorities for the University then to take a stand with regard to preserving these.

In concluding the discussion Dr. Schmidt again commented on the importance of a tuition increase and said that in his experience students

support increases in tuition to preserve quality in the University. Mr. Stewart concurred that a tuition increase might be supported by students at Urbana.

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 and pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

EXECUTIVE SESSION

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

Mr. Bruce was not in attendance during this discussion, owing to the fact that his law firm is involved in the case that is the subject of discussion.

Mr. Eppley asked Mr. Bearrows to report on the settlement recommended in the agenda for today's meeting.

Mr. Bearrows indicated that the recommendation is for settlement of the case of *Crusoe v. Mess, et al.* He stated that the case concerns the death of a 65-year-old man injured in a truck collision, who was admitted to the University Hospital and expired two days later due to a pulmonary embolism attributed to failure to use proper medications and apparatus after treatment for a hip fracture. Mr. Bearrows told the board that outside counsel had consulted two experts concerning this case, and both advised settlement. He also stated that he and outside counsel had reviewed settlements in cases involving other men of the same age for guidance regarding an appropriate settlement amount. He noted that the settlement recommendation of \$2.0 million is considerably more than what would have been recommended two years ago, but that the environment for such claims has changed in this time period and that this settlement is consistent with the change.

Charles Rice, vice chancellor for health affairs, Chicago campus, was present for this discussion and added that the autopsy showed the presence of a blood clot.

Dr. Gindorf and Dr. Schmidt questioned the evidence employed to suggest that the embolism resulted from the medication and treatment associated with surgery. Mr. Sperling suggested further investigation on the cause of death.

Mr. Bearrows stated that he would withdraw the recommendation from the agenda for this meeting, and seek additional advice regarding this case.¹

MR. BRUCE WAS EXCUSED
DURING THE PREVIOUS
DISCUSSION DUE TO THE
NATURE OF THE MATERIAL
BEING DISCUSSED IN ORDER TO
ELIMINATE THE POTENTIAL FOR
ANY CONFLICT OF INTEREST.

Mr. Bruce joined the meeting at this time.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

¹Mr. Stewart left the meeting at 3:00 p.m.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

Chancellor Ringeisen reported that the search for a director for the Abraham Lincoln Presidential Center for Governmental Studies was concluding. He then named the finalists and described their backgrounds and indicated that he expected a recommendation for appointment at a board meeting in the near future.

A CONTINUING NEED FOR
CONFIDENTIALITY
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EXECUTIVE SESSION ADJOURNED

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

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Agenda Items

Mr. Eppley, referring to the first three items in the agenda for today's meeting, said that the implementation of these three resolutions will make a difference for the University in terms of providing greater accountability and ensuring responsible stewardship of precious resources. He described agenda item no. 1, "University of Illinois Board of Trustees' Guidelines for Reimbursement for Travel and Other Expenses," as signaling that the members of the board agree to be treated like all others covered by the State rules and regulations.

Next, he explained that agenda item no. 2, "Configuration of the Fiscal Year 2004 Internal Operating Budget," is intended to ensure accountability for University resources, including oversight for the budget.

With regard to agenda item no. 3, "Review of University Administrative Structure," Mr. Eppley stated that this is introduced because the board must issue a challenge to streamline administration and discover savings wherever possible.

He said that collectively these resolutions are meant to demonstrate that the board hears the public's concerns about the cost of higher education and is taking steps to assure the best stewardship possible.

Standing Committees of the Board of Trustees

Mr. Eppley told the board that he had been reviewing the standing committees of the board, as stated in the *Bylaws* of the Board of Trustees, and that he had changes to suggest. He said he would send a draft of the proposed changes to his colleagues soon and indicated that he would like to present the amendments to the *Bylaws* regarding the standing committees for consideration at the next board meeting scheduled for May 14-15, 2003.

OLD BUSINESS

Mr. Eppley said he would mail his report on the board meeting of the University of Illinois Alumni Association, held in February, to his colleagues.

NEW BUSINESS

Dr. Gindorf observed that agenda item no. 1, discussed earlier by Mr. Eppley, covers board expenses for travel and that he would ask that the board show similar responsibility regarding any expenditures or benefits for the board such as remodeling office space for the board's use. He asked that the *Bylaws* of the Board of Trustees be amended to show that such matters will require board approval in future.

PRESENTATION OF AGENDA ITEMS

Mr. Eppley turned to President Stukel and asked him to present the items in the agenda for the meeting. The president asked the University officers to speak to individual items in the following order:

Agenda item no. 5, "Appoint Fellows to the Center for Advanced Study, Urbana," and agenda item no. 6, "Appoint Associates to the Center for Advanced Study, Urbana"—Dr. Cantor explained that distinguished faculty members are appointed to these positions in the Center for Advanced Study and given an appointment for the purpose of pursuing special study or research.

Agenda item no. 7, "Appointments to the Faculty, Administrative/ Professional Staff, and Intercollegiate Athletic Staff," and agenda item no. 8, "Dean, Graduate School of Library and Information Science, Urbana"—Dr. Cantor asked if a board member had any questions about any appointment at the Urbana campus. Dr. Manning and Dr. Ringeisen also asked this question. Dr. Cantor then stated that she had a spectacular recommendation for the position of dean of the Graduate School of Library and Information Science, John M. Unsworth, and reminded the board that this school was ranked as the number one school for library and information science in the nation.

Agenda item no. 9, "Sabbatical Leaves of Absence, 2003-04"—Dr. Gardner explained that the sabbatical leave policy is enunciated in the University of Illinois *Statutes* and provides that members of the faculty "may be granted a sabbatical leave of absence with pay for the purpose of study, research, or other pursuit, the object of which is to increase the faculty member's usefulness to the University." He noted that the practice of granting sabbatical leaves has been a basic part of higher education for over 100 years, and is now being adopted in the corporate world as well. He stated that these are looked on as a time of renewal or retooling which often allows a faculty member to spend a semester at another university or research facility learning new techniques or approaches to their disciplines and that it is usually granted to faculty members with at least six years of service to the University. Dr. Gardner said the standard sabbatical leave is for one semester at full pay or two semesters at half pay. He added that a sabbatical leave is not an entitlement, and the approval process is rigorous through several levels of review, beginning with review by the department head, often aided by an advisory committee, to ascertain that the individual's statement of plans will enhance goals of the academic unit and if the

individual's duties can be met without expense to the department, then review at the dean's level, further review at the vice chancellor's level, and the chancellor and president, before recommendation is sent to the board for approval. He concluded by stating that the strongest indicator of faculty recognition that a sabbatical must be earned is the participation rate. Less than 40 percent of those eligible annually are granted sabbatical leaves.

Agenda item no. 10, "Establish the M.A. in Real Estate, College of Business Administration, Chicago"—Dr. Manning explained that this is proposed as a 35 credit hour program to include course work in the College of Business Administration and the College of Urban Planning and Public Affairs, with the College of Business Administration granting the degree. She said that there is growth in fields associated with real estate and demand for individuals with expertise in this area.

Agenda item no. 11, "Authorize Negotiation and Execution of a Contract for Sale, and an Intergovernmental Agreement, Concerning Land Near Allerton Park and Conference Center for Prairie Restoration, Urbana"—Dr. Cantor explained that the Illinois Department of Natural Resources wishes to purchase approximately 1,300 acres of farmland owned by the University near Allerton Park, which is part of the Urbana campus, in order to return this land to its natural state as a tall grass prairie. She added that a fire management plan is in place and that the contract calls for a one-time Community Planning Allowance grant equal to 7 percent of the sale price to lessen the impact of the loss of the payment in lieu of taxes that have been made. Further, she said that there remains approximately 2,300 acres of farmland near Allerton Park that the University will continue to farm.

President Stukel stated that the board's approval to proceed with this transaction is the first step of three required by the conditions of the gift of this land by Robert Allerton. In addition, the chair of the Board of Directors of the University of Illinois Alumni Association must agree to this as well, and the Chief Judge of the Illinois Supreme Court must approve this before it is complete.

Agenda item no. 12, "Authorize Execution of a Development Agreement, Lease, and an Intergovernmental Agreement for the East Campus Commercial Center, Urbana"—Dr. Cantor told the board that the campus and the City of Urbana were both pleased with the plans for this new development. She said that the commercial enterprises that will be operated from this development will add to the tax base of the city.

Agenda item no. 13, "Auxiliary Facilities System Revenue Bonds, Series 2003A"—Mr. Eppley asked how far along in the process the administration was with this financing.

Mr. Provenzano said that the administration was analyzing the process now and hoped to sell bonds in May 2003, and that these would be to finance the first two years of the four-year project. Dr. Gindorf asked why the administration would not want to finance all four years with current low interest rates. Mr. Provenzano explained that the arbitrage process was the

reason for this. Mr. Eppley asked if refinancing was contemplated and Mr. Rugg and Mr. Provenzano said that it was.

Mr. Sperling stated for the record that he would not cast a vote on this recommendation because his law firm represents two of the organizations proposed for involvement in completing this transaction (Bank One, National Association and Lehman Brothers, Inc.).

Agenda item no. 14, "Employ Construction Manager for Campus Recreation-Renovation and Expansion of the Intramural Physical Education Building (IMPE)-Design Portion of Phase II, Urbana"—Mr. Rugg noted that this item had been changed based on discussion in the meeting of the Committee on Buildings and Grounds earlier in the day, and called attention to the changes made in the item resulting from that discussion.

Agenda item no. 16, "Purchases"—Mr. Rugg described one of the recommended purchases as a proposed acquisition of databases necessary to fulfill the services of the Illinois Digital Academic Library. He explained that the University would pay \$250,000 of the total cost of \$7,500,000 and that other institutions would pay the rest over a period of 25 years through a joint purchase arrangement.

The other purchase recommended concerned an upgrade to the patient accounting system at the hospital that is needed.

When the presentation of agenda items concluded Mr. Eppley asked the secretary to call the agenda items so that the trustees might vote on these items.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 10 inclusive. The recommendations were individually discussed but acted upon at one time.

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

University of Illinois Board of Trustees' Guidelines for Reimbursement for Travel and Other Expenses

(1) As provided in the University of Illinois Trustees Act (110 ILCS 305/11) the trustees, "shall be reimbursed for their actual and necessary expenses while engaged in the performance of their duties." Guidelines for reimbursing trustees for expenses incurred in the performance of their duties are provided by the Higher Education Travel Control Board. This body derives its rules from the Travel Regulation Council of the State of Illinois. Further guidance is provided by the University of Illinois Business and Financial Policies and Procedures.

At this time, the Board of Trustees wishes to confirm and state anew that its position is to follow all relevant rules and regulations regarding allowable expenses for travel as promulgated by the Travel Regulation Council and applicable to the Higher Education Travel Control Board, as well as the University of Illinois Business and Financial Policies and Procedures. Further, the Board of Trustees wishes to reaffirm that its position is to follow all relevant University policies related to business activities. The comptroller of the Board of Trustees is to have oversight responsibility for compliance with these rules and regulations and to inform the board members of these.

The board further directs the comptroller to provide interpretative guidelines developed from these rules and regulations for the use of the trustees. Guidelines regarding allowable costs for transportation, lodging, and per diem allowances are to be codified and updated when necessary.

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

Configuration of the Fiscal Year 2004 Internal Operating Budget

(2) It is imperative that the University demonstrate to all audiences, both internal and external, government and tax payers, that it is managing its resources wisely and with full oversight from and accountability to the Board of Trustees. It is at the level of the Board of Trustees that proper oversight and accountability can be achieved most fully while maximizing operational efficiency through a measure of flexibility essential to the effective conduct of business in a constrained resource environment.

In fulfilling its statutory mandate to govern the University of Illinois, the Board of Trustees accepts the responsibility to function as the body accountable for oversight of the University's budget. In exercising that oversight responsibility the board will follow the spirit of the State Finance Act.

The Board of Trustees therefore directs the president of the University to prepare all future operating budgets, commencing with the budget for Fiscal Year 2004, under the following requirements:

- All unrestricted funds available for the support of University operations will be budgeted by objects of expenditure at the University level. (Unrestricted funds for operations include state tax revenue from the General Revenue Fund and Education Assistance Fund; tuition and other revenue in the University Income Fund; and institutional funds including Federal Indirect Costs Recovered (ICR), administrative allowance, and royalties.)
- The president will be required to seek board approval to transfer any unrestricted funding from the Personal Services object of expenditure to any other object of expenditure.
- The president will be required to seek board approval for any transfer from an unrestricted object of expenditure that would cause total transfers to exceed 2 percent of the total value of unrestricted funding.

The president and the board shall cooperatively establish budget allocation priorities.

In addition to these requirements, all current budgetary oversight agreements will remain in force, including the reporting of budget and expenditure data to the trustees by campus and the limitations on the transfer of funds among programs without prior board approval.

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

Review of University Administrative Structure

(3) It is essential that the University's administrative support structure is organized and operates as efficiently as possible and that it is focused on those areas most essential to support the conduct of world-class instructional, research, service, and economic development programs offering improved economic vitality for the entire State of Illinois. The University's current efforts include the comprehensive replacement of all centrally-operated financial, human resources, and student information systems that are designed to create operating efficiencies. Likewise, it is important that the Board of Trustees and the legislative and executive branches of State government— resource allocation decision makers— can be assured that the University administration will continue to streamline its support structure to the greatest extent possible.

To provide such assurance, the board hereby directs that the president of the University examine all existing administrative structures and return to the board with proposals for consolidation, streamlining, and simplifying administrative structures wherever

possible. In conducting this review, it is the board's intent that the University administration follow the organizational principle that has guided development of the University for the past half-century: academic programs are best organized in a decentralized mode, while support programs should, where possible, be centralized to take advantage of economies of scale. Within the application of that principle, the board also desires that the review:

- Recognize that the University must continue to support multiple missions simultaneously, including those that present prospects for improving the long-term economic vitality of the State of Illinois.
- Recognize that timely and effective support services must be provided at appropriate locations, regardless of the degree of centralization of the support infrastructure.
- Recognize the opportunity to strengthen and improve service delivery even as organizational restructuring is pursued.

The board desires that the study examine activities that support the primary campus functions of instruction, research, and service. The study should cover business, financial, and human resources operations at every level of the organization; facilities planning and management operations; public affairs and external relations; and all other support activities. The study should:

- Focus on those programs whose priority may have changed due to a reassessment of their cost, quality, or centrality to essential support missions.
- Focus on opportunities to consolidate activities across existing organizational boundaries.
- Focus on steps that will maximize the utility of the University's new administrative information system.
- Focus on targets of opportunity, where existing or impending vacancies may ease the organizational difficulty of combining currently separate activities.
- Focus on areas in which changes in state regulatory requirements could produce further streamlining within the University.

Finally, the board desires that the president report on the progress of this review of administrative support structures not later than the July 2003 meeting of the board.

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

Resolution for Roger L. Plummer

(4) Your record of service to the University has been extraordinary. The service you have given the Board of Trustees for the past six years has been distinguished and deeply appreciated. Serving as a member of the governing board represents the most recent service you have provided, following years of generous effort for the Alumni Association, first as a board member, then as president of that organization; and for the College of Engineering at Urbana, particularly the Department of Theoretical and Applied Mechanics.

Your outstanding leadership experience earned at the helm of several businesses in the telecommunications industry, and your many roles as a volunteer leader in the governance of major arts and cultural organizations, such as the Chicago Symphony Orchestra, fitted you ideally for the position of trustee of the University. You have been the board's resident budget commentator, management adviser, and spokesman on particularly sensitive issues. Your seasoned observations of critical issues have benefited the board from the start of your tenure as a trustee.

Your contributions to the board's deliberations on such subjects as the status of women within the University, hospital financing, and the ongoing issues surrounding Chief Illiniwek will long be remembered as framing the discussion of these important subjects. In addition, you have been a standard for us in judging our performance.

We, your colleagues, will sorely miss your calm and wise leadership, and your warm good humor, but your record of service suggests that you will continue involvement with your alma mater. We look forward to working with you in the future.

The president and other administrative officers of the University as well as the faculty join the members of the Board of Trustees in this tribute and extend best wishes to you and Mrs. Plummer in gratitude for your dedication to your University.

The Board of Trustees directs that this resolution be incorporated in the minutes of today's meeting, to become a part of the official public record, and that a suitable copy be given you as a permanent reminder of the esteem and affection in which you are held.

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

Appoint Fellows to the Center for Advanced Study, Urbana

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

The chancellor at Urbana recommends the following faculty as fellows for the 2003-2004 academic year, and offers a brief description of each project.

KATE E. ABRAMSON, assistant professor, Department of Philosophy, *The Artifice of Nature in Hume's Moral Theory*

The Artifice of Nature in Hume's Moral Theory: From Philosopher to Reflective Man traces the evolution of Hume's philosophical ethics through his shifting conceptions of the very project of writing moral philosophy. Attention to the development of Hume's thoughts on this fundamental issue will give us a new understanding of the doctrine of Hume's moral theory, and demonstrate that contemporary ethicists have indispensable lessons to learn from Hume's ethical writings.

ALEXEY BEZRYADIN, assistant professor, Department of Physics, *Macroscopic Quantum Tunneling in Ultrathin Superconducting Wires*

Single DNA molecules and carbon nanotubes will be used to create ultrasmall superconducting devices, e.g., nanowires, and study macroscopic quantum effects in such devices under the influence of microwave radiation and at temperatures below 100 mK. The results are important for quantum computation.

**GAURI BHATTACHARYA, assistant professor, School of Social Work, *Asian Immigrants' Health and Acculturation: Rethinking the Adaptation Process*

This study focuses on the impact of cultural changes and environmental risk factors on the health status of Asian immigrants from India to the United States. The experience of this growing immigrant group, explored in qualitative interviews, has implications for health promotion interventions for this and other acculturating immigrant groups.

JOSHUA D. ESTY, assistant professor, Department of English, *Unseasonable Youth: The Bildungsroman and Colonial Modernity*

This project proposes a critical account of the British novel of education between 1860 and 1930, arguing that modernist writers revised the coming-of-age plot into a story of endless youth, a story that resonates with the history of colonial underdevelopment. Reading major texts by Somerset Maugham, Rudyard Kipling, Joseph Conrad, Virginia Woolf, and James Joyce (among others), it solves a persistent riddle about the changing fate of the Bildungsroman in the 20th century and identifies a previously unexplored connection between literary innovation and colonial history.

**SZUSZA GILLE, assistant professor, Department of Sociology, *Apples and Waste: Understanding the Environmental Implications of Hungary's Entry into the European Union*

Approaching the European Union ethnographically, and as an agent of economic and cultural globalization, this project researches implications of the accession of Hungary to membership in the EU. Three case studies will concentrate on food consumption and environmental standards.

****MARY S. GIN**, assistant professor, Department of Chemistry, *Design and Synthesis of an ATP-Activated Transmembrane Ion Channel*

This project is interested in mimicking the processes underlying nerve signaling by designing organic macromolecules that span a membrane and can be opened and closed to ion transport using chemical modification as the trigger. The ability to control transmembrane ion flux by means of such a well-defined signal has implications for the development of artificial systems capable of performing complex tasks such as sensing, desalination, or site-specific drug delivery.

****TAEKJIP HA**, assistant professor, Department of Physics, *Probing Motions of Individual Holliday Junctions*

A single-molecule fluorescence method will be used to study functionally important motions of DNA four way (Holliday) junctions. These motions are impossible to study using conventional methods and will be studied as a function of DNA twisting and stretching to simulate congested cellular conditions.

****EBERHARD F. MORGENROTH**, assistant professor, Department of Civil and Environmental Engineering, and Department of Animal Sciences, *Mechanisms of Coexistence in Binary Culture Biofilms*

The influence of detachment on the coexistence of microorganisms in biofilms will be evaluated for a binary culture of *Klebsiella pneumoniae* and *Pseudomonas aeruginosa* using new experimental techniques for online and in-situ monitoring of detachment dynamics in a laboratory reactor and three dimensional mathematical modeling. The ultimate goal for this project is to evaluate fundamental mechanisms of coexistence in biofilms, to evaluate how coexistence can be influenced by reactor operation, and to determine how the study of these fundamental mechanisms can be used to ensure reliable removal of micropollutants from drinking water using biofilm reactors.

****WANDA S. PILLOW**, assistant professor, Department of Educational Policy Studies, *Tracing Meanings of the 1804 Corps Expedition: Stories of Manifest Destiny, Confluence of Cultures, and Invasion*

This research identifies shifting historical and present-day representations, interpretations, and uses of the Lewis and Clark Corps of Discovery expedition, 1804-1806, in popular culture, political discourse, and educational curricula. Giving particular attention to how Sacagawea, the Lemhi-Shoshone Indian woman whose role in the expedition is much debated, and York, Clark's slave who accompanied him on the expedition, have been and are currently represented provides insight into how the racial identities of Sacagawea and York have been utilized to tell differing stories about the meaning of the Corps expedition.

ALLISON M. RYAN, assistant professor, Department of Educational Psychology, *Social Resources in the Classroom: An Examination of Classroom Characteristics that Promote Equity*

High-status students (high-achieving, popular, higher socio-economic backgrounds) tend to dominate classroom social interactions while low-status students tend to be less involved. This project will identify classroom characteristics that ameliorate such inequities by encouraging all students to ask for help and express their opinions.

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

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

Appoint Associates to the Center for Advanced Study, Urbana

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

The chancellor at Urbana recommends the following faculty as associates for the 2003-2004 academic year, and offers a brief description of each project.

JAY D. BASS, professor, Department of Geology, *Properties of Minerals at Extreme Pressures and Temperatures, and the Nature of the Deep Earth*

Sound velocities will be measured on minerals under the actual high pressure-temperature conditions of the earth's interior using new experimental techniques. This will lead to new insights on the composition and structure of the earth's deep, inaccessible regions.

ANNE BURKUS-CHASSON, associate professor, School of Art and Design, *Technologies of Vision in Late Imperial China*

This project concerns optical devices produced in late imperial China and the ramifications of their use for painters, physicians, and philosophers. Specifically, the epistemological issues that were raised by forms of visual knowledge gained through lenses.

YOU-HUA CHU, professor, Department of Astronomy, *Hot Interstellar Gas in Galaxies*

Hot (106-107 K) interstellar gas in a galaxy carries information about the gravitational potential of the galaxy, energy and heavy elements injected by stars and supernovae, and the activity of supermassive black holes at the center of the galaxy. Using the Chandra X-ray Observatory archival observations, a systematic study of the content, distribution, physical conditions, and evolution of hot interstellar gas in both elliptical and spiral galaxies will ensue.

**NOSHIR CONTRACTOR, professor, Department of Speech Communication, *Emergence of Knowledge Networks in 21st Century Organizational Forms*

This project uses a multi-theoretical multilevel (MTML) model to computationally model and empirically validate the factors leading to the creation, maintenance, dissolution, and reconstitution of knowledge networks linkages in 21st century organizational forms.

**MARTIN H. GRUEBELE, professor, Department of Chemistry, *Molecule-Field Quantum Coherence*

Controlling the interaction of molecules with fully quantum-mechanical electromagnetic fields offers exciting possibilities for the study of chemical reactions, quantum computing, and new forms of quantum-coherence spectroscopy. The implications of a recently developed control method will be explored.

C. JAEGER, professor, Department of Germanic Languages and Literatures and Program in Comparative and World Literature, *The Romance of Violence: Theories of Violent Origins from Nietzsche to René Girard and Walter Burkert*

René Girard's and Walter Burkert's influential theories of the origins of religion and culture echo ideas of violent origins that derive from European Romanticism. This project criticizes that line of thought by showing its fragile foundations in hypothetical visions of primal events in a mythical pre-historic period.

ROBIN L. JARRETT, associate professor, Department of Human and Community Development, *Lives of Struggle, Lives of Hope: Resilient, Single Mothers in a Low-Income Housing Project*

Social science theories have hypothesized how individual and neighborhood poverty undermine family stability and compromise child development. The proposed book will examine the positive coping strategies that poor, African-American mothers of young children use to stabilize family life and facilitate positive development for their children.

WILLIAM A. KINDERMAN, professor, School of Music, *Wagner's Parsifal: Genesis, Form, and Drama*

This work explores Wagner's final work, *Parsifal*, making available much previously unpublished manuscript material that clarifies the genesis of the text and music. Coupled with this source study is a critical investigation of the work that addresses its formal, tonal, and dramatic structure, as well as its synthesis of Buddhist and Christian elements.

TIMOTHY G. MCCARTHY, professor, Department of Philosophy, *Understanding Godel's Incompleteness Theorem*

Godel's incompleteness theorem is a fundamental result of modern logic that is widely taken to express an intrinsic limitation of formal axiomatization in mathematics. This project shall pursue a number of extensions of Godel's theorem and explore their significance for the foundations of mathematics.

**PIERRE MOULIN, associate professor, Department of Electrical and Computer Engineering, *Theoretical Foundations of Image Steganography*

The goals of image steganography and steganalysis are respectively to embed and detect hidden patterns in natural-looking images. In this project, steganography is viewed as a game-theoretic statistical detection problem, and optimal strategies for the steganographer and the steganalyzer are sought.

WAYNE T. PITARD, professor, Program for the Study of Religion, *Whispers from the Dust: Care of the Dead and Thoughts on Afterlife in Ancient Canaan and Israel*

This study focuses on the long and complex development of the ancient Israelite understanding of death and afterlife. It looks at these ideas within the cultural context of the older Canaanite civilization, out of which Israel emerged.

D. FAIRCHILD RUGGLES, associate professor, Department of Landscape Architecture, *Matronage in Islam*

This historical study examines women in four Islamic societies (Islamic Spain, Ayyubid Egypt, Timurid Iran, and Mughal India), examining the relationship between their dynastic role as mothers, wives, and consorts, and their cultural role as patrons and receivers of art, architecture, and landscape.

ALBERT J. VALOCCHI, professor, Department of Civil and Environmental Engineering, *Pore-Scale Simulation of Groundwater Contaminant Transport Processes*

The project will develop and apply new computational techniques to simulate pore-scale processes that control the fate and transport of organic liquid contaminants which threaten the safety of many public groundwater supplies. The pore-scale simulations will be integrated with experimental observations made using unique micromodel and magnetic resonance imaging techniques to develop new fundamental knowledge about mass transfer and remediation processes.

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

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

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

Emeriti Appointments

NINO SAMSON BOCCARA, professor emeritus of physics, May 21, 2002
 STUART E. COHEN, professor emeritus, School of Architecture, June 21, 2002
 EDWARD L. DEAM, professor emeritus, School of Architecture, May 21, 2002
 DAVID A. PAGE, professor emeritus of mathematics, statistics, and computer science, January 1, 2003

Urbana-Champaign

MICHAEL N. BASTEDO, assistant professor of educational organization and leadership, on 100 percent time, beginning January 6, 2003 (N), at an annual salary of \$52,000.
 MICHAEL PETER BIGGS, assistant professor of sociology, on 100 percent time, beginning January 6, 2003 (N), at an annual salary of \$52,000.
 GUSTAVO CAETANO-ANOLLÉS, associate professor of crop sciences, on 100 percent time, January 21, 2003-August 15, 2007 (Q), at an annual salary of \$88,000.
 LAUREL H. CAMPBELL, assistant professor, School of Art and Design, on 100 percent time, beginning January 21, 2003 (N), at an annual salary of \$48,000.
 *ANTONIA DARDER, professor of educational policy studies, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$120,000.
 *GREGORY S. ELLIOTT, associate professor of aeronautical and astronautical engineering, on 100 percent time, beginning January 6, 2003 (A), at an annual salary of \$80,000.
 ROBERT SCOTT GARNER, assistant professor of the classics, on 100 percent time, beginning December 12, 2002 (1), at an annual salary of \$46,700.
 DIRK HUNDERTMARK, assistant professor of mathematics, on 100 percent time, beginning January 14, 2003 (3), at an annual salary of \$60,000.
 TERESA JACOBSEN, associate professor, School of Social Work, on 100 percent time, February 1, 2003-August 15, 2005 (Q), at an annual salary of \$65,000.
 *KAREN LEE KELSKY, associate professor of anthropology, on 50 percent time, and associate professor of East Asian languages and cultures, on 50 percent time, beginning August 16, 2003 (A50;A50), at an annual salary of \$58,600.
 *JOHN A. ROGERS, professor of materials science and engineering, on 100 percent time, beginning January 1, 2003 (A), at an annual salary of \$105,000. In addition, Dr. Rogers will be appointed as Founder Professor of Materials Science and Engineering, on zero percent time (non-tenured and non-salaried), beginning January 1, 2003, for a total salary of \$105,000.
 MATTHEW C. STEWART, assistant professor of veterinary clinical medicine, on 100 percent time, beginning January 21, 2003 (N), at an annual salary of \$65,000.

Emeriti Appointments

GILBERT R. HOLLIS, professor emeritus of animal sciences, March 1, 2003
 KENNETH J. TRAVERS, professor emeritus of curriculum and instruction, August 21, 2002

Administrative/Professional Staff

CLIFTON E. BROWN, director of professional programs in the Department of Accountancy, College of Commerce and Business Administration, Urbana-Champaign, on an academic year service basis with an administrative increment of \$10,000, beginning March 17, 2003 (N). Dr. Brown was appointed to serve as interim director of profes-

sional programs under the same conditions and salary arrangement beginning August 21, 2002. 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, effective March 17, 2003 (A100), at an annual salary of \$140,550; and associate head of accountancy, on zero percent time (non-tenured and non-salaried). He will also continue as H. T. Scovill Professor of Accountancy (non-tenured) on an academic year service basis with an increment of \$14,550 (N), for a total salary of \$165,100.

THOMAS FINNEGAN, director of the undergraduate program in the Department of Accountancy, College of Commerce and Business Administration, Urbana-Champaign, on an academic year service basis with an administrative increment of \$10,000, beginning March 17, 2003 (N). Dr. Finnegan was appointed to serve as interim director of the undergraduate program in the Department of Accountancy under the same conditions and salary arrangement beginning August 21, 2002. He will continue to hold the rank of lecturer in accountancy, on 100 percent time, effective March 17, 2003 (N100), at an annual salary of \$82,880, for a total salary of \$92,880.

*JACK H. KAPLAN, head of the Department of Biochemistry and Molecular Genetics, College of Medicine at Chicago, on an academic year service basis with an administrative increment of \$20,000, beginning July 1, 2003 (K). In addition, Dr. Kaplan will be appointed to the rank of Benjamin Goldberg Professor of Biochemistry and Molecular Genetics, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 100 percent time, beginning July 1, 2003 (A100), at an annual salary of \$180,000, for a total salary of \$200,000.

ALEXANDER MANKIN, associate director, Center for Pharmaceutical Biotechnology, College of Pharmacy, Chicago, on an academic year service basis with an administrative increment of \$3,000, beginning March 17, 2003 (N). Dr. Mankin will continue to hold the rank of professor in medicinal chemistry, Center for Pharmaceutical Biotechnology, on an academic year service basis, on 100 percent time (non-tenured), at an annual salary of \$87,881; and professor in medicinal chemistry, Department of Medicinal Chemistry and Pharmacognosy, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$90,881.

YVETTE R. ROBERTS, associate director of nursing in cardiovascular nursing, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 100 percent time, beginning March 17, 2003 (NY), at an annual salary of \$92,000. Ms. Roberts was appointed to serve as visiting associate director of nursing under the same conditions and salary arrangement beginning February 1, 2003. She will continue to hold the rank of clinical instructor in public health, mental health and administrative nursing, College of Nursing, on zero percent time (non-tenured and non-salaried), for a total salary of \$92,000.

DON WORKMAN, director of the Office for the Protection of Research Subjects, Office of the Vice Chancellor for Research, Chicago, on a twelve-month service basis, on 100 percent time, beginning June 7, 2003 (NY), at an annual salary of \$117,000.

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

Dean, Graduate School of Library and Information Science, Urbana

(8) The chancellor at Urbana has recommended the appointment of John M. Unsworth, presently associate professor of English, and director of the Institute for Advanced Technology in the Humanities, University of Virginia, Charlottesville, as dean of the Graduate School of Library and Information Science, University of Illinois at Urbana-Champaign, beginning August 16, 2003, on a twelve-month service basis, at an annual salary of \$170,000 (equivalent to an annual nine-month base salary of \$139,091 plus two-ninths annualization of \$30,909), and an administrative increment of \$10,000, for a total annual salary of \$180,000.

In addition, Dr. Unsworth will be appointed as professor, Graduate School of Library and Information Science on indefinite tenure on an academic year service basis on zero percent time (non-salaried) and as professor of English, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried).

Dr. Unsworth will succeed Linda C. Smith, who has served as interim dean since August 2001, when former Dean Leigh S. Estabrook returned to the faculty of the school.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Sabbatical Leaves of Absence, 2003-04

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

The programs of research and study for which leaves are requested have been examined on the respective campuses. The vice president for academic affairs has reviewed the applications for the leaves and recommends approval of 64 leaves for Chicago; 2 leaves for Springfield; and 131 leaves for Urbana-Champaign. (A list of those recommended has been filed with the secretary of the board for record.)

(For the record and to provide an annual compilation, in 2002-03, 45 leaves were taken at Chicago; 3 leaves were taken at Springfield; and 113 leaves were taken at Urbana-Champaign.)

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

Establish the M.A. in Real Estate, College of Business Administration, Chicago

(10) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the College of Business Administration, recommends the establishment of a new graduate degree, the Master of Arts in Real Estate.

The Master of Arts in Real Estate is an interdisciplinary program that combines course work from the Colleges of Business Administration and Urban Planning and Public Affairs to provide students with a full perspective of the field of real estate. Students will learn the basic principles of economics, finance, urban planning, and urban land use law that are needed to gain fundamental knowledge of the operation of urban real estate markets, methods of real estate finance, and systems used to plan and regulate urban real estate development.

The program is designed for students who wish to seek employment in a wide range of real estate occupations in both the private and public sectors. Real estate professionals in the private sector include property managers, construction managers, real estate finance specialists, real estate marketing specialists, and real estate marketing analysts (e.g., appraisers). The public sector employs real estate experts in property tax administration, planning, zoning, public real estate development, and real estate management. According to the Illinois Occupation Information Coordinating Committee, there is a

¹Susan A. Fowler, professor of special education and dean, College of Education, *chair*; Susan K. Barrick, assistant dean for development, School of Library and Information Science and Office of Development; Ann P. Bishop, associate professor, Graduate School of Library and Information Science; Bertram C. Bruce, Jr., professor, Graduate School of Library and Information Science; R. H. Campbell, professor of computer science, College of Engineering; Leslie G. Gasser, associate professor, Graduate School of Library and Information Science; Elizabeth G. Hearne Claffey, professor, Graduate School of Library and Information Science; Paula T. Kaufman, professor of library administration and university librarian (at Urbana-Champaign); Melanie A. Kimball, graduate student, Graduate School of Library and Information Science; Rae-Anne L. R. Montague, graduate student, Graduate School of Library and Information Science.

strong need for real estate professionals who have high levels of understanding of the economic, financial, planning, and legal aspects of urban real estate. The program will contribute to the State of Illinois' and the University of Illinois' emphasis on economic development.

The proposed M.A. in Real Estate requires successful completion of a minimum of 35 semester hours of course work, including 27 hours of required course work and eight hours in one of two areas of concentration—business or urban planning. The proposed program will use existing courses taught in the Colleges of Business Administration and Urban Planning and Public Affairs. A distinguished faculty group representing both colleges will deliver the program.

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

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

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 11 through 16 inclusive. The recommendations were individually discussed but acted upon at one time.

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

**Authorize Negotiation and Execution of a Contract for Sale,
and an Intergovernmental Agreement, Concerning Land
Near Allerton Park and Conference Center
for Prairie Restoration, Urbana**

(11) In July 2000, the Board of Trustees delegated authority to the comptroller to proceed to develop agreements with the Illinois Department of Natural Resources (IDNR) regarding the sale of up to 1,800 acres of endowment farmland near Allerton Park. That action required that any final agreements be brought to the Board of Trustees for approval at a subsequent meeting.

Based on negotiations with IDNR, it is recommended that a contract for sale for up to 1,300 acres of approximately 3,600 acres of endowment farmland be entered into with IDNR. An independent appraisal is being obtained by the University, and the specific number of acres to be covered by the sale will depend on the appraised value of the land. According to the terms of the Indenture governing the gift from Robert Allerton, sale of any portion of the land is subject to the approval of the president of the University of Illinois Alumni Association and the chief justice of the Illinois Supreme Court.

In addition, the University will enter into an intergovernmental cooperation agreement with IDNR for the care and management of the land and for a transition plan for the farming operations; collaborative programming with the Fire Services Institute to implement a fire management plan; drainage; the payment of a community planning allowance under an agreement with the Piatt County Board to the local taxing districts; the regulation of hunting activities; and similar topics. The location of the land to be transferred to IDNR is indicated on the attached exhibit (filed with the secretary of the board for record.) IDNR plans to create a new wildlife habitat and public open space by restoring the land to prairie as found in presettlement conditions (the project) under provisions of the Illinois Open Land Trust Act which provides IDNR with the authority to preserve and enhance Illinois' natural environment, create a system of open spaces and natural lands, improve the quality of life, and provide recreational opportunities for citizens now and into the future. The proposed contracts with IDNR will allow the University to (1) strengthen the Allerton environmental mission by providing a unique environmental resource of substantial scale—woodland, savanna, and prairie bordered by farmland; (2) diversify the income stream supporting Allerton Park by shifting a portion of the Allerton agricultural assets into securities; and (3) provide a research opportunity to

study different ecosystems in proximity, including plant succession and bird repopulation. Proceeds from the sale will be returned to the Allerton Endowment to support the operations of Allerton Park and Conference Center.

The president of the University with the concurrence of the appropriate University officers recommends that the chancellor at Urbana and the comptroller of the Board of Trustees be authorized to negotiate and execute a contract for sale, subject to approval of the president of the Alumni Association and the chief justice of the Illinois Supreme Court; and to take such other actions as are necessary to complete the sale to IDNR, including entering into an intergovernmental cooperation agreement with IDNR consistent with this board item.

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

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

**Authorize Execution of a Development Agreement, Lease,
and an Intergovernmental Agreement for the East Campus
Commercial Center, Urbana**

(12) At its February 13, 2003, meeting, the board approved the selection of JSM Management as the developer for the East Campus Commercial Center (ECCC), a mixed-use development located across from the Krannert Center for the Performing Arts on the Urbana campus.

A development agreement between the University and JSM Management for the East Campus Commercial Center will contain terms and conditions regarding the developer's obligations and permitted uses in the center; University approval of commercial tenants; required submittals (including the developer's marketing plan); the general terms of a ground lease; insurance coverage, and other legal protections.

The site for the development will be leased to JSM Management for a period of 50 years. The lease may be renewed for an additional 25 years at the end of the first term or the improvement may revert to University ownership at that time, provided the University has a differing required use. The lease will be structured in a way to reimburse the University of Illinois Foundation for property and pay for site preparation costs without drawing from other campus financial resources.

In a previous intergovernmental agreement with the City of Urbana, the city agreed to vacate Gregory Place, the street east of and adjacent to the East Campus Commercial site at no cost to the University. In addition, another intergovernmental agreement provided for the relocation of City of Urbana parking meters from California Avenue (vacated to the University) to a lot located on the East Campus Commercial Center site. The agreement currently before the Board of Trustees provides for the city's vacation of Gregory Place and the relocation of City of Urbana meters to a Division of Campus Parking and Transportation lot. In the long term, Gregory Place will be converted to a pedestrian mall as part of the development.

The chancellor recommends that the comptroller of the Board of Trustees be authorized to execute the development agreement and lease with JSM Management, and an intergovernmental agreement with the City of Urbana, in accordance with the terms described in this item.

The president of the University concurs.

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

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

Auxiliary Facilities System Revenue Bonds, Series 2003A

(13) The Board of Trustees previously approved three new Auxiliary Facilities System (AFS) projects with budgets totaling approximately \$130.0 million: (1) UIC Recreation (\$42.0 million), (2) UIS Housing (\$10.0 million), and (3) UIUC Recreation (\$78.0 million). Construction of the UIS housing project is well underway, and architect/engineering work is proceeding on the UIC and UIUC projects with some construction contracts to be bid/awarded in the next few months. It is now necessary to provide funds to reimburse the University for expenditures incurred, as previously approved by the board, and to support additional expenditures on the projects. Given the projected cash flows on these projects it is recommended that the board issue AFS revenue bonds at this time in an amount sufficient to support approximately two years expenditures (about \$70.0 to \$75.0 million), or roughly half of what is expected to be spent over almost four years elapsed time before completion of all of the projects. When capitalized interest and cost of issuance are included, this first issue of bonds should approximate \$80.0 million. A second completion issue will be required and is likely to be brought forward early in calendar year 2005. Any costs for the projects that are incurred prior to the sale of AFS revenue bonds will be funded initially from AFS operating reserves with anticipated reimbursement from the proceeds of the sale of the AFS revenue bonds.

There are several series of outstanding AFS bonds, including the Series 2001C, Series 2000, Series 1999A, Series 1996, and Series 1993, that are currently eligible to be advance refunded. Although the selective refunding of these bonds could produce a present value savings, current market conditions do not warrant moving ahead with a refunding issue. However, if the market yields on certain bond and U.S. Treasury maturities were to change prior to the issuance of the bonds needed to fund the projects described above, it may be advantageous to supplement the \$80.0 million new project issue by an amount required to accomplish such refundings. Such refunding savings would need to reach at least 3 percent of the principal amount refunded before such action would be considered. Such refunding bonds could range from none to as much as \$105.0 million.

Accordingly, in order to proceed with the preparation of documents and to take other actions needed prior to the issuance of AFS Revenue Bonds Series 2003A, the vice president for administration and the university counsel recommend:

1. Retention of Chapman and Cutler as bond counsel.
2. Retention of John S. Vincent & Co., LLC, as financial advisor.
3. Retention of Lehman Brothers Inc., as managing underwriter. Additional co-managers and selling group members may be added to assist in the marketing of the revenue bonds.
4. Retention of Mayer, Brown, Rowe & Maw as special issuer's counsel.
5. Appointment of Bank One, National Association as Bond Registrar.
6. The preparation of the Preliminary Official Statement.
7. The analysis of the purchase of bond insurance to determine if such purchase is deemed economically beneficial following consultation with the financial advisor and managing underwriter. Such insurance, if acquired, would be purchased by the managing underwriter.
8. Actions to pursue and obtain a rating or ratings on the revenue bonds.
9. Preparation of additional documents including a Supplemental Bond Resolution, Bond Purchase Agreement, Continuing Disclosure Agreement and Escrow Agreement.

Prior to the sale and delivery of the AFS Series 2003A Revenue Bonds, the Board of Trustees will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the board in connection with such sale and delivery.

The president of the University concurs.

On motion of Dr. Gindorf, these recommendations were approved by the following vote: Aye, Mr. Eppley, Mr. Bruce, Dr. Gindorf, Dr. Schmidt,

Mr. Shah, Mrs. Sodemann, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Blagojevich, Mr. Lamont. (Mr. Sperling asked to be recorded as not voting on this item.)

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

**Employ Construction Manager for Campus Recreation—Renovation
and Expansion of the Intramural-Physical Education Building
(IMPE)—Design Portion of Phase II, Urbana**

(14) At the January 17, 2002, meeting, the Board of Trustees approved the campus recreation—renovation and expansion of the Intramural-Physical Education Building (IMPE) and the Campus Recreation Center East (CRCE) project. A student referendum on this project was held on November 12 and 13, 2001; 74 percent of the students voting approval of an increase in the general fee not to exceed \$77 per semester to be phased in during a three-year period (Fiscal Year 2005 through FY 2007). The project will be funded from proceeds of a future sale of the Auxiliary Facilities System Revenue Bonds. In accordance with Illinois Statutes, the Illinois Board of Higher Education approved this non-instructional capital improvement.

The project consists of the following:

- Phase I. The expansion and renovation of the Campus Recreation Center East (CRCE) to include 10,000 square feet of strength and conditioning space, 1/8 mile track, three additional basketball/volleyball courts; construction of locker rooms, two multi-purpose rooms, recreational pool, three racquet ball courts, lounge area, game rooms. The Intramural Physical Education Building expansion and renovation to include the addition of two basketball courts at the north end of gym one and renovation of the existing four courts.
- Phase II. The expansion and renovation of Intramural-Physical Education Building (IMPE) to include 30,000 square feet of strength and conditioning space, 1/4 mile track, four additional basketball/volleyball courts, one oversized multi-activity court, and climbing wall. IMPE renovation will add five multi-purpose rooms; renovate all existing activity space, racquetball courts, SportWell, and locker rooms; upgrade equipment/laundry room; and add food service option and lounge.

At its July 18, 2002, meeting, the Board of Trustees approved the employment of VOA Architects, Chicago, for the professional architectural and engineering services required through the bidding phase of the project. Further, in order for Phase II of the project to proceed, it is now necessary to employ a construction manager for the required professional services. The selection of the construction manager for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that Gilbane, Chicago, be employed for the professional construction management services required for the design portion of Phase II of this project. The firms' fee and staff cost for this work will be \$589,000, including reimbursables.

Funds for the project are available from the operating budget of the Division of Campus Recreation with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

¹A selection committee consisting of Tony Clements and Gary Miller (IMPE), Amado Fernandez (Hughes Group Architects), Roland Kehe, Tim Kerestes, Allen Marx, and Jeff Schrader (Planning, Construction & Maintenance), Scott Lumsden (VOA Architects), and Helen Ng (Office for Capital Programs) interviewed the following firms (listed in ranking order): (1) Gilbane, Chicago; (2) Turner Construction Company, Chicago; (3) PKD Incorporated, Champaign. The committee recommends Gilbane, Chicago, as best meeting the criteria for this project.

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

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

Purchases

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

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

The total amount of these purchases from institutional funds was \$8,376,645.

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

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

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

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.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: May 14-15, 2003, Urbana; July 16-17, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

May 15, 2003



This meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, May 15, 2003, 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. Lawrence C. Eppley, Mr. Devon C. Bruce, Dr. Jeffrey Gindorf, Mr. Thomas R. Lamont, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Art Moore, Springfield campus; Mr. Keely J. Stewart, Urbana-Champaign campus.

Mr. Eppley then asked President Stukel to introduce the university officers and the observers from the campus senates and from the University Senates Conference¹ who were present. President Stukel introduced Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations;

¹University Senates Conference: Thomas F. Conry, professor of general engineering, Urbana-Champaign campus; Chicago Senate: Elliot Kaufman, professor and interim head of the Department of Biochemistry and Molecular Genetics; Springfield Senate: Nancy L. Ford, professor of legal studies and in the Center for Legal Studies; Urbana-Champaign Senate Council: Nancy P. O'Brien, education and social sciences librarian and professor of library administration, University Library

Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

PUBLIC COMMENT

Mr. Eppley announced that the public comment session would begin. He called on Nicholas Sakurai as the first person to address the board.

Mr. Sakurai described himself as a graduating senior majoring in sociology. He said that this was his third time to address the board and that he wanted to speak to the University's nondiscrimination policy. He indicated that he had found that there was discrimination and harassment on campus despite the policy. He said that he wanted the board to approve benefits for domestic partners of employees, and that he disapproved of the continuation of Chief Illiniwek. He stated that there is harassment on campus against those opposed to the Chief.

The next speaker was Demian Kogan who said that he was completing his third year as a student at the Urbana campus. He said he was a member of the Progressive Resource/Action Cooperative. He first stated that he thought the Graduate Employees Organization was discriminated against because the request of one of their members to address the board had been denied. He went on to object to the continuation of Chief Illiniwek as a racist symbol, and recalled for the board that a former student, Charlene Teters, stated this in 1989 in her objections to Chief Illiniwek. He recalled several steps in the dialogue to review the matter of Chief Illiniwek and stated that the board must address this issue today and called on them to eliminate all vestiges of the Chief.

The third speaker was Alfred Kagan. He spoke about the decision to change the dates on which faculty and academic professional staff are paid as a part of the introduction of the new human resources administrative system. He stated that these individuals would lose pay for five days this contract year, due to this change in pay dates. He said that the policy was made in the president's office and that the Urbana campus administration was sympathetic to the employees' situation and had offered short-term loans to assist employees who will receive less pay this year. He indicated that the decision to change the final pay date for this contract year violated a policy stipulated in *The General Rules Concerning University Organization and Procedure*, that he said called for salary to be paid in twelve equal monthly installments. He said this situation has had a serious effect on morale among the affected staff (materials on file with the secretary).

The fourth speaker was James A. Reed who said he was a member of the Coalition to Save the Allerton Legacy and stated opposition to the

board's decision at their meeting in March 2003 to sell a portion of the farmland included in the gift of Robert Allerton to the University to the Illinois Department of Natural Resources (IDNR) for conversion to a natural prairie for educational, recreational, and research purposes. He told the board that they should be concerned about the fire hazard such a prairie would create and cited evidence of fires in other areas that were damaging. Also, he stated that he and another member of his organization had researched the financial records the University had kept for Allerton Park and the farmland and concluded that expenses incurred, primarily in reorganizations of management of the park, had been costly. He asked that more records be made available to the public and concluded by asking the board to withdraw their support of the plan to sell the farmland to the IDNR (materials on file with the secretary).

The fifth and final speaker was Jenny Barnett who indicated that she represented 3,000 academic professional employees at the Urbana campus. She then addressed the matter of the change in pay date for academic employees who provide service over twelve months, stating that this would have an adverse effect on these employees. She went on to describe the characteristics of the academic professional category of staff and stated that they are not covered by the Fair Labor Standards Act thus they receive no overtime pay, but routinely work long days and weekends. She described the change in pay date as creating a cash loss problem and said that even the loans that are to be offered will not help because repayment will be required within three months. She too referred to *The General Rules Concerning University Organization and Procedure*, and said that the change in pay date was counter to policy stated in this document. She asked the board to provide for salary for these employees in twelve equal installments.

BOARD MEETING RECESSED FOR COMMITTEE MEETING

Mr. Eppley announced that the board would recess for a meeting of the Committee on Economic Development.

MEETING OF THE COMMITTEE ON ECONOMIC DEVELOPMENT

Report on Technology Commercialization

Mr. Eppley, chair of the committee, convened the meeting and called on Dr. Chicoine to present the agenda for the meeting. Dr. Chicoine began by introducing the two vice chancellors for research, Dr. Eric A. Gislason, Chicago, and Dr. Charles F. Zukoski, Urbana, and the chief executive officer of IllinoisVENTURES, LLC, John Banta. Dr. Chicoine stated that two people who were not in the room also merited introduction. These were the directors of the Offices of Technology Management, Jill A. Tarzian Sorensen, Chicago, and Michael H. Fritz, Urbana.

Dr. Chicoine then presented the Fiscal Year 2003 third quarter report to the board on technology commercialization (on file with the secretary) and indicated that the commercialization of faculty research for this year was ahead of the amount of this activity last year. He stated that the Chicago

campus was on its way to accomplishing its goal of 20 percent royalty revenue growth for the year with the revenues for the third quarter of FY 2003 at \$2.2 million, compared to \$1.9 million for this quarter in FY 2002. He indicated that at Urbana, 24 potential start-up companies originating at that campus are in discussions with IllinoisVENTURES, LLC. Also, he reported that corporate visits to market the University's research and technology are become routine with lab tours, technology presentations, and tours of facilities such as the Beckman Institute, the University of Illinois Research Park, LLC, Urbana, and the Chicago Technology Park. Visitors have included Procter & Gamble, ADM, Shell, and Kodak.

Dr. Chicoine reported that the Research Park at Urbana is growing, requiring construction of more space, and that the Chicago Technology Park has all buildings leased including the incubator building known as the Research Center.

Mr. Eppley then asked Dr. Chicoine to describe the Office of the Vice President for Economic Development and Corporate Relations. Dr. Chicoine stated that its goal is to support the campuses in moving technology from the campuses to the marketplace, and that this occurred through close working relationships with the Offices of Technology Management, with the help of IllinoisVENTURES, LLC, that provides support to new ventures and start up companies, and from the two campus research parks.

Report on IllinoisVENTURES, LLC

Dr. Chicoine then introduced John Banta for a presentation on the work of IllinoisVENTURES, LLC (materials on file with the secretary) and described Mr. Banta's background in finance and in operating businesses. Mr. Banta began by telling the board of the composition of the Board of Managers of IllinoisVENTURES, LLC, stating that there are two trustees, two vice chancellors (introduced earlier), five business leaders, a representative of the governor, and a representative of the president of the University. He said that the mission of the organization was to provide mechanisms for technology transfer through business formation equal to the quality of the research activity of the University. He noted that IllinoisVENTURES, LLC, seeks to accelerate the development of University-affiliated companies.

He then explained that the role of the Offices of Technology Management on the campuses was to identify technology that might be commercialized and recommend the appropriate next step such as U.S. or foreign patenting; marketing it as a start-up business, or as a license to an established firm. Mr. Banta explained that with the Offices of Technology Management, IllinoisVENTURES, LLC, and Enterprise Works @ Illinois (the incubator facility at Urbana), there is a seamless array of services available. He said that IllinoisVENTURES, LLC, also operates with State grants from the Illinois Technology Enterprise Corporation (ITEC). He stressed that the goal of the various units was to provide momentum for commercializing technology and establishing going concerns with good financial prom-

ise. IllinoisVENTURES, LLC, assists with business plans, facilitating financing processes, referrals to business support services proceeding to early stage funding in increments of \$25,000, and identifying co-investors. He indicated that the Board of Mangers decides which companies will receive developmental funding. He also noted that IllinoisVENTURES, LLC, has \$1.8 million for its activities, with \$1.0 million coming from the State and the rest from the University.

Mr. Banta went on to describe IllinoisVENTURES' offices: the Chicago Technology Park, Enterprise Center 2, Enterprise Works, and the Illini Center in downtown Chicago (for meetings).

Next he defined the relationship between IllinoisVENTURES, LLC, and the ITEC centers, noting that IllinoisVENTURES funds candidates for University-affiliated businesses and the ITEC centers fund candidates for these businesses as well as other businesses. He emphasized the need to create successes in new businesses, and said that the breadth and depth of services at the University for creating new businesses are remarkable. He noted that the challenges include a need for an intra-institutional protocol, engendering trust in the faculty researchers, and finding funding for new businesses.

Mr. Banta also reviewed the funding for IllinoisVENTURES, LLC, stating that there are currently funds from the State, the University, the Research Park at Urbana, and ITEC grants (for investment in companies). He said that work is underway for an arrangement with the Illinois Development Finance Authority, to access funds for new companies, and to develop the Illinois Emerging Technologies Fund.

In closing, he described some of the technologies that IllinoisVENTURES, LLC, is helping to commercialize. Questions and discussion followed and revealed that IllinoisVENTURES, LLC, is working with the College of Engineering at Urbana to create courses that will assist faculty in learning how to proceed with steps to commercialize their research. Mr. Banta also noted that IllinoisVENTURES, LLC, and the assistance it provides faculty in commercializing their research helps in recruiting faculty. (Vice Chancellor Zukoski reinforced this and added that IllinoisVENTURES, LLC, works with deans in recruitment and retention of faculty.) Mr. Banta added that IllinoisVENTURES also serves the tenants of the Research Park at Urbana, and the Chicago Technology Park in terms of business advice, funding, assistance with licensing, and investment.

Report on Illinois Emerging Technologies Fund

Dr. Chicoine described this fund as a mechanism for supplying funds to promising new companies commercializing University of Illinois technologies (material on file with the secretary). Mr. Eppley thanked the University of Illinois Foundation for helping to develop the concept of the fund as a means for assisting clients of IllinoisVENTURES, LLC, to move to the next level in development. He said that the Foundation has been very helpful in coming up with a proposal to establish this fund to fill a gap for clients. He

stated that it is one way to assist IllinoisVENTURES, LLC, in becoming more self funding.

BOARD MEETING RECONVENED

At this time, the board reconvened in regular session.

PRESENTATION OF AGENDA ITEMS

Mr. Eppley presented agenda item no. 1, "University of Illinois Board of Trustees Schedule of Meetings, 2003-2004," and indicated that the board members had been consulted about this earlier.

President Stukel described agenda item no. 6, "Designate Vice President for Technology and Economic Development," as better reflecting the mission of the office. He said that corporate relations is dropped from this title because of the confusion with philanthropic activities involving corporations.

Chancellor Cantor then explained that agenda item no. 3, "Appoint Members to the Board of Examiners in Accountancy, Urbana," as necessitated by State statute will be changed later this year relieving the campus of this responsibility. For agenda item no. 4, "Appoint Professors to the Center for Advanced Study, Urbana," she explained that these were distinguished faculty who had been selected for this honor. On agenda item no. 7, "Head Men's Basketball Coach, Urbana," she said that she was pleased to recommend Mr. Weber for this position. For agenda item no 11, "Establish Interdisciplinary Undergraduate Major in Gender and Women's Studies, Urbana" she said it is important to establish this field as a major, and that the Urbana campus is one of the last among the Big Ten institutions to introduce a major in this area. For agenda item no. 12, "Establish Doctor of Audiology Degree Program, Urbana," she said that this degree is now required for certification as an audiologist. On agenda item no. 13, "Designate Department of Aeronautical and Astronautical Engineering as the Department of Aerospace Engineering, Urbana," she said that this clarifies the subject matter of the major. On agenda item no. 17, "Designate Family Resiliency Building as the Doris Kelley Christopher Hall, Urbana," she explained that this building was built with gift funds donated by Doris Kelly Christopher and her husband, Jay W. Christopher. For agenda item no. 27, "Contract for Conversion of Bibliographic Records for the University Library, Urbana," the chancellor explained that this will convert all the bibliographic records in the library and will be a major improvement for the library. She said a grant from the Mellon Foundation is providing the funding for this project.

Related to the appointment of the head men's basketball coach, Dr. Schmidt asked if there was a way the campus might make it clear to the public that none of the salary for the coach was paid from public funds. Chancellor Cantor stated that every news release on this appointment and other similar appointments states this fact, and that the public does not seem to note this. Mr. Lamont concurred with the chancellor and cited past

experiences in attempting to explain this. Mr. Sperling commented on the relative placement of the salary among the other Big Ten coaches and stressed that it is well below the median of other institution's coaches. Dr. Gindorf added that the fact that the coaches are not paid from State funds has been emphasized consistently and there seems no will to understand this.

Chancellor Manning then described the items on the agenda that concern the Chicago campus. On agenda item no. 2, "Appoint Fellows to the Institute for the Humanities, Chicago," she said that these are distinguished faculty who spend some of their time in the institute. On agenda item no. 14, "Designate Illinois Institute for Developmental Disabilities Building as the Disability, Health, and Social Policy Building, Chicago," she explained that the present name was inherited when the building was transferred to the campus from the State and that the new name designates the entities currently occupying the building. For agenda item no. 18, "Amend the UIC Senate Constitution," she stated that this set of changes amends the senate constitution written in 1982 when UIC was formed through consolidation of the Medical Center campus and the Chicago Circle campus and that trust was lower then. She stated that many parts of that constitution should actually have been placed in a set of bylaws, and that this amendment accomplishes that.

Chancellor Ringeisen discussed the items on the agenda related to the Springfield campus. On agenda item no. 5, "Executive Director, Abraham Lincoln Presidential Center for Governmental Studies, Springfield," he stated that he was pleased to recommend Milan J. Dluhy who is a recognized scholar in public affairs for this position and commented that he expected Dr. Dluhy to develop an excellent center. On agenda item no. 10, "Establish the Master of Science in Environmental Science, College of Public Affairs and Administration, Springfield," he explained that this degree is currently a Master of Arts and is being changed to emphasize the scientific basis that has developed. On agenda item no. 15, "Designate Student Housing Names, Springfield," he said that these are new residential units for students and that all such buildings on that campus are named for Illinois prairie flowers. On agenda item no. 16, "Designate Campus Street Name, Springfield," he explained that all streets on the campus are named for Illinois authors and that the street now known as University Place was once Carl Sandburg Lane. He said that this naming restores Sandburg's name to a campus street.

Vice President Chicoine spoke to agenda item no. 20, "Appointment to the Board of Illinois VENTURES, LLC," and said that David Wilhelm was well qualified to serve as a member of the Board of Managers, given his experience as the operator of a venture capital fund and other experiences in activities related to economic development.

Vice President Gardner addressed agenda item no. 9, "Sabbatical Leaves of Absence, 2003-04," and stated that this item is similar to that presented at the March 2003 board meeting. He indicated that these are pre-

sented now because they were awaiting decisions on tenure for the faculty members involved, thus making the sabbatical leave possible.

Vice President Rugg reviewed several items beginning with agenda item no. 19, "Interim Operating Budget for Fiscal Year 2004," and explained that this is similar to a continuing resolution and provides authority to continue operating the University through the time between the end of the fiscal year and the availability of the FY 2004 budget. On agenda item no. 21, "Auxiliary Facilities System Revenue Bonds, Series 2003A," he asked Michael Provenzano, senior associate vice president for business and financial services, to provide explanation. Mr. Provenzano said that these are limited obligation bonds pledged for the construction of student residences at Springfield and a campus recreation center at Chicago. He added that additional funding in the form of a bond series was planned to fund completion of the recreation center. He stated that the University anticipated an interest rate of 4.4 percent on these. On agenda item no. 22, "Auxiliary Facilities System Revenue Bonds (Additional Project), Series 2001 B and C," Mr. Provenzano stated that excess funds from a previous bond issuance were to be used for provision of parking facilities on the Urbana campus. Mr. Rugg then stated that agenda item no. 23 would be discussed in the Buildings and Grounds Committee meeting. For agenda item no. 24, "Contract for Investment Management Services (Adams Street Partners)," agenda item no. 25, "Contract for Investment Management Services (Regional Private Equity Partnership) (Edgewater Private Equity Fund IV, L.P.)," and agenda item no. 26, "Contract for Investment Manager (Grantham, Mayo, Van Otterloo & Co.)," Mr. Rugg asked Douglas E. Beckmann, assistant vice president for business and finance, to present information. Mr. Beckmann stated that these recommendations emanated from an intensive review conducted over several months following issuance of an RFP to identify the best managers of the University's endowment. He explained that these managers are recommended based on their expertise in the various sectors in which the University wished to invest. Discussion followed regarding the decisions made with regard to amounts to be invested with different managers. On agenda item no. 28, "Contract for Implementation Management Services for the UI-Integrate Project," Mr. Rugg asked Richard Mendola, associate vice president for administrative information technology and services, to comment. Dr. Mendola stated that this consulting contract with Accenture is for review of administrative systems being implemented under the aegis of the UI-Integrate Project to ensure standardized procedures for production of all information in the three systems that will be introduced this year and next. He said that additional consulting assistance is needed for the student services system. Further, he indicated that this item recommends releasing \$1.23 million and that \$2.4 million remains in the budget for these activities. He concluded by stating that the project is on time and on budget. On agenda item no. 29, "Contracts for Classroom/Office Building, Springfield," Mr. Rugg explained that this is for electrical and general trades work on this

building. On agenda item no. 31, "Purchases," Mr. Rugg asked Mr. Provenzano to comment. Mr. Provenzano stated that purchase item no. 1 was withdrawn, and he explained that the recommendations to purchase personal computers would be executed only if there were sufficient orders from campus units to purchase this number.

Secretary Thompson commented on agenda item no. 30, "Disclosure of Executive Session Minutes Under Open Meetings Act," saying that this was the usual semi-annual review of hitherto sequestered minutes with a recommendation to release some.

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; the purchase or lease of real property for use by the University; pending, probable, or imminent litigation against, affecting, or on behalf of the University; discussion of minutes of meetings lawfully closed under the open meetings act."

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

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

EXECUTIVE SESSION

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

Mr. Rugg presented the material under this exemption. He stated that he had invited Mr. Michael Provenzano and Ms. Ellen Hamilton, director of real estate, Chicago, to join him for this presentation to assist him. Mr. Rugg explained that State law prevents the sale of University property and retention of proceeds, but does not preclude the trade of non-surplus property. He said that this provides the basis for the proposal to be presented. He then explained that the city of Chicago wants the University-owned Sangamon Street Building, located at 115 South Sangamon Street, in order to develop a park on the site. He said that this property is located north of the Eisenhower Expressway, and north of the east side of the Chicago campus, but not contiguous to any other part of the campus. He noted that it had been a tuberculosis sanitarium in the past. He also indicated that the University had received an appraisal of \$6.2 million for the property. Mr. Rugg told the board that the University had attempted two times in the past to get an exemption to the law in order to sell the property and keep the proceeds, and that these two requests had been referred to Michael J. Madigan, speaker of the Illinois House of Representatives, and he had denied the requests. Mr. Rugg added that if the University sought to relinquish control of the building it would go to the Illinois Department of Central Management Services.

He said that it would be advantageous to trade this building for a more usable building closer to other campus buildings, and he stated that there is such a building, the warehouse building at 1515 West 15th Street, that the University of Illinois Foundation owns that is currently used for storage by the Chicago campus. He said that the warehouse had been appraised at \$6.25 million. Mr. Rugg then explained that the Trust for Public Lands had agreed to purchase the warehouse for \$6.25 million from the Foundation, whereupon the Foundation would pay off the note on the building and reimburse the University for the improvements made. The Trust, as the new owner of the warehouse building, would then trade it to the University for the Sangamon Street Building. This would relieve the University of responsibility for the Sangamon Street Building and provide for it another very usable building.

Mr. Rugg then told the board that since Speaker Madigan had been involved in the past in reviewing proposals regarding the Sangamon Street Building he suggested that he present this proposal to Speaker Madigan in order for the University to be assured that he would not find it objectionable. He said that he would report back to the board after he had a response from Speaker Madigan.

Following this presentation there was brief discussion that involved Mr. Provenzano and Ms. Hamilton.

Mr. Rugg then stated that there was a matter concerning purchase of property at the Urbana campus of which he wished to apprise the board. For this discussion he invited the following individuals to join him: Eugene Pitcher, university director of real estate; Clifford J. Carey, associate director, planning, design, and construction, Urbana; and Pamela Voitik, assistant vice chancellor for administration and human resources, and director of the Division of Campus Parking and Transportation, Urbana. He asked Mr. Provenzano to present information concerning the property sought.

With the aid of maps, Mr. Provenzano pointed out the location of the property the University desires and explained that if this were acquired there would be sufficient space for constructing a parking facility that is needed, and also an academic building at a later time. He reported that the property is owned by the Newman Foundation next to campus and currently serves as a residence for 40 students. He stated that condemnation of the property was not being recommended since the Newman Foundation is a good neighbor, and there is a long tradition of cooperative relationships between the Newman Foundation and the campus. Rather, he said that a trade of property owned by the University for property owned by the Newman Foundation was recommended. Informal conversations indicated that the Newman Foundation was willing to consider this, providing the trade involved property near their other buildings, because they want to build another residence for the students.

Lengthy discussion followed concerning appraisals of the property sought and the legal concept of "damages to the remainder" regarding the property's value in compliance with acceptable practices for its severance from contiguous property. Mr. Pitcher stated that the University had

obtained an appraisal, and that a second “review” appraisal would be obtained as well. The board cautioned that the appraisals should be thoroughly reviewed and admonished administration to probe these carefully to avoid paying more than necessary.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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

Mr. Bearrows indicated that Dr. Charles L. Rice was present to aid in the discussion of this case he was about to describe. Mr. Bruce excused himself at this time for the remainder of the executive session.

AT THIS TIME, MR. BRUCE WAS
EXCUSED DUE TO THE NATURE
OF THE MATERIAL BEING
DISCUSSED IN ORDER TO
ELIMINATE THE POTENTIAL FOR
ANY CONFLICT OF INTEREST.

Mr. Bearrows presented the recommendation for settlement of the Crusoe case and reminded the board that this is the second time the case has been presented to the board. Mr. Bearrows reviewed the facts of the case. The patient was a 65-year-old male who was in a collision with a truck and suffered injuries. While surgery was a possibility, it did not prove necessary. Mr. Bearrows related that shortly after being admitted physical therapy was to begin, but due to the pain caused by movement this was discontinued. A day later the patient was able to walk approximately 20 feet; however, he was extremely tired by this and required bed rest. A few hours afterward, the patient went into cardiac arrest and expired. Mr. Bearrows

told the board that 55 hours elapsed between admission of this patient and his death. He stated that an autopsy was performed and revealed arteriole sclerosis and thrombo embolisms to the right and left arteries of the heart. He said that it was thought the thrombo embolisms were due to the pelvic fracture.

Discussion followed and Mr. Bearrows presented the outside experts' opinions on the case, stating that they were concerned about the fact that the University physician did not use any mechanical means (such as thrombo-embolic disease hose and sequential pneumatic compression devices) to prevent blood clots. He said that they noted that use of such devices is suggested by the scientific literature and that there seemed no downside to use of these. Mr. Bearrows told the board that six outside experts that have used such devices for their patients agreed.

Mr. Sperling then asked if any contact had been made with the plaintiff's firm after the first discussion of the case at the March 2003 board meeting and Mr. Bearrows indicated that this had not occurred and that university counsel is always very clear to tell plaintiff's counsel that Board of Trustees approval is needed for settlement. He said the plaintiff's firm was simply told that the board did not approve the settlement.

Dr. Gindorf commented, stating that in his estimate no bad decisions were made in this case, that physical therapy was the best route to take, and that other suggestions did not seem appropriate to him. Mr. Bearrows responded that the outside experts observed that there were compelling reasons to suggest use of mechanical anticoagulation efforts.

Dr. Rice then stated that the medical record in the case had no progress notes to explain decisions made against using such devices. He added that the usual drug suggested for patients with symptoms similar to this patient's was not used, but a similar drug was prescribed. Also, Dr. Rice reported that the main physician never saw the patient, only the attending physician saw the patient.

At this point Mr. Bearrows suggested that the board might wish a board item delegating authority to the comptroller to approve settlement at a maximum amount but not stated in the board item itself, with every effort made to settle at an amount less than the amount presented at the prior meeting. The board agreed by consensus to permit this.

An Employee Matter

Chancellor Ringeisen referred to the recommendation in the agenda to appoint an executive director of the Abraham Lincoln Presidential Center for Governmental Studies, Springfield, and described the qualifications of the individual, Milan J. Dluhy, and recommended him highly as possessing important experience and credentials for this position.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned. At this time the board recessed for luncheon, to be followed by committee meetings.

MEETING OF THE COMMITTEE ON BUILDINGS AND GROUNDS

Mr. Shah convened the meeting and asked Robert K. Todd, associate vice president for administration and human resources, to review the agenda.

Design Presentations

Mr. Todd stated that the first item on the agenda was a design presentation for Doris Kelley Christopher Hall at Urbana. He introduced the architects, both of whom are with Booth Hansen Associates—James “Sandy” Stevenson, a principal with the firm, and Grace Rappe, a vice president (materials on file with the secretary). Mr. Stevenson reported the assumptions used for the design and explained that the plan for the building was to have essentially two separate areas, one for offices and meeting rooms and one as a small home-like setting for families to come to spend time to be observed by students and researchers. Ms. Rappe presented the model for the design and described the separation of the two parts of the building under the roof that is to be compatible with slate roofs appearing on other buildings in the vicinity. She stated that the building materials would be red brick and limestone and that the “chimney” would actually be a screen for ventilating equipment. She said that the design was conceived to fit in with surrounding buildings on the campus.

Mr. Shah reminded Mr. Stevenson that he had worked with him successfully at another time, and asked that the budget for this project be carefully monitored. Mr. Stevenson assured him of this.

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

Mr. Todd then indicated that the next item on the committee’s agenda was a review of a design for the addition/renovation to the existing UIC West Campus Recreation Facility. He said two architectural firms had worked together to produce this design, Phillips Swager Associates, represented by Chief Executive Officer Tom Seymour, and Moody Nolan, Inc., represented by Curt Moody (materials on file with the secretary).

Mr. Seymour presented information about the current site and described the extant facility that is to receive the addition. He emphasized that cantilevered floors above the current foundation that contains a swimming pool would be added in order to afford more space, and he stated that they had selected cladding materials for the addition to minimize weight.

Mr. Moody described the interior of the new space to be constructed. He stressed that the space had been carefully planned to provide optimum circulation within the different areas of the space for the users. He also indicated that an indoor track has been planned as an alternate. Then he further described the materials to be used for the exterior cladding and window wells of the building.

Mr. Shah asked both about coordination among team members to ensure quality and to avoid change orders. Mr. Moody assured him that each firm would review all drawings independently to ensure that there were no oversights. He also said he was convinced that his firm and Phillips

Swagger would work well together, to the benefit of the client. Mr. Shah stated that there should be no change orders.

Mr. Wolfe commented on the design and praised the selection of building materials.

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

Report on South Campus Development, Chicago

Michael B. Provenzano, senior associate vice president for business and financial services, gave a report related to agenda item no. 23. He presented information on the progress of the south campus development at Chicago and briefly described the history of this, including the formation of South Campus Development, LLC, formed by the developers of the private housing in the project, and of the fact that the city of Chicago assisted with the project importantly by approving tax increment financing (TIF) for the development. He told the board that 930 private housing units had been developed and that demand for this housing had far outstretched early forecasts, which is a benefit to the University.

He explained that the project was unique, and that at the outset there was no way to determine what would be appropriate for the budget, so an amount that seemed necessary to all involved was approved by the board initially with the understanding that that amount would be augmented later. Mr. Provenzano indicated that the amount now needed to complete the project is considerably less than first expected, due to the success of the housing sales. He noted that in addition to the commercial residential units and the student housing facilities, the development includes the following: athletic fields for use by students and community groups, retail facilities, and an academic sector known as the academic super block. He stated that in order to complete the project, the rest of the budget must be approved. He stated that this amounted to \$89.9 million, \$74.4 million of which would come from the TIF, \$15.9 from the private developers, and \$3.0 million from the University. Mr. Provenzano stressed that this increase was not unplanned, but the amount was not known at the outset, given the several unknown factors at the outset of the \$560.0 million project.

Discussion followed with several questions posed. Dr. Schmidt reminded his colleagues that in the beginning the University thought that the final budget increment might approach \$20.0 million for the University's portion, but that the success of the housing sales has reduced this to \$3.0 million.

Report on the University's Deferred Maintenance

Vice President Rugg reported data describing the amount of the University's deferred maintenance to facilities and began by reminding all that in order to recruit and retain top quality faculty and staff the University must have top quality facilities. He stated that the University has traditionally built for the ages and that University standards for construction are high. He said that building deficiencies left unattended will lead to a shortened lifespan and reduced asset value for the facility. He added that from an

asset management perspective one must look at the University's facilities as a group and that an audit had been performed approximately 18 months ago to assess the quality of the facilities. He stated that the total value of the asset is set at \$4.0 billion, and that the audit revealed a need for \$600.0 million to address deferred maintenance of the facilities. In addition, he said that the auditors considered one-half of the University's facilities to be in poor condition (materials on file with the secretary).

He described the elements of the audit to include: the exterior enclosures of the buildings (roof and exterior skin), HVAC systems, and electrical systems. He recommended a commitment of \$10.0 million for next year to address these needs, and suggested that certificates of participation be issued for the funding, with the University's general revenue fund appropriations used as the revenue source for debt service.

Discussion followed with Dr. Schmidt calling attention to the fact that the facilities supported by the auxiliary facilities system are maintained in a better fashion than the University's facilities that depend on State funding for maintenance. And, Dr. Gindorf noted that the integrated chiller system currently under construction would address the problems with the HVAC systems. Mr. Vickrey also asked if the \$600.0 million estimate was sufficient to handle inflation. Mr. Rugg stated that it was. Mr. Shah asked whether indirect cost recovery funds from grants and contracts was being used for deferred maintenance and Mr. Rugg said that they definitely were since this is a major reason for them.

Next, Mr. Todd referred to the report on the auxiliary facilities system report in the packet. He reviewed the history of this program, stating that it was initiated in 1978 and requires that one-half of 1 percent of the replacement cost of all these facilities be reserved each year to address maintenance needs of these facilities. He stated that a priority list is established for each year and approved by the vice president for administration. He added that the study mentioned above included the auxiliary facilities and that the program for maintaining them received a good report. He concluded by saying that the reserve is very healthy now and will be used this year to pay for installation of sprinkler systems in residence halls.

MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

Dr. Schmidt, chair of this committee, introduced the presentation for the committee and said that three faculty members would speak to their work at the University and that he planned to make this kind of presentation, a showcase of faculty accomplishments, a regular feature at board meetings. He invited Chancellor Cantor to comment on the subject of the presentation. She explained that she had asked three faculty members who exemplify the strengths of the faculty to address the board, and that the context for the presentations was the New Biology, a subject in which all three were involved. She then introduced Jonathan V. Sweedler, interim director of the Biotechnology Center, and J. and W. Lycan Professor, Department of Chemistry; Harris Lewin, director, W. M. Keck Center, and Gutsell Profes-

sor, Department of Animal Sciences; and Richard W. Burkhardt, professor, Department of History.

Professor Burkhardt spoke first and described the varied assignments and differences of focus of the faculty as well as the different needs of faculty, citing that humanists and social scientists need libraries and scientists need special laboratories. He explained that he teaches many undergraduates and that Professor Sweedler teaches mostly graduate students, because of the nature of their scholarly interests. He then told the board of his background as a specialist in the history of science, and of the fact that he teaches four courses per year to undergraduate and graduate students. Next he described an interdisciplinary course he and Professor Lewin taught, *The New Biology, Issues and Opportunities*, and of the selection process for the students for this course. He compared the impact of Darwin's *Origin of Species* to the Cylera Group's work on the human genome, citing the ethical consequences in both important breakthroughs. He gave this course as an example of one of many attempts on the campus to broaden the education of students.

Professor Sweedler described his work as conducting research with a group composed of graduate students and faculty from many backgrounds. He stated that graduate education in the sciences is group training that is essentially an apprenticeship. He also noted the global network that scientists such as he and his colleagues must participate in and how research today frequently has contributions from scientists from all over the world. He also described his varied roles as director of the Biotechnology Center, and as a professor of neurobiology to undergraduates and graduate students. He stated that his students receive many job offers in higher education and from industry.

Professor Lewin spoke next and emphasized the importance of outreach activities in the work of the faculty, mentioning his own teaching experience in many different units on the campus and describing his research for the U.S. Department of Agriculture and the National Institutes of Health in a lab of 12 to 15 members. He also spoke of his professional service as an editor on several journals and the responsibilities of one engaged in peer review of others' research articles, as well as his responsibilities as a reviewer of grant proposals for Federal funding agencies, and as an expert witness nationally and internationally. He added that he also gives invited lectures all over the world and noted the benefits of this activity to his program and the University. Also, he told the board of his efforts to transfer the products of research to commercial applications and the efforts of many to patent faculty research and with this spur economic development for the State and the nation.

Mr. Eppley thanked the faculty members for their reports and stated that such presentations about the core missions of the University help the board to understand what their efforts help to make possible. Other trustees also offered appreciative comments to the three faculty members.

MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Dr. Gindorf, chair of the committee, asked Dr. Richard O. Traver, executive director of university audits, to present a report on the *Handbook for Good Ethical Practice for Faculty and Staff at the University of Illinois* (materials on file with the secretary). Dr. Traver stated that this was prepared as part of the ethics program the University started in response to the State Ethics Act of 1998. He described the committee that worked on the report with him and how the code of conduct described in the handbook was developed. He also told the board that a web site was now available that makes this handbook available and also provides the form for declaring economic interests required by the State for certain employees and others at the University, including trustees. He said that 36,000 copies of the handbook had been distributed to University faculty and staff thus far. He described the handbook as a source of guidance for such things as the need to disclose knowledge of wrongful conduct, protection of employees from reprisal, and a guide to assessing ethical issues in situations.

BOARD MEETING RECONVENED

When the board reconvened in regular session, those recorded as present earlier were still in attendance.

Dr. Gindorf then asked to speak and stated that the board did not have enough information yet about the budget to set priorities, and noted that quality was always the basis for setting the University's priorities and if that is in jeopardy the board should address that through increasing tuition or seeking a commitment for funding from the State.

Mr. Eppley responded stating that President Stukel had made a report to the legislature on April 11 that was the baseline for information about the budget for the next fiscal year, and that Vice President Gardner would be meeting with each trustee in the next few weeks to review the budget and discuss plans with them.

Dr. Gindorf said it was very important for the board to decide what it would do for the next year, given the significant rescissions of the past few months.

President Stukel then reviewed the amount of the rescissions, \$58.0 million, the unavoidable expenses for Fiscal Year 2004, \$14.0 million, and said that the University needed to produce this \$72.0 million from cuts to the budget and he named several reductions. He said he would provide more details later, but that the board should know that the University has lost \$190.0 million in State support in the past two years.

Mr. Eppley also reported on meetings he had had with the State Office of Management and Budget, in which he was accompanied by Vice President Rugg and Dr. Craig Bazzani. He stated from these discussions they learned what the total budget cut to the University would be. He stated that the president and others were now modeling what the new budget might be.

Dr. Gindorf opined that it is necessary to convince all that the University is well managed and that the faculty is special and that the board must support the faculty or risk losing key faculty members. Mr. Sperling added that he was concerned that the budget cuts might jeopardize quality in academic programs, patient care, and all aspects of the University.

President Stukel then stated that quality is the issue, and that this makes a great difference to the University. He reported on the large number of recruiters who come to the Urbana campus to hire graduating students and said that these people look at ratings for universities to decide which campuses to visit for recruiting. The president said that this speaks to the value of the degree. He said that high-quality faculty come to the University in order to work with similar faculty and that faculty tend to make a long-term commitment to an institution, and that they are keenly aware of the State's support and monitor this. He added that it is very important that the programs at the University that are in the top 10 and 20 nationally retain that ranking, because this makes a huge difference in the recruitment and retention of faculty as well as the recruitment of the best students. He then noted the decrease in support from general revenue funds for the University since 1990, stating that if the percent of the general revenue fund allocated to the University had been held constant for these years, the University would now have \$277.0 million in budget this year. He concluded by saying that the University must maintain quality and that faculty tell him that the level of quality is on the verge of diminishment. He said that the University is at a critical juncture and that while many efforts are being made to reduce administrative costs and others, the quality of the academic programs must be preserved and it is at risk.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel thanked Mr. Lamont for his service to the University as a trustee for the past 12 plus years, indeed nearly 13 years. He recalled Mr. Lamont's work as chair of the Board of Trustees and the value of his insights, as well as his devoted service to several committees of the board. The board members and University officers recognized Mr. Lamont with a standing ovation.

Next, the president thanked the board members who participated in the several commencement exercises of the past few weeks. He said that 7500 undergraduate degrees were awarded on the three campuses this spring. He then invited reports from the chancellors, calling on Chancellor Cantor first.

Chancellor Cantor told the board of several awards to faculty that occurred since the last board meeting and of several students who had received awards and distinguished scholarships for graduate work. She also reported on the scholar/athlete banquet and noted that the men's tennis team had the highest grade point average of all teams, and that the women's golf team had the highest grade point average among women's teams. She also said that the wrestling team won the 2003 championship.

In addition, she announced that this year marks the 100th anniversary of the awarding of the first Ph.D. degree at Urbana.

Chancellor Manning reported that the National Science Foundation, based on receipt of external research funding, now ranks the Chicago campus among the top 50 universities in the country.

She also reported on students who had received distinguished scholarships for graduate study. In addition, she noted that three of six children to receive transplants from living donors had had their surgery at the University of Illinois Hospital. She also told the board that there would be a site visit as a part of the review of the campus' proposal to establish a National Biocontainment Laboratory on the campus.

Chancellor Ringeisen reported that commencement exercises at Springfield were a success and that the speaker, Harold Holzer, a noted Lincoln scholar, had been especially impressive. He also stated that the Abraham Lincoln Presidential Center for Governmental Studies at the campus was developing well as was the Lincoln Legacy Lecture Series. Further, he noted that the public policy seminar presented recently, Ethics in Illinois Politics, had been well received. Next, he said that the campus had decided to allow students to transfer to the Springfield campus after completing 30 hours instead of 45 hours of academic work as was previously required. And, he stated that he had recently convened a National Committee on the Future of UIS with 200 in attendance to plan where UIS would be in 10 years.

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Mr. Eppley thanked the board for coming to agreement on the schedule of meetings for next year and for reviewing the proposed amendment to the *Bylaws* of the Board of Trustees that revises the standing committees of the board. He said that Vice President Gardner would meet with each trustee to review the budget and the priorities in the next few weeks. He also thanked the State for the University's budget for Fiscal Year 2004.

OLD BUSINESS

Mr. Eppley asked if any trustee wished to report on meetings or other business occurring since the last board meeting.

Mrs. Sodemann stated that she and Mr. Sperling attended the meeting of the State Universities Civil Service Merit Board and that the University had no employee cases on the agenda. She also noted that the Merit Board budget had been reduced by 8 percent.

Mr. Vickrey reported on a meeting of Wolcott, Wood and Taylor, Inc., the University-related organization that handles billings and collections for participants in the Medical Service Plan. He said that the next department to be added to this service would be psychiatry, and that payments from the Illinois Department of Public Aid were slowing. He added that the staff had collected payments in excess of 4 percent of their goal for the last time period. Also, he noted that the Health Insurance Portability and Account-

ability Act had been implemented by Wolcott, Wood and Taylor, Inc., in accordance with the law.

NEW BUSINESS

Mr. Lamont made a statement of appreciation for the privilege of serving as a member of the board, and told his colleagues that their challenge was to protect the University. He indicated that he would be serving on the Illinois Board of Higher Education, and hoped to continue to assist the University in that role.

Next, Mr. Lamont presented a certificate of appreciation to Mr. Wolfe for his two years as student trustee from Chicago. He noted that Mr. Wolfe had graduated from UIC this month, and that he was planning to work in Washington, D.C. Mr. Wolfe responded, stating that serving on the board had provided the best course he has had. He thanked administrators at UIC and all of his colleagues for their help.

Mrs. Sodemann presented a similar certificate to Mr. Moore, and commended him for his calm and mature approach to issues considered by the board. She also commented on his perseverance in maintaining a full-time academic load as a student and working full-time in State government as well. She noted that he plans a career in government and observed that his early academic studies in engineering and his more recent work in political science should combine well in enabling him to think logically and strategically. Mr. Moore told the board that although he had been a student at two of the three campuses of the University, having begun his college studies at the Urbana campus in engineering and then transferred to the Springfield campus to study political science, he gained a real understanding of the University through his service on the board. He thanked his colleagues and the administration for their assistance to him.

Dr. Schmidt presented a certificate to Mr. Stewart and lauded him for his leadership activities at the Urbana campus, and shared with the board that Mr. Stewart had not only received awards for leadership and scholastic accomplishment, but had shared his skill with others as a volunteer tutor to grade school pupils. Mr. Stewart thanked his fellow trustees and the administration for their help and lamented the University's budget problems. He then told the board that he wanted to share with them his thoughts on the issue of Chief Illiniwek (material on file with the secretary).

He stated that he was discouraged by the board's failure to deal with the matter of Chief Illiniwek, and said that the continuation of this controversy is an embarrassment to the University and has been for a long time. He stated that in the past few months, he had received more information about the Chief than any other issue, and that he was convinced that the University would not lose anything in the end by eliminating this image. He said that it is an image that alienates and offends people across the nation, and that he is one of them. He said that he had discussed discontinuing the Chief's performances at sporting events with his colleagues, and that he prayed that the board would come to a suitable and honorable decision in the near future. He said that this one act would end the embarrassment

and prove that the University of Illinois is a place that promotes the diversity of ideals and people. He noted that the composition of the board had changed significantly since former trustee Roger Plummer presented his report on the issue, and he urged the board to talk to each other, make a plan, and act. He concluded by stating that he hoped his words would influence a speedy resolution to the problem.

After his remarks, Mr. Stewart introduced Nathaniel H. Allen, his successor, and mentioned that Mr. Allen had conducted a survey of 6500 students at Urbana and found that the majority would support a tuition increase of 8 percent.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 18 inclusive. The recommendations were individually discussed but acted upon at one time.

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

University of Illinois Board of Trustees Schedule of Meetings 2003-2004

(1) The president presented the following schedule:

<i>Date</i>	<i>Location</i>
2003	
September 11	Springfield
November 13	Urbana
2004	
January 15	Chicago
March 11	Urbana
April 15	Chicago
June 17	Chicago
July 14-15	Urbana

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

Appoint Fellows to the Institute for the Humanities, Chicago

(2) The chancellor at Chicago, with the recommendation of the director of the Institute for the Humanities, and with the concurrence of the dean of the College of Liberal Arts and Sciences, recommends the following appointments of fellows to the Institute for the Humanities for the academic year 2003-2004, and for the program of research or study as indicated in each case.¹ Fellows² are released from teaching and administrative duties, normally for one year, so they can devote full effort to their research.

¹Faculty fellows are chosen competitively by the institute's executive committee through evaluation of research proposals.

²Alternates: (1) Mi-Kyoung (Mitzi) Lee, assistant professor, philosophy, "Universal Laws and Particular Exceptions in Plato's and Aristotle's Theories of Moral and Political Reasoning"; (2) Elizabeth Loentz, assistant professor, Germanic studies, "Bertha Pappenheim After Anna O.: Jewish German Feminist Leader, Social Worker, Activist and Writer"; (3) Renato Barahona, associate professor, history, "Female Plaintiffs, the Forging of Narratives and the Secular Courts of Spain: The Basque Provinces and Old Castile, 1550-1700."

MICHELLE BOYD, assistant professor, African-American studies, "The Real Thing: Racial Authenticity & Community Redevelopment"

PETER D'AUGUSTINO, assistant professor, history and Catholic studies, "The Politics of Authenticity: The Italian State in the U.S. Diasporic Nation, 1861-1940"

PETER BACON HALES, professor, art history, "Freeways Now"

SARA F. HALL, assistant professor, Germanic studies, "Citizen's Arrest: Weimar Cinema and the Police"

MARK LIECHTY, assistant professor, anthropology and history, "Far Out: Kathmandu and the Birth of Global Mass Tourism, 1950-1980"

NOELLE T. JORDAN, associate professor, history, "France, Reparations and European Security, 1919-1929"

CHARLES W. MILLS, professor, philosophy, "Contract and Domination"

ABRAHAM S. ROTH, assistant professor, philosophy, "Shared Agency"

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Appoint Members to the Board of Examiners in Accountancy, Urbana

(3) The chancellor at Urbana with the advice of the chairman of the Nominating Committee of the Board of Examiners recommends the reappointments of Ms. Claireen Herting, Ms. Myra Swick, and Ms. Cheryl S. Wilson to the Board of Examiners for three-year terms that will commence on August 1, 2003, and end July 31, 2006.

According to State statute,¹ the University of Illinois appoints a Board of Examiners to determine the qualifications of persons applying for CPA certificates and makes rules for and conducts examinations for determining qualified candidates. The board consists of nine examiners whose term of office shall be three years. Any board member who has served as a member for six consecutive years shall not be eligible for reappointment until two years after the end of the term in which the sixth consecutive year of service occurred.

The president of the University concurs.

MS. CLAIREEN L. HERTING, MBA, J.D., CPA, is a director and manager at PriceWaterhouseCoopers, LLP, Chicago, specializing in personal financial planning and Federal tax. She also holds an appointment as adjunct professor of law at the John Marshall Law School and is on its Board of Trustees. She is a member of the Chicago Estate Planning Council, Illinois CPA Society, American Institute of Certified Public Accountants, American Society of Women CPAs, and the American Bar Association.

Ms. Herting is active in many community organizations including the Easter Seal Society of Metropolitan Chicago, the Art Institute of Chicago, and Midwest American Women Composers. She is the recipient of a number of honors and awards and has published scholarly articles and journals.

Ms. Herting completed a bachelor's degree in accountancy from the University of Illinois at Urbana-Champaign, an MBA from Kellogg School of Management, and a J.D. at John Marshall Law School. Ms. Herting is completing the third year of her first three-year term on the Board of Examiners and served as chair for 2002-2003. She is eligible for reappointment.

MS. MYRA A. SWICK, B.S., CPA, has been a partner at Walton Joplin Langer and Company, Chicago, since 1982. Her responsibilities include management of audit, review, accounting, and tax services for closely held businesses based in the greater Chicago area. She is past president of the Illinois CPA Society and has served on many of its committees and task forces. Ms. Swick is a member of the Council of the American

¹Under Public Act 92-0457 of the 92nd General Assembly, effective July 1, 2004, the governor will appoint the Board of Examiners. At that time, the CPA certificate will refer to the Board of Accountancy, rather than the University of Illinois.

Institute of Certified Public Accountants, as well as a past board member of the Chicago Finance Exchange.

Ms. Swick serves as a member of the Audit Committee of Loyola University and is past National President of the American Women's Society of CPAs. She has been honored by the Midwest Women's Center for outstanding leadership in the community. Ms. Swick earned a Bachelor of Business Administration from Loyola University with a major in accounting. Ms. Swick is completing the third year of her first term on the Board of Examiners and served as vice chair for 2002-2003. She is eligible for reappointment.

MS. CHERYL S. WILSON, B.S., MBA, CPA, is managing director of erj Property Development, LLC, a real estate development company. From 1995 to 2000 Ms. Wilson was chairman and CEO of the Midwest Women's Center, a social service agency that provided training in the skilled trades and promoted programs for economic self-sufficiency for women. Following that, she was president and treasurer of THEATREplex Entertainment Properties, Inc., a real estate investment company.

For twenty-six years prior to 1995 Ms. Wilson was a business assurance partner in the Chicago office of Coopers and Lybrand, LLP, where she was partner-in-charge of three major service areas in the firm. She is immediate past chairperson and a current member of the Illinois CPA Society Board of Directors.

Ms. Wilson is active in many community and professional organizations, among those being the Chicago Finance Exchange, United Way, American Institute of CPAs, International Women's Forum, and the University of Chicago-Executive Program Club. In 2001, Ms. Wilson was honored in Today's Chicago Woman as one of the "100 Women Making a Difference."

Ms. Wilson received her B.S. from Northern Arizona University and her MBA from University of Chicago. Ms. Wilson served two terms on the Board of Examiners from 1995-1998 and 1998-2001. She is eligible for reappointment.

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

Appoint Professors to the Center for Advanced Study, Urbana

(4) The chancellor of Urbana, with the recommendation of the vice chancellor for research in consultation with the professors in the center, has recommended the following faculty members for appointment as professors¹ in the Center for Advanced Study: Leon Dash, journalism; Thomas Huang, electrical and computer engineering; Marianne Kalinke, Germanic languages and comparative literature; Vijay Pandharipande, physics; and Abigail Salyers, microbiology.

The vice president for academic affairs concurs.

The president of the University recommends approval.

LEON DASH, journalism—Swanlund Professor Leon Dash is a Pulitzer-prize winning author and journalist with extensive experience in both domestic and international reporting. His career at the *Washington Post* began in 1965 as copy boy on the night shift while attending Howard University during the day. He subsequently worked on the city desk, the foreign desk, and the investigative/projects desk. He is credited with the creation of immersion journalism. He came to UIUC in 1998 and is currently at work on a book on the survival mechanisms of freed slaves who settled in Mattoon after the Civil War.

THOMAS HUANG, electrical and computer engineering—Elected to the National Academy of Engineering in 2001, and winner of the IEEE Jack Kilby Medal that same year, William L. Everitt Distinguished Professor Thomas Huang is an internationally recog-

¹Professors in the Center for Advanced Study (center) are permanent members of the center community, chosen for their outstanding scholarship. Appointment to a professorship in the center is the highest academic recognition that the campus can bestow upon a member of its faculty. Center professors continue to serve as full members of their home department.

Concurrently, the professors in the center are: Gordon Baym, Nina Baym, May Berenbaum, William T. Greenough, Karl Hess, Ian Hobson, Nick Holonyak, Benita Katzenellenbogen, Paul Lauterbur, Tony Leggett, Richard Powers, Lou van den Dries, and Carl Woese.

nized leader in the field of image processing, image analysis, and human/computer interaction. He joined ECE and CSL in 1980, and has been a professor in the Beckman Institute since 1989. He is a noted teacher as well as researcher, and has supervised over thirty doctoral students to completion.

MARIANNE KALINKE, Germanic languages and comparative literature—Professor Marianne Kalinke joined the Department of Germanic Languages and Literatures in 1979, and served as department head from 1995-2000. She is an international authority on cultural and literary relations between Scandinavia and the continent in the medieval and early modern period. Her many books and articles deal with the impact of French and German secular and sacred romance on the development of Old Norse and Icelandic literature. Since 1981 she has been managing editor of the *Journal of English and Germanic Philology*.

VIJAY PANDHARIPANDE, physics—Professor Vijay Pandharipande received his doctorate from Bombay University in 1969 and was appointed to the UIUC Department of Physics in 1973. He is an internationally renowned theorist in quantum systems of nucleons, and in 1999 received the Bonner Prize, the most prestigious prize in nuclear physics. Since 2000 he has been a member of the joint National Science Foundation and Department of Energy Nuclear Science Advisory Committee.

ABIGAIL SALYERS, microbiology—Professor Abigail Salyers is past president of the American Society of Microbiology. She is a leader in the field of microbial ecology, pioneering studies on the physiology and genetics of the *Bacteroides* organism. In 2002 she was voted faculty member of the year, College of Medicine, all four University of Illinois campuses. During the recent panic over anthrax spores, Professor Salyers was the key player in disseminating information to the campus community and the community at large as to the scope and nature of the problem.

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

Executive Director, Abraham Lincoln Presidential Center for Governmental Studies, Springfield

(5) The chancellor at Springfield has recommended the appointment of Milan J. Dluhy, currently professor and chair, Department of Political Science and Public Administration at the University of North Carolina at Wilmington, as executive director of the Abraham Lincoln Presidential Center for Governmental Studies, beginning July 1, 2003, on a twelve-month service basis at an annual salary of \$145,000.

Dr. Dluhy will hold the rank of professor of public administration, on indefinite tenure on an academic year service basis on zero percent time. He will succeed Ernest L. Cowles, interim executive director, who will return to his position as director of the Institute for Legal, Administrative, and Policy Studies and associate professor of criminal justice, effective July 1, 2003.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

¹Nancy L. Ford, professor of legal studies, College of Public Affairs and Administration, and professor, Institute for Legal, Administrative, and Policy Studies, *chair*; Brenda J. Allan, administrative clerk, Abraham Lincoln Presidential Center for Governmental Studies; Charles Thomas Ambrose, senior training coordinator, Institute for Legal, Administrative, and Policy Studies; Dyanne J. Ferck, associate professor of business administration, College of Business and Management; Jeri L. Frederick, visiting training coordinator, Institute for Legal, Administrative, and Policy Studies; William Lee Frost-Kumpf, associate professor of political studies, College of Public Affairs and Administration, and associate professor, Institute for Legal, Administrative, and Policy Studies; Ronald D. McNeil, dean, College of Business and Management, and professor of business administration, College of Business and Management; Sandra J. Mills, assistant professor, Social Work Program, College of Education and Human Services; Christopher Z. Mooney, director, Institute for Legislative Studies, and professor of political studies, College of Public Affairs and Administration; and Phillip S. Paludan, professor, History Program, College of Liberal Arts and Sciences.

Designate Vice President for Technology and Economic Development

(6) In July 2000 the board approved the establishment of the position, vice president for economic development and corporate relations. This position provides overall leadership for the University's technology commercialization complex which brings to market technologies and innovations from the research and entrepreneurial efforts of faculty, staff, and students, and supports the growth and development of the Illinois economy. The proposed title more accurately reflects the focus and the scope of responsibilities, as well as the nature of activities assigned to the position.

Accordingly, the president of the University recommends that this position be designated as vice president for technology and economic development, effective June 1, 2003.

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

Head Men's Basketball Coach, Urbana

(7) The chancellor at Urbana recommends the appointment of Bruce B. Weber, formerly head men's basketball coach, Southern Illinois University, Carbondale, as head men's basketball coach, Division of Intercollegiate Athletics, Urbana, beginning April 29, 2003.

Consistent with policy approved by the Board of Trustees on January 12, 1989, a multi-year contract for five years is being proposed for Mr. Weber. The proposed contract provides for a service basis of ten-months' paid over twelve months with total annual compensation of \$500,000, which includes a base salary of \$150,000 for coaching duties. The remaining \$350,000 will be compensation for television and radio appearances, and educational, public relations, and promotional activities required by the University. At Mr. Weber's election, payments for some or all of these services may be paid to a company formed by Mr. Weber, which shall arrange for Mr. Weber's appearances. In addition, for service as head basketball coach for the University's summer men's basketball camp at the Urbana-Champaign campus, Mr. Weber will receive ninety percent of the net profit of the camp.

Coach Weber's base salary is funded by operating revenue in the Division of Intercollegiate Athletics; his radio and television broadcasting services are funded by broadcast revenue; his summer camp services are funded by camp revenue; and his educational, public relations, and promotional activities are supported by corporate contracts.

Mr. Weber succeeds Billy Eugene Self, Jr., who resigned from the position.

This recommendation is made with the advice of a search committee.¹

The president of the University recommends approval.

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

¹ Ronald E. Guenther, director, Division of Intercollegiate Athletics, *chair*; Terry W. Cole, associate director of athletics; Kelly L. Landry, associate director of athletics, senior women's administration; Vincent G. Ille, associate director of athletics for compliance.

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

NINA CLARK, assistant professor of medicine, on 51 percent time, and physician surgeon in medicine, on 49 percent time, College of Medicine at Chicago, beginning March 15, 2003 (NY51;NY49), at an annual salary of \$92,000.

LI FU, electronic services librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning March 1, 2003 (NY), at an annual salary of \$44,000.

ANDREI L. GARTEL, assistant professor of molecular genetics, Department of Medicine, on 100 percent time, and assistant professor of molecular genetics, Department of Molecular Genetics, on zero percent time (non-salaried), College of Medicine at Chicago, beginning February 1, 2003 (NY100;N), at an annual salary of \$75,800.

JORGE ALBERTO GIROTTI, assistant professor of medical education, College of Medicine at Chicago, on 51 percent time, beginning January 1, 2003 (1), at an annual salary of \$61,310. Dr. Girotti will continue to hold the positions of director of admissions, College of Medicine at Chicago, on 24 percent time, at an annual salary of \$30,000 (NY24), and associate dean for special curriculum programs, College of Medicine at Chicago, on 25 percent time, at an annual salary of \$28,904 (NY25), for a total salary of \$120,214.

*BARRY M. GRAY, professor of pediatrics, on 52 percent time, and chief of infectious diseases in the Department of Pediatrics, on zero percent time (non-salaried), College of Medicine at Peoria, beginning May 19, 2003 (AY52;NY), at an annual salary of \$77,830. Dr. Gray will continue to serve as physician surgeon in pediatrics, on 48 percent time, and adjunct professor of biomedical and therapeutic sciences, on zero percent time (non-salaried), College of Medicine at Peoria, effective May 19, 2003 (NY48;N), at an annual salary of \$72,170, for a total salary of \$150,000.

MIRIAM GRUSHKA, associate professor of oral medicine and diagnostic sciences, College of Dentistry, on 72 percent time, April 1, 2003-August 15, 2007 (QY72), at an annual salary of \$110,000; and dental surgeon, College of Dentistry, on 28 percent time, beginning on April 1, 2003 (NY28), at an annual salary of \$45,000. Dr. Grushka was appointed to serve as director of women's oral health, Department of Oral Medicine and Diagnostic Sciences, College of Dentistry, on a twelve-month service basis, on zero percent time (non-tenured and non-salaried), beginning April 1, 2003 (NY), for a total salary of \$155,000. She was appointed to serve as associate professor of oral medicine and diagnostic sciences, on 36 percent time, and dental surgeon, on 14 percent time, College of Dentistry, at an annual salary of \$77,500, beginning January 24, 2003.

JULIA HENDRY, assistant special collections librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning March 1, 2003 (NY), at an annual salary of \$41,500.

ALLYSON L. HOLBROOK, assistant professor, Public Administration Program, College of Urban Planning and Public Affairs, on 100 percent time, and assistant professor of psychology, College of Liberal Arts and Sciences, on zero percent time (non-salaried), beginning August 21, 2002 (1;N), at an annual salary of \$52,000.

*ROBERT C. LIDEN, professor of managerial studies, on 50 percent time, August 1-15, 2003 (N), \$3,889, and continuing on 100 percent time, effective August 16, 2003 (A), at an annual salary of \$140,000.

JOHN D. MURRAY, assistant professor of surgery, on 51 percent time, and physician surgeon in Surgery, on 29 percent time, College of Medicine at Peoria, beginning April 14, 2003 (NY51;NY29), at an annual salary of \$170,000.

LAURENTIU MIRCEA STEFANCU, electronic services librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning March 1, 2003 (NY), at an annual salary of \$44,000.

GREGORY R. J. THATCHER, professor of medicinal chemistry, Department of Medicinal Chemistry and Pharmacognosy, on 100 percent time, January 6, 2003-August 15, 2007 (Q), at an annual salary of \$105,000.

*SANDRA JEAN WAYNE, associate professor of managerial studies, on 50 percent time, August 1-15, 2003 (N), \$3,194, and continuing on 100 percent time, effective August 16, 2003 (A), at an annual salary of \$115,000.

Emeriti Appointments

LASCELLES F. ANDERSON, professor emeritus, College of Education, September 1, 2003

LAURENCE G. GRIMM, associate professor emeritus of psychology, January 1, 2003

JOYCE HELENA JOHNSON, associate professor emerita of medical-surgical nursing, July 21, 2001

HELEN S. JOHNSTONE, associate professor emerita of pediatrics, College of Medicine at Chicago, January 1, 2003

Springfield

YUICHI IWASHITA, assistant professor, Mathematical Systems Program, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$44,000.

TIH-FEN TING, assistant professor of environmental studies, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$45,000.

Urbana-Champaign

JENNIFER B. GRIMM, assistant professor of veterinary clinical medicine, on 100 percent time, beginning March 21, 2003 (NY), at an annual salary \$90,000.

RICHARD J. KOLLMAR, assistant professor of molecular and integrative physiology, on 100 percent time, beginning May 1, 2003 (N), at an annual salary of \$60,000.

JIE LI, assistant professor of geology, on 100 percent time, beginning March 21, 2003 (N), at an annual salary of \$57,000.

MICHAEL STRANO, assistant professor of chemical and biomolecular engineering, on 100 percent time, beginning January 13, 2003 (N), at an annual salary of \$68,000.

TIMOTHY J. STRATHMANN, assistant professor of civil and environmental engineering, on 100 percent time, beginning March 17, 2003 (N), at an annual salary of \$67,000.

DIETER VANDENBUSSCHE, assistant professor of industrial engineering, Department of Mechanical and Industrial Engineering, on 100 percent time, beginning April 2, 2003 (N), at an annual salary of \$65,000.

Emeriti Appointments

RICHARD J. ARNOULD, professor emeritus of economics, January 6, 2003

ROGER F. BLAKLEY, professor emeritus of art in the School of Art and Design, August 21, 2002

MICHAEL I. DARTER, professor emeritus of civil and environmental engineering, July 1, 2003

JAMES B. KALER, professor emeritus of astronomy, August 21, 2003

DENNIS M. ROWAN, professor emeritus of art in the School of Art and Design, January 1, 2003

ANDREW J. SOFRANKO, professor emeritus of rural sociology in the Department of Human and Community Development, May 21, 2003

Administrative/Professional Staff

- RICHARD A. ALPERN, associate dean for administration, College of Engineering, Chicago, on a twelve-month service basis, on 100 percent time, beginning May 19, 2003 (NY), at an annual salary of \$100,000. Mr. Alpern was appointed to serve as acting associate dean for administration under the same conditions and salary arrangement beginning March 11, 2003.
- LOUIS CAVALLLO, director of the Illinois Center for the Collaborative for Academic, Social and Emotional Learning (CASEL), Department of Psychology, College of Liberal Arts and Science, Chicago, on a twelve-month service basis, on 100 percent time, beginning June 1, 2003 (NY), at an annual salary of \$105,000.
- GORDON L. COMSTOCK, director, Medical Intellectual Property Program, Office of Technology Management, Office of the Vice Chancellor for Research, Chicago, on a twelve-month service basis, on 100 percent time, beginning May 19, 2003 (NY), at an annual salary of \$131,000.
- LAWRENCE M. DEBROCK, associate dean for academic affairs, College of Business, Urbana-Champaign, on an academic year service basis, on 100 percent time, beginning May 21, 2003 (N100), at an annual salary of \$96,000. Dr. DeBrock will receive an amount equal to two-ninths of his annual salary for two months' service during each summer of his appointment as associate dean (\$21,333 for 2002-03). He will continue to hold the rank of professor of economics on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), and Campus Honors Faculty, Office of the Provost and Vice Chancellor for Academic Affairs, on zero percent time (non-tenured and non-salaried), for a total salary of \$117,333.
- JAMES FREDERICK FOERSTER, interim deputy vice chancellor for administration, Office of the Vice Chancellor for Administration, Chicago, on a twelve-month service basis with an administrative increment of \$12,400, beginning March 19, 2003 (NY). In addition, Dr. Foerster will continue to serve as the associate vice chancellor for capital programs, Office of the Vice Chancellor for Administration, on a twelve-month service basis, on 100 percent time, at an annual salary of \$123,984; and associate professor, Urban Planning and Policy Program, College of Urban Planning and Public Affairs, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), effective March 19, 2003 (NY100;A), for a total salary of \$136,384.
- DAVID LEE GULLEY, assistant vice chancellor for research, Office of the Vice Chancellor for Research, Chicago, on a twelve-month service basis, on 100 percent time, beginning May 19, 2003 (NY), at an annual salary of \$127,310. Dr. Gulley was appointed to serve as visiting assistant vice chancellor for research under the same conditions and salary arrangement beginning March 1, 2003.
- ROBERT M. HEALY, director, Internal Medicine Residency Program, Department of Internal Medicine, College of Medicine at Urbana-Champaign, with an administrative increment of \$9,608 for service from May 19, 2003, through August 20, 2003 (equivalent to an annual rate of \$37,595). Dr. Healy will continue to serve as clinical associate professor of internal medicine, College of Medicine at Urbana-Champaign, on 47 percent time, May 19-August 20, 2003, \$18,993 (equivalent to an annual rate of \$74,320).
- RYAN D. HOBSON, regional director, West Central Region, University of Illinois Extension and Outreach, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning May 21, 2003 (NY), at an annual salary of \$92,000.
- *JEAN A. HURTEAU, director, Division of Gynecologic Oncology, Department of Obstetrics and Gynecology, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis with an administrative increment of \$25,000, beginning May 19, 2003 (NY). In addition Dr. Hurteau will be appointed to the rank of professor of obstetrics and gynecology, College of Medicine at Chicago, on a twelve-month service basis, on 34 percent time, beginning May 19, 2003 (AY34), at an annual rate of \$95,000. She will continue to serve as physician surgeon in obstetrics and gynecology, College of Medicine at Chicago, on a twelve-month service basis, on 66 percent

time, effective May 19, 2003 (NY66), at an annual salary of \$180,000, for a total salary of \$300,000.

RALPH J. KEHL, head of the Department of Obstetrics and Gynecology, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$6,000, beginning May 19, 2003 (KY). In addition, Dr. Kehl will continue to hold the rank of clinical assistant professor of obstetrics and gynecology, College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 5 percent time (non-tenured), at an annual salary of \$10,975, effective May 19, 2003 (NY5), for a total salary of \$16,975.

DEBORAH E. LECKBAND, head of the Department of Chemical and Biomolecular Engineering, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$5,000, beginning August 16, 2003 (K). She will receive an amount equal to one-ninth of her total academic year salary for one month's service during each summer of her appointment as head (\$13,333 for 2003-04). In addition, Dr. Leckband will continue to hold the rank of professor of chemical and biomolecular engineering, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$115,000, for a total salary of \$133,333.

HARRIS A. LEWIN, director of the Post-Genomic Institute, Office of the Vice Chancellor for Research, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning May 21, 2003 (NY100), at an annual salary of \$200,000. In addition, for service as director, Dr. Lewin will receive an administrative increment of \$10,000 on a twelve-month service basis (NY). He will continue as a Gutsell Endowed Chair in the Department of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences (non-tenured) on a twelve-month service basis with an increment of \$10,000 (NY), for a total salary of \$220,000.

ALICE CECILIA POEHLS, registrar and director of graduate admissions, Office of Admissions and Records, Urbana-Champaign, on a twelve-month service basis, on 80 percent time, and on 20 percent time, funded via UI-Integrate Student Systems Team, University Administration, beginning May 19, 2003 (NY), at an annual salary of \$96,685. Dr. Poehls was appointed to serve as interim registrar and director of graduate admissions under the same conditions and salary arrangement beginning March 21, 2003.

DAMIANO RONDELLI, director, Stem Cell Transplant, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 24 percent time beginning May 19, 2003 (NY24), at an annual salary of \$40,000. Dr. Rondelli will be appointed to the rank of associate professor of Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 62 percent time, May 19, 2003-August 15, 2006 (QY62), at an annual salary of \$105,000; and physician surgeon in Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 14 percent time, effective May 19, 2003 (NY14), at an annual salary of \$23,000, for a total salary of \$168,000.

ARTHUR ANTHONY SAVAGE, interim vice chancellor for administration, Office of the Vice Chancellor for Administration, Chicago, on a twelve-month service basis with an administrative increment of \$19,000, beginning March 19, 2003 (NY). Dr. Savage will continue to serve as vice chancellor for external affairs, Office of the Vice Chancellor for External Affairs, on a twelve-month service basis, on 100 percent time, at an annual salary of \$190,000; and assistant professor, School of Biomedical and Health Information Sciences, College of Applied Health Sciences, on zero percent time (non-tenured and non-salaried), effective March 19, 2003 (NY100;N) for a total salary of \$209,000.

CHRISANN SCHIRO-GEIST, director of disability and continuing rehabilitation education and training, Office of the Vice Chancellor for Public Engagement and Institutional Relations, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning May 19, 2003 (NY100), at an annual salary of \$99,860. In addition, for service as director, Dr. Schiro-Geist will receive an administrative increment of \$9,500, on a twelve-month service basis (NY). She was appointed to serve as interim

director of disability and continuing rehabilitation education and training, Office of the Vice Chancellor for Public Engagement and Institutional Relations, on 80 percent time, and interim director of education and training in the Disability Research Institute, on 20 percent time, under the same salary arrangement beginning March 10, 2003. Dr. Schiro-Geist will continue to hold the rank of professor of community health, College of Applied Life Studies, on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), and professor of disability and human development, College of Applied Health Sciences, Chicago, on zero percent time (non-tenured and non-salaried), for a total salary of \$109,360.

BRADLEY A. SMITH, director of labor and employee relations, Office of the Assistant Vice President for Human Resources, University Administration, on a twelve-month service basis, on 100 percent time, beginning May 19, 2003 (NY), at an annual salary of \$110,000.

CHRISTIAN E. WAGNER, head of the Department of Family Medicine, College of Medicine at Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$26,000, beginning May 19, 2003 (KY). Dr. Wagner will continue to hold the rank of clinical assistant professor of Family Medicine, College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 10 percent time, effective May 19, 2003 (NY10), at an annual salary of \$5,630, for a total salary of \$31,630.

MARILYN ADDERLEY WILLIS, associate director, International Center for Health Leadership Development, School of Public Health, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 1, 2002 (NY), at an annual salary of \$90,177.

Additional Administrative/Professional Staff

MICHAEL E. GRAY, assistant dean, extension program coordination, University of Illinois Extension, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on 100 percent time, August 1-15, 2003 (N), \$5,000, and continuing on an academic year service basis, on 100 percent time, beginning August 16, 2003 (N100), at an annual salary of \$90,000. Dr. Gray will receive an amount equal to two-ninths of his total annual salary for two months' service during each summer of his appointment as assistant dean (effective summer 2004). Dr. Gray will continue to hold the rank of professor of crop sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), for a total salary of \$110,000.

JOHN MELCHI, senior associate director, National Center for Supercomputing Applications, Office of the Vice Chancellor for Research, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning May 21, 2003 (NY), at an annual salary of \$110,000.

NEAL R. MERCHEN, head of the Department of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning May 21, 2003 (KY100), at an annual salary of \$136,000. In addition, for service as Head, Dr. Merchen will receive an administrative increment of \$4,000, on a twelve-month service basis (KY). He will continue to hold the rank of professor of animal sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure on an academic year service basis, on zero percent time (A) (non-salaried), and professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$140,000.

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

Sabbatical Leaves of Absence, 2003-2004

(9) On motion of Dr. Schmidt, 11 leaves of absence recommended by the chancellors at Chicago and Urbana-Champaign were granted. These leaves will be included in the annual compilation of 2003-2004 sabbatical leaves of absence to be made a part of the board *Proceedings*.

**Establish the Master of Science in Environmental Science,
College of Public Affairs and Administration, Springfield**

(10) The chancellor at Springfield with the advice of the Springfield Senate, recommends approval of a proposal from the Department of Environmental Studies to create a Master of Science (M.S.) degree in Environmental Science.

Currently, the Department of Environmental Studies offers a Master of Arts (M.A.) degree in Environmental Studies with concentrations in environmental sciences; natural resources and sustainable development; environmental policy, planning, and administration; and environmental humanities. Students seeking graduate education in environmental science and their undergraduate advisors have repeatedly expressed a preference for the M.S., rather than the M.A. degree for those interested in environmental science and environmental risk assessment. Some prospective students have been lost because of the current degree designation.

Students enrolling in the new M.S. in Environmental Science will be required to take the core courses in the current M.A. program, as well as the courses in the current concentration in environmental science. The concentration in environmental science within the M.A. in Environmental Studies will be eliminated. In other respects the current M.A. in Environmental Studies will remain the same.

Because establishing the new degree requires no additions or deletions in the existing course offerings, no additional resources will be required to effect this change.

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

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

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

**Establish Interdisciplinary Undergraduate Major
in Gender and Women's Studies, Urbana**

(11) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends approval of a proposal from the College of Liberal Arts and Sciences to establish the interdisciplinary undergraduate major in gender and women's studies.

The interdisciplinary undergraduate major in gender and women's studies enriches, complements, and coordinates offerings across departments with the goal of bringing the perspective of gender, along with race, class, and ethnicity to bear on a host of intellectual problems and issues of current concern. Students will select one of six focused areas of study suited to their academic interests and career goals. Women's/gender studies will respond to an increased demand for people in the workplace who are sensitive to the issues of women and under-represented groups, and who can work with, and on behalf of, diverse populations. Exposing the students to interdisciplinary research and methods will also provide excellent preparation for graduate studies and professional schools.

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

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

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

Establish Doctor of Audiology Degree Program, Urbana

(12) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends approval of a proposal from the Graduate College to create the Doctor of Audiology.

The Doctor of Audiology (Au.D.) is a four-year post-baccalaureate degree that emphasizes the application of basic science and technology, and provides advanced training for the diagnosis and habilitation/rehabilitation of hearing disorders. Students in the

Au.D. program will be required to complete a minimum of 112 semester hours of courses including 60 hours of required courses, 12 to 16 hours of electives/specialty courses, a written comprehensive examination, a preliminary examination to defend their doctoral research project proposal, a doctoral research project (10 to 16 semester hours), a final examination, and 30 to 36 semester hours of clinical rotations. The Au.D. degree will prepare students for the practice of audiology in the twenty-first century and is consistent with the new standards instituted by the American Speech-Language-Hearing Association which, beginning in 2006, will require graduates to possess a doctorate in audiology to become a certified audiologist.

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

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

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

**Designate Department of Aeronautical and Astronautical Engineering
as the Department of Aerospace Engineering, Urbana**

(13) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends approval of a proposal from the Department of Aeronautical and Astronautical Engineering to change its name to the Department of Aerospace Engineering.

Shortly after the launch of Sputnik in 1958, many aeronautical engineering departments, including Illinois', added astronautical to their names to reflect the growth of the space race. For several reasons this name is no longer salient: (1) the department only grants one degree and aerospace better reflects its content; (2) the use of "aeronautical and astronautical" is no longer used widely in either academe or industry; and, (3) the current name is confusing to many in the public thus creating problems in recruiting, placement, and other department functions. Simplifying and modernizing the name to aerospace engineering will improve the image of the department and aid in the future development of the department.

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

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

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

**Designate Illinois Institute for Developmental Disabilities Building
as the Disability, Health, and Social Policy Building, Chicago**

(14) The chancellor at Chicago recommends that the Illinois Institute for Developmental Disabilities Building located at 1640 West Roosevelt Road be designated as the Disability, Health, and Social Policy Building. The new name reflects the major instructional, research, and public service emphases of the departments that are housed in the facility.

The president of the University concurs.

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

Designate Student Housing Names, Springfield

(15) The chancellor at Springfield, with the concurrence of the interim vice chancellor for student affairs and the Housing Residents Council, recommends that the new townhouses being constructed be designated Foxglove Court and Marigold Court. This is consistent with campus housing being named after Illinois prairie flowers.

The president of the University concurs.

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

Designate Campus Street Name, Springfield

(16) The chancellor at Springfield recommends that the new street near the townhouses being constructed be designated Carl Sandburg Lane. This is consistent with campus streets being named after the Illinois authors whose names appear on the exterior of the Illinois State Library Building. The new street uses a name that was eliminated last year with the renaming of an extension of University Drive.

The president of the University concurs.

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

**Designate Family Resiliency Building as the
Doris Kelley Christopher Hall, Urbana**

(17) The chancellor at Urbana recommends that the Family Resiliency Building be designated as the Doris Kelley Christopher Hall. The building was made possible through a generous gift from Doris Kelley Christopher, class of '67, and her husband Jay W. Christopher. This facility will house a world-class center on family resiliency which will be home to innovative research, education, and outreach initiatives to enrich the well-being of children, individuals, and families. Mrs. Christopher also supports the Pampered Chef Family Resiliency Program which allows human development and family studies scholars to collaborate with other faculty and community practitioners to address issues challenging today's families.

The president of the University concurs.

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

Amend the UIC Senate Constitution

(18) Pursuant to University of Illinois *Statutes*, Article II, Section 1.a., "a constitution and any amendments thereto shall take effect upon adoption by the senate concerned and approved thereof by the Board of Trustees," the chancellor at Chicago at the request of the UIC Senate, recommends revisions to its senate constitution. The recommended changes move processes out of the constitution to the bylaws, and provide a basic framework for the senate.

Proposed revisions to the UIC Senate constitution are noted in the attached document. (A copy of the document is filed with the secretary of the board for record.) The proposed changes to the UIC Senate constitution have the support of the vice president for academic affairs and the University Senates Conference.

The president of the University concurs.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 19 through 32 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Interim Operating Budget for Fiscal Year 2004

(19) The University is finalizing the Fiscal Year 2004 operating budget recommendation for presentation to the Board of Trustees. The president of the University recommends that the board authorize continuation of the FY 2003 operating budget as it exists on June 30, 2003, beginning July 1, 2003, and continuing thereafter until further action by the board.

Authorization is also requested, in accord with the needs of the University and the equitable interest involved and within total resources: (a) to accept resignations; (b) to

make such additional appointments as are necessary, and to approve the issuance of notices of non-reappointment, subject to the provisions of the University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and the *Policy and Rules*; and (c) to make such changes and adjustments in items included in the interim budget as are needed. Such changes are to be accounted for in the comptroller's quarterly financial reports, or in reports to the board by its secretary.

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

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

Appointment to the Board of IllinoisVENTURES, LLC

(20) At the Board of Trustees meeting of April 13, 2000, the board authorized formation of the IllinoisVENTURES, LLC (LLC), a limited liability company which is intended to promote the development of new companies commercializing university technologies through such activities as assisting the companies in obtaining seed and venture capital fund, recruiting management talent, developing business plans, and obtaining necessary business services, to help these companies succeed. The LLC has an eleven-member Board of Managers, appointed by the Board of Trustees, consisting of two members of the Board of Trustees, the vice chancellors for research at the Urbana-Champaign and Chicago campuses, five business and industry leaders, one representative of the president of the University, and one member representing and recommended by the governor. The governor has nominated David Wilhelm, the founder and president of Adena Ventures, principal of Hopewell Ventures, and president of the Wilhelm/Conlon Group, be appointed to the Board of Managers.

The vice president for economic development and corporate relations, in consultation with members of the Board of Managers, recommends that David Wilhelm be appointed as a member of the Board of Managers of IllinoisVENTURES.

The president of the University concurs.

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

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

Auxiliary Facilities System Revenue Bonds, Series 2003A

(21) The board, at its meeting on March 13, 2003, authorized a number of actions leading toward the issuance of Auxiliary Facilities System Revenue Bonds, Series 2003A (AFS Series 2003A Bonds) to finance new projects, UIS housing, and a portion of UIC recreation and UIUC recreation, and to potentially refund outstanding AFS bonds if at least a three percent savings can be realized. Such actions have been completed and now it is requested that the board authorize the issuance of the AFS Series 2003A Bonds in a par amount not to exceed \$80.0 million (up to \$180.0 million if refunding is included) with a final maturity no later than April 1, 2035, to fund the projects, potential refunding, capitalized interest, and the necessary issuance costs. An estimated sources and uses of funds table for financing the new projects follows as Exhibit A.

The annual payments to the bondholders are estimated to approximate \$4.8 million over the life of the AFS Series 2003A Bonds.

The AFS Series 2003A Bonds will be fully registered and will be special, limited obligations of the board and will only be payable from and secured by the net revenues of the Auxiliary Facilities System, student tuition and fees (subject to prior payment of operating and maintenance expenses of the system, but only to the extent necessary) and the Bond and Interest Sinking Fund Account.

All legal matters incidental to the authorization and issuance of the AFS Series 2003A Bonds, the forms of the Preliminary and Final Official Statements, the Tenth Supplemental System Revenue Bond Resolution, the Bond Purchase Agreement, the Escrow Agreement (if applicable), and the Continuing Disclosure Agreement have been approved by Chapman and Cutler, bond counsel, Chicago, Illinois.

The vice president for administration recommends:

1. Approval of the Preliminary Official Statement and approval of the Final Official Statement with the addition of the final terms of the AFS Series 2003A Bonds.¹
2. Approval of the form of the Bond Purchase Agreement¹ with Lehman Brothers, as underwriter, and Morgan Stanley & Co. Incorporated, Loop Capital Markets, LaSalle Capital Markets, and Griffin, Kubik, Stephens & Thompson, Inc., co-managers, wherein the underwriter and co-managers agree to purchase from the board not less than all of the AFS Series 2003A Bonds in an aggregate original principal par amount not exceeding \$80.0 million (or \$180.0 million if refunding is included) and with a final maturity of no later than April 1, 2035. The price at which the AFS Series 2003A Bonds will be purchased from the board by the underwriter and co-managers, exclusive of net original issue discount or premium, will not be less than 98 percent of the par amount thereof and the true interest cost of borrowing for the AFS Series 2003A Bonds will not exceed 5.90 percent.
3. Approval of the form of the Tenth Supplemental System Revenue Bond Resolution.¹
4. Approval of the form of the Escrow Agreement (if applicable) with respect to the AFS Series 2003A Bonds.¹
5. Approval of the form of the Continuing Disclosure Agreement by the board with respect to the AFS Series 2003A Bonds.¹
6. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the AFS Series 2003A Bonds to the underwriter and co-managers.
7. That the comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the Tenth Supplemental System Revenue Bond Resolution, the Escrow Agreement (if applicable), the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The president of the University concurs.

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

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

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

Exhibit A
Estimated Sources and Uses of Funds
Auxiliary Facilities System Revenue Bonds, Series 2003A
(in Millions)

<i>Sources</i>	
Bond Proceeds:	
Par Amount	\$73.1
Accrued Interest	0.1
Premium	2.8
<i>Total</i>	\$76.0
<i>Uses</i>	
Project Fund Deposits:	
UIUC CRCE	\$22.6
UIUC IMPE	8.5
UIC Recreation	27.9
UIS Housing	10.0
<i>Subtotal</i>	\$69.0
Other Fund Deposits:	
Capitalized Interest Fund	\$6.0
Accrued Interest	0.1
<i>Subtotal</i>	\$6.1
Delivery Date Expenses:	
Cost of Issuance	\$0.2
Underwriter's Discount	0.3
Insurance	0.4
<i>Subtotal</i>	\$0.9
Other Uses of Funds:	
<i>Additional Proceeds</i>	\$0.0
<i>Total</i>	\$76.0

**Auxiliary Facilities System Revenue Bonds (Additional Project),
Series 2001 B and C**

(22) The board, at its meeting on May 23, 2001, authorized the issuance of the Auxiliary Facilities System Revenue Bonds Series 2001 B and C (the "bonds") for five projects. One of these projects, the Urbana campus parking garage project, is being accomplished at a cost that is \$5.0 million less than the \$31.8 million budgeted cost at the time of issue. The excess proceeds of the bonds resulting from the reduced project cost must be used for an auxiliary facilities system purpose. The Urbana campus Parking Division, with the concurrence of the chancellor, recommends utilizing the \$5.0 million excess proceeds for rehabilitation of two of its parking garages. The rehabilitation needs of these facilities exceed the funding available via ordinary auxiliary facilities system repair and replacement reserves.

In order to proceed with the project, the vice president for administration and the university counsel recommend that the board approve:

1. The revised list of projects and revised budget associated with the use of bond proceeds as shown in Attachment A.¹
2. Adoption of a First Amendment to the Ninth Supplemental System Revenue Bond Resolution for the purpose of using the excess bond proceeds to fund the

¹As previously approved by the board, the bond proceeds are available to be utilized interchangeably on the separate projects listed in Attachment A or on additional projects if such additional projects were approved by the board.

rehabilitation of the parking facilities, in substantially the form now before the board.

3. Adoption of an amended Tax Exemption Certificate and Agreement in substantially the form now before the board.

The president of the University concurs.

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

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

Attachment A (in Millions)

<i>Projects</i>	<i>Budget</i>
1. UIUC North Campus Parking Structure	\$26.8
2. UIC South Campus Parking Structure	20.7
3. UIC South Campus Adaptive Reuse/Retail and Office	26.2
4. UIC Union Renovation	1.5
5. UIC South Campus Student Residence Structure A-Increase in Budget	7.0
6. UIUC Rehabilitation of Lot C7 and Lot C10 Parking Structures	<u>5.0</u>
<i>Total</i>	\$87.2

South Campus Development, Chicago

(23) The Board of Trustees of the University of Illinois, at its meeting on November 18, 1999, approved an initial project budget of \$72.9 million for the South Campus Infrastructure Project (acquisition, relocation, public improvements, soft costs) as part of its approval of the Redevelopment/Tax Increment Financing Agreement (TIF) with the city of Chicago. The board subsequently issued bonds in tax-exempt and taxable issues (Series 1999 and 2000) to fund the project costs.

University staff have finalized the necessary project budget to complete the South Campus Development at \$89.9 million. A detailed summary of the areas for the budget increase follows.

The following have been identified as sources of funding for the \$17.0 million required to complete the South Campus Development: (1) UIC South Campus Completion Bonds (\$10.0 million), (2) additional construction fund earnings (\$3.5 million), and (3) unrestricted campus funds (\$3.5 million). TIF revenue and land sales to SCDT should be sufficient to cover the additional annual debt service and restore the unrestricted campus funds expended for the project.

In order to proceed with the completion of the project and the associated issuance of the completion bonds, the chancellor, vice president for administration, and university counsel recommend that:

1. The project budget be approved at the new level of \$89.9 million.
2. The addition of \$17.0 million for the project completion budget to be funded by the three sources identified above.
3. Ten million dollars of south campus completion bonds to be sold competitively.
4. Chapman and Cutler be retained as bond counsel.
5. John S. Vincent & Co., LLC, be retained as financial advisor.
6. Freeborn and Peters be retained as special issuer's counsel.
7. Bank One, National Association be appointed as bond registrar.
8. The preliminary official statement be prepared.
9. Bond insurance be purchased if deemed economically beneficial.
10. Actions be taken to pursue and obtain a rating or ratings on the revenue bonds.

11. Additional documents including a supplemental bond resolution and continuing disclosure agreement be prepared.

Prior to the sale and delivery of the south campus completion bonds, the Board of Trustees will be asked to approve the substantially final form of the above-referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the board in connection with such sale and delivery.

The president of the University concurs.

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

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

**South Campus Development Budget
(in Millions)**

<i>Category</i>	<i>Initial RDA/Bond</i>	<i>Changes</i>	<i>Completion Budget</i>
Land Acquisition	\$19.6	\$ 7.1	\$26.7
Relocation	1.0	0.0	1.0
Legal Fees	1.2	0.9	2.1
Public Benefits	1.3	0.5	1.8
Street Improvements	25.2	2.5	27.7
Utilities	5.0	3.7	8.7
Site Preparation	16.1	1.8	17.9
Maxwell Museum	0.4	0.5	0.9
Adaptive Reuse	3.1	0.0	3.1
<i>Totals</i>	<i>\$72.9</i>	<i>\$17.0</i>	<i>\$89.9</i>

**Contract for Investment Management Services
(Adams Street Partners)**

(24) The board, at its meeting on September 12, 2002, approved a five percent allocation to private equity within the endowment pool investment program. The purpose of the allocation to private equity is to improve the endowment pool investment diversification and total return. In order to implement this allocation, the University investment staff conducted a request for proposal to evaluate private equity fund of funds management alternatives. A fund of funds approach was favored as the core private equity investment vehicle in order to provide adequate diversification within the asset class. Fund of funds products typically contain investments in several underlying partnerships managed by general partners.

The request for proposal was mailed to 29 investment managers and listed on the UI procurement web site. Responses were received from 11 firms with fund of funds product offerings. The responses were carefully evaluated and a short list of managers were interviewed. The University investment staff recommends Adams Street Partners who were deemed the best investment option. The University's financial consultant, Ennis Knupp, concurs with this recommendation. The key characteristics that differentiated Adams Street Partners were: (1) their demonstrated access to top-tier general partners; (2) the stability of their investment team; and (3) strong investment performance for the risk involved. Adams Street Partners charges a one percent base fee. In addition, the underlying partnerships generally have both management and carried interest fees. The management fees will be funded by the investment income earned on the Endowment Pool Investment Program. The commitment recommended is \$7.0 million or approximately seventy percent of the total \$10.0 million private equity allocation. The remainder of the allocation would be reserved for commitment to regional partnerships.

Accordingly, the vice president for administration requests authority to establish an investment management contract with Adams Street Partners and adoption of the following resolution.

The president of the University recommends approval.

Resolution

Be it Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with Adams Street Partners, to provide private equity investment management services.

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

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until written notice of its rescission or modification has been received by Adams Street Partners.

On motion of Mr. Lamont, this recommendation was approved and the foregoing resolution was adopted by the following vote: Aye, Mr. Eppley, Mr. Bruce, Dr. Gindorf, Mr. Lamont, Dr. Schmidt, Mr. Shah, Mrs. Sode-
mann, Mr. Sperling, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Blagojevich.

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

Contract for Investment Management Services (Regional Private Equity Partnership) (Edgewater Private Equity Fund IV, L.P.)

(25) In September of 2002, the Board of Trustees approved a five percent allocation to private equity within the endowment pool investment program. The purpose of the allocation to private equity is to improve the endowment pool investment diversification and total return. In order to implement this allocation, the University investment staff conducted a request for proposal to evaluate private equity fund of funds management alternatives. A fund of funds approach was favored as a core private equity investment to provide adequate diversification within the asset class. Fund of funds products typically contain investments in several underlying partnerships managed by general partners. In addition to the fund of funds providers, private equity providers with a Midwest focus were invited to submit proposals. The purpose was to examine regional providers and to determine the prudence of integrating regional partnerships into the endowment private equity program. Essentially this would represent a core (fund of funds) and satellite (regional partnerships) approach to funding the private equity allocation.

Responses were received from five regional partnerships via the fund of funds request for proposal process. The University's financial advisor, Ennis Knupp, carefully evaluated the responses, met with the firms' general partners, and outlined how the regional funds would fit with the core fund of funds position. It was determined that integrating regional partnerships with the core fund of funds investment was the preferred option. Ennis Knupp believes this would be a prudent approach. Further, it was agreed that an investment in Edgewater should be recommended at this time and a second request for proposal with a focus on regional seed stage partnerships should be issued if the full Board of Trustees approves this approach.

The Edgewater Fund was established in 1992. The firm is headquartered in Chicago. Edgewater Private Equity Fund IV has generated over \$200.0 million in capital commitments and has already conducted the final closing for the fund. The recommended University commitment is \$1.0 million. The fund has indicated it will waive its \$5.0 million minimum investment. The general partner will charge a two percent annual manage-

ment fee and will retain 20 percent of the fund profits. It is expected that approximately 25 percent of the fund will be invested in Illinois.

Accordingly, the vice president for administration requests authority to execute a partnership agreement with Edgewater IV Management, LLC, and adoption of the following resolution.

The president of the University recommends approval.

Resolution

Be it Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements to invest \$1.0 million in the Edgewater Private Equity Fund IV, L.P.

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

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until written notice of its rescission or modification has been received by Edgewater Partners.

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

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

Contract for Investment Manager (Grantham, Mayo, Van Otterloo & Co.)

(26) The vice president for administration recommends establishment of an investment management contract with Grantham, Mayo, Van Otterloo & Co.(GMO) for the active U.S. equity component of the endowment pool investment program and adoption of the following resolution. This recommendation is made with the concurrence of University investment staff and the University's financial consultant, Ennis Knupp. A request for proposal process was utilized to produce this recommendation. The request for proposal was mailed to 11 investment managers and listed on the UI procurement web site. Responses were received from five investment firms. The responses were carefully evaluated and interviews were conducted with two finalists. GMO has an excellent investment performance record and offered a competitive fee schedule.¹

The president of the University concurs.

Resolution

Be it Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with Grantham, Mayo, Van Otterloo & Co. to provide investment management services.

Be It Further Resolved, that the comptroller is authorized from time to time to designate in writing to Grantham, Mayo, Van Otterloo & Co. those officers, employees and other agents of the University of Illinois authorized to give written or verbal instructions on behalf of the University of Illinois.

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until notice of rescission or modification is received by Grantham, Mayo, Van Otterloo & Co.

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

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

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

Contract for Conversion of Bibliographic Records for the University Library, Urbana

(27) Through a Request for Proposal (RFP) process, Online Computer Library Center, Inc. (OCLC) was selected to convert approximately 1.4 million bibliographic records that are currently in a brief, non-Machine Readable Cataloging (MARC) format to a full MARC format. OCLC matches the Library's partial non-MARC formatted records against OCLC's database records and then provides the University with complete full MARC formatted records. The full MARC format will allow users to easily sort and search bibliographic records by a standard method using accurate information.

The contract award to OCLC was made for an initial amount of \$150,000 based on then available grant funds provided by the State of Illinois Library with the option to increase the number of records converted subject to additional funding becoming available. The department has now received additional grant funding through the Mellon Foundation that will permit additional record conversion. This additional \$700,000 funding from the Mellon Foundation will allow a total of approximately 1.4 million records to be converted.

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends approval to amend the current contract with OCLC for the services described above.

Procedures for renewing this contract will be followed in accordance with the Procurement Rules of the Chief Procurement Officer for Public Institutions of Higher Education.

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

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

Contract for Implementation Management Services for the UI-Integrate Project

(28) The UI-Integrate Project is continuing the design and configuration stage for the modules of the SCT Banner software product to be implemented. To continue the work of system implementation, it is desirable to contract with Accenture for the continuation of implementation planning and management services. Accenture will assist in business process analysis and configuration of the software product for use at the University. Accenture will continue to work with SCT to provide support to University project teams as modules of Banner are implemented and outdated legacy systems are replaced. Accenture will also continue to assist the University in carrying out communications, training, and administrative streamlining analysis for the implementation.

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends approval to contract with Accenture for continuation of

implementation management services as described above on a time and materials basis for:

- Fiscal Year 2003 for an additional \$1,232,000 above the previously approved amount of \$6,843,000, not to exceed \$8,075,000.
- Fiscal Year 2004, not to exceed \$5,500,000.

Funds are available from the Institutional Funds Operating budget of the University administration as well as proceeds of the Sale of Certificates of Participation—UI-Integrate Project Series 2001A or B and any subsequent series for the UI-Integrate Project.

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

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

Contracts for Classroom/Office Building, Springfield

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

Bid Package #20—Electrical

Mansfield Electric, Springfield	Base Bid	\$2,338,690	
	Alt. E1	166,991	
	Alt. E4	<u>13,860</u>	
			\$2,519,541

Bid Package #06—General Trades

Associated Constructors, Forsyth	Base Bid	\$2,739,000	
	Alt. G1	8,571	
	Alt. G3	75,350	
	Alt. G5	<u>78,595</u>	
			<u>\$2,901,516</u>
<i>Total</i>			\$5,421,057 ²

The proposed \$31.3 million Classroom/Office Building project will be a 116,130 gsf structure that will house technology-enhanced and smart classrooms, seminar rooms, a lecture hall, computer laboratories, and office space for academic programs now located in Brookens Library, and in other buildings located on the east side of campus. The new building will allow consolidation of all academic programs and key student services into permanent buildings in the center of campus, contributing further to the formation of a campus quadrangle.

Funds for the project are available from state appropriated funds.

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

¹Description of Alternates: #E1—Provide conduits for future power and telecommunications distribution to the south; #E4—Provide new feeder to the new 800T Chiller; #G1—Provide operable panel partition at conference room 1031 & 1058; #G3—Provide epoxy terrazzo flooring at classroom corridors; and #G5—Provide marker boards, sliding white boards, tackboards, and projection screens.

²Contracts for other bid packages were awarded that were within the delegated approval levels (5 bid packages had been awarded in December 2002 totaling \$3,815,268, 14 additional bid packages in April 2003, totaling \$10,426,856) making a total award of \$19,663,181.

On motion of Mr. Lamont, these contracts were awarded by the following vote: Aye, Mr. Eppley, Mr. Bruce, Dr. Gindorf, Mr. Lamont, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey, Mr. Wolfe; no, none; absent, Governor Blagojevich.

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

Disclosure of Executive Session Minutes Under Open Meetings Act

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

Unreleased items from October 1999 through July 2002 are attached and are marked to indicate which items considered in executive session are recommended for continuing confidential status in order to protect the public interest or the privacy of an individual. (Attached materials are filed with the secretary of the board for record.) When the need for confidentiality has passed they will be released.

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

The president of the University concurs.

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

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

Purchases

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

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

The total amounts of these purchases were:

<i>From Appropriated Funds</i>	
Recommended	\$ 9,661,500
<i>From Institutional Funds</i>	
Recommended	<u>52,054,655</u>
<i>Grand Total</i>	\$61,716,155

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

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

Authorization for Settlement

(32) The chancellor at Chicago recommends that the board delegate to the university counsel the authority to negotiate and to the vice president for administration the authority to approve a settlement in *Crusoe v. Mess, et al.* The plaintiff, Hattie Crusoe, alleges that defendants failed to use proper medications and apparatus to prevent a pulmonary embolism in the treatment of 65-year-old Claveland Crusoe's pelvic fracture, resulting in his death.

The president of the University concurs.

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

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

President's Report on Actions of the Senates

(33) The president submitted the following report:

Revision of the Bachelor of Fine Arts in Art Education, College of Architecture and the Arts, Chicago

The Chicago Senate, with the recommendation of the College of Architecture and the Arts, has approved a proposal to revise the Bachelor of Fine Arts (B.F.A.) in Art Education.

The School of Art and Design proposed extensive revisions to the B.F.A. in Art Education from two perspectives. First, the Illinois State Board of Education (ISBE) changed its requirements for teacher certification. The ISBE replaced a prescribed list of general education requirements with a standards-based approach that mandates knowledge and performance goals in a number of areas. This new approach gives students more latitude for how they will meet the general education requirements of the State, allowing a range of assessments and experiences to be used to determine general education competencies. The proposed general education requirements reflect the flexibility in the new curriculum.

In addition, there have been a number of dramatic changes in the fields of art and art education since the current program was developed. Therefore, the art education program takes the opportunity to further update the art education major.

Discipline-Based Art Education (DBAE), an approach that includes the study of art history, aesthetics, and art criticism as well as studio production, has become an accepted standard for meaningful K-12 art curriculum. The art education program has added a new required course in visual and verbal literacy in art education.

Several new courses and a new diversity requirement in the art history elective category will prepare students to teach art relevant to the diverse student bodies of the Chicago area.

**Revision of the Bachelor of Arts in Elementary Education,
College of Education, Chicago**

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to revise the Bachelor of Arts in Elementary Education.

The proposed revision to the program emerges from the need for UIC teacher preparation to respond to changing teacher education environments driven by new research, new public and professional policies, and current and projected contexts of teaching in urban America.

The proposed program in elementary education: (1) updates the program curriculum to reflect current understanding about the information and skills needed by elementary education teachers to be effective; (2) aligns the curriculum with standards for the State of Illinois teaching certification in elementary education (Illinois Professional Teaching Standards, Elementary Education Content Area Standards, Core Language Arts Standards, Special Education Standards, and Core Technology Standards); and (3) better prepares students in the college to meet the challenges of developing diverse urban learners' competence in the core subject areas (English language arts, mathematics, science, social science, physical development/health, and fine arts).

**Redesignation and Revision of the Reading, Writing, and Literacy
Specialization of the Master of Education in Instructional
Leadership, College of Education, Chicago**

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to redesignate and revise the reading, writing, and literacy specialization of the Master of Education in Instructional Leadership as the literacy, language, and culture specialization.

Program content lies at the intersection of literacy, language, and culture, within educational contexts. Program reorganization involves moving from a single "track" that does not meet the needs of *all* of the students to a program with four tracks designed to better reflect the interests of all students that the college has or wants to recruit. Thus, *Instructional Leadership: Literacy, Language, and Culture* includes four strands.

Strand "a" is designed for classroom teachers returning to enhance their knowledge, to improve their classroom practices, and for those who are interested in advanced course work to become literacy leaders in their schools.

Strand "b" leads to State of Illinois Standard Specialist Certificate (Type 10) (area of specialization: Reading Specialist). This revision was prompted by the change in State certification from course-based to standards-based.

Strands "c" and "d" are new tracks. Strand "c" emphasizes inquiry in literacy education, specifically designed to coordinate with the proposed Ph.D. specialization in *Literacy, Language, and Culture*. Strand "d" is designed for those working in non-traditional settings, e.g., outside the school setting, such as after-school programs and adult education.

**Redesignation and Revision of the Ph.D. in Curriculum
and Instruction with a Specialization in Reading, Writing,
and Literacy, College of Education, Chicago**

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to change the name of the specialization and to revise course offerings for the specialization.

The proposed new title of *Literacy, Language, and Culture* replaces the current title of Reading, Writing, and Literacy. Conceptions of literacy and literacy instruction have broadened and been enriched considerably since the current program's inception. *Reading, Writing, and Literacy* no longer adequately characterizes the full reach of the program. One cannot address issues related to literacy and literacy instruction without considering

the relationship of reading and writing to language. The same can be said of literacy in relationship to culture. The practices of literacy and literacy instruction are profoundly and pervasively cultural in nature.

The other major change to the specialization involves the revision and addition of course offerings and requirements, particularly the addition of a new required two-course core sequence in literacy and its relationship to language and culture, and the strengthening of the research core.

**Revision of the Master of Education in Instructional Leadership:
Educational Studies—Elementary Education,
College of Education, Chicago**

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to revise the Master of Education in Instructional Leadership: Educational Studies—Elementary Education.

This program leads to State of Illinois Type 03 Teaching Certificate (K-9). The proposed revision to the program aligns with changes in State certification requirements and responds to changing environments driven by research, new policy contexts, and contexts of teaching in urban America. Research findings point to the intricate relationships among knowing subject matter; knowing subject matter for teaching; and knowing about students and their backgrounds in order to plan, deliver, and assess teaching and learning.

One important revision is that the amount of field experience for students has been increased in order for them to have sufficient opportunities every semester to discuss field experiences and learn knowledge and skills necessary to orchestrate elementary students' classroom learning. Also, gaps were evident in students' understanding of community and larger contextual variables that impact education, schools, and teaching.

**Revision of the Master of Education in Instructional Leadership:
Educational Studies--Secondary Education,
College of Education, Chicago**

The Chicago Senate, with recommendation of the College of Education, has approved a proposal to revise the Master of Education in Instructional Leadership: Educational Studies--Secondary Education.

The proposed changes for this program are designed not only to meet new State requirements but to exceed them.

Admission criteria have been increased with higher grade point averages required at several levels, a minimum of 18 hours of graduate course work in the designated teaching area, and a passing score on the Illinois Certification Testing System Basic Skills Test.

The total hours for the program are increased from 32 to 34 with the incorporation of new course work that provides students with early and frequent opportunities to apply their expanding professional knowledge in practical contexts.

**Revision of the Master of Education in Educational Leadership
and Administration, College of Education, Chicago**

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to revise the Master of Education (M.Ed.) in Educational Leadership and Administration.

The policy studies area in the College of Education proposes to revise its courses in the Illinois Type 75 General Administration Certificate option within this master's program. Changes will be made in titles, descriptions, objectives, and topics. These changes achieve two purposes: (1) to bring the option into compliance with new, mandated Illinois School Leadership Standards and Principal Standards; and (2) to increase the overall quality and rigor of the courses so that they may serve well both doctoral-level and masters-level students.

**Establishment of an MBA/Master of Human Resources and Industrial
Relations Joint Degree Program, Urbana**

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish an MBA/Master of Human Resources and Industrial Relations Joint Degree program. Students in the joint program will complete 15 units of MBA course work and nine units of MHRIR coursework and receive both degrees upon completion. The joint program serves the educational and professional interests of the students by allowing MBA students to acquire a strong specialization in human resources and MHRIR students to acquire advanced business skills by maximizing the synergy between the two curricula without duplicating course work. Graduates of the joint program will possess complementary skills that will make them highly attractive and successful in the global marketplace.

This report was received for record.

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

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

This report was received for record.

**Report of the Secretary:
Selection of Student Members of the University of Illinois
Board of Trustees, 2003-2004**

(35) The secretary presented the following report:

Chicago campus

The election was held on April 22-23, 2003, and Ms. Natalie Garcia was elected.

The total number of ballots cast for a student trustee on the UIC campuses—Chicago, Peoria, Rockford, and Urbana—was 1,876. Ms. Garcia faced three other candidates in the election and the tally was:

Natalie Garcia	917
Jon Harwell	663
Melissa Schmidt	167
Mitchell Steinberg	129

Ms. Garcia is from Westmont, Illinois, and is a political science major in the College of Liberal Arts and Sciences and the Honors College. She has served as vice president of the Undergraduate Student Government, member of the Student Fee and Tuition Advisory Committee, and as the Illinois Board of Higher Education student representative for UIC.

Springfield campus

The election was held April 22-25, 2003, and Andrew Hollingsead was elected.

The total number of votes cast for a student trustee was 314. There were two other candidates on the ballot. The tally was:

Andrew Hollingsead	177
James Greer	92
Ryan Morrison	45

Mr. Hollingsead is a sophomore majoring in business administration. He is a member of the first class of Capital Scholars and is originally from Derby, Kansas. Mr. Hollingsead is a member of the Executive Committee of the Capital Scholars Advisory Council, a student representative on the National Commission on the Future of UIS, and has served as a student senator from the fall of 2001 to the present. In addition he is currently treasurer of the Illinois College Republican Federation, and chairperson of the UIS College

Republicans, of which he has been a member since the fall of 2001. He has participated on numerous other campus committees.

Urbana-Champaign campus

The election was held on March 3-4, 2003, and Nathaniel Allen was elected.

The total number of votes cast for student trustee was 5,139. The tally for each candidate was:

Nathaniel Allen	2,377
Larry London	1,874
Brian Harmon	671
Write-in votes	217

Mr. Allen is a junior majoring in urban planning in the College of Fine and Applied Arts, and is from Champaign, Illinois. He served as a member of the Urbana-Champaign Senate Equal Opportunity Committee in 2001-02, and is currently a resident advisor in Forbes Hall.

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.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley announced that there would be a June special board meeting to consider a recommendation for tuition at the University for Fiscal Year 2004 and that the secretary would contact each of them regarding a convenient date. Also, he called attention to the date of the next regular board meeting, July 16-17, 2003, in Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

LAWRENCE C. EPPLEY

Chair

SPECIAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

June 27, 2003



This special meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Friday, June 27, 2003, beginning at 10:40 a.m.

Chair Lawrence C. Eppley called the meeting to order and introduced Dr. Frances G. Carroll, who was attending her first meeting as a member of the board. On behalf of his colleagues, Mr. Eppley welcomed Dr. Carroll and asked Trustee Kenneth D. Schmidt to read to Dr. Carroll the charge to trustees of the University as stated in the document entitled *Installation of New Trustees*.

Chair Eppley then asked the secretary to call the roll. The following members of the board were present: Mr. Lawrence C. Eppley, Mr. Devon C. Bruce, Dr. Frances G. Carroll, Dr. Jeffrey Gindorf,¹ Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling. The following members of the board were absent: Mr. Robert F. Vickrey, Governor Rod Blagojevich. Mr. Noah L. Wolfe, voting student trustee from the Chicago campus, was absent. The following nonvoting student trustees were present: Mr. Art Moore,² Springfield campus; Mr. Keely J. Stewart, Urbana-Champaign campus.

¹Dr. Gindorf joined the meeting via telephone at 11:10 a.m.

²Mr. Moore joined the meeting at 10:50 a.m.

Mr. Eppley then asked President Stukel to introduce the university officers and the observers from the campus senates and from the University Senates Conference¹ who were present. President Stukel introduced Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for economic development and corporate relations; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of September 12 and November 14, 2002, copies of which had previously been sent to the board.

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

REPORT ON ADMINISTRATIVE REVIEW PROJECT

President Stukel presented a preliminary report on the administrative review project that is underway and indicated that a full report would be made to the board at the July 2003 board meeting (materials on file with the secretary). The president reviewed the charge from the board given in a resolution approved at the board meeting, March 13, 2003, that directed the president to “examine all existing administrative structures and return to the board with proposals for consolidation, streamlining, and simplifying administrative structures wherever possible...study should cover business, financial, and human resources operations at every level of the organization; facilities planning and management operations; public affairs and external relations; and all other support activities.”

The president reported that a team within the University headed by Vice President Gardner had been working on this since the resolution was approved. He indicated that the other team members included: R. Michael Tanner, provost and vice chancellor for academic affairs, Chicago; Michael R. Cheney, provost and vice chancellor for academic affairs, Springfield; Richard H. Herman, provost and vice chancellor for academic affairs, Urbana; Vice President Chicoine; Vice President Rugg; and Gerald S. Strom, professor of political science at Chicago and chair of the University Senates Conference. President Stukel also said two consultants had assisted

¹University Senates Conference: Gerald S. Strom, professor of political science, Chicago campus; Chicago Senate: Elliot Kaufman, professor and interim head of molecular genetics, College of Medicine at Chicago; Springfield Senate: Ardesbir Lohrasbi, associate professor of business administration; Urbana-Champaign Senate Council: Barclay G. Jones, professor of nuclear, plasma, and radiological engineering, and professor of mechanical engineering

this team in their work, Jim Flowers from Accenture, and Eric Bloch from the Washington Advisory Group. He added that another 130 individuals, both staff and consultants, were working on this project, examining 17 functional areas that involve nearly 4,000 FTE employees and more than \$272.0 million in annual expenditures. He explained that these 17 areas represent more than 75 percent of the expenditures in general revenue funds and tuition income outside the academic units. Further, he added that each chancellor is conducting the same kind of review at each campus.

President Stukel indicated that a similar review in 1998 of the administrative information systems at the University had suggested the Enterprise Resource Planning system that brought about the UI-Integrate Project that has been underway for several years. He reminded the board that this was to streamline administrative services and update outmoded systems that were becoming too expensive to maintain.

The president stated that the goal of all these reviews has been and continues to be the identification of funds currently used for administrative purposes that might be reallocated to academic programs in order to maintain quality in those programs. He reviewed the materials distributed that showed progress and said that there would be much more to report at the July 2003 board meeting.

PRESENTATION OF ITEMS ON THE AGENDA

Mr. Eppley stated that with regard to agenda item no. 1, "Elect Member to Board of Trustees Executive Committee," he recommended that Mr. Vickrey be approved as a member of the Executive Committee of the board to replace Mr. Lamont who resigned in May.

Next, he asked Mr. Rugg to describe agenda item no. 2, "Configuration of the Fiscal Year 2004 Internal Operating Budget." Mr. Rugg stated that this parallels the item approved in March 2003 regarding accountability with public, unrestricted funds and applies the same process to the University's restricted funds and makes the point that the board is responsible for all funds.

Student Fees

Mr. Eppley then asked Mr. Rugg to present information about agenda item no. 5, "Student Fees for Chicago, Springfield, and Urbana, Fiscal Year 2004"; agenda item no. 6, "Student Health Insurance Fees for Chicago, Springfield, and Urbana, Fiscal Year 2004"; and agenda item no. 7, "Rate Changes for University-Operated Housing Facilities, Chicago, Springfield, and Urbana, Fiscal Year 2004" (materials filed with the secretary.)

Mr. Rugg first reviewed the total costs by campus for students including tuition and fees, and noted that the increase for FY 2004 for students would be 4.3 percent at Chicago, 4.2 percent at Springfield, and 4.5 percent at Urbana. He described the fees as student oriented fees that are for student life activities on the campuses, student health insurance, and fees for housing on the campuses. He emphasized that all changes in these fees are set in consultation with representatives of the students and the faculty. Further,

he explained that one of the reasons for the increase in fees for campus housing this year is that computer technology in the residence halls was upgraded this year.

Tuition

Mr. Eppley then turned to President Stukel for comments on agenda item no. 3, "Approve Tuition Rates, Fiscal Year 2004" (materials filed with the secretary). President Stukel stated that this special meeting was called for the board to set tuition and fees for the academic year that begins in August. He said that whatever action the board takes, the tuition would rise by a modest amount compared to other universities in Illinois and across the nation, and that it would be an amount that taken in conjunction with other streamlining and cost-cutting measures will allow the University to mitigate many of the impacts of cuts in State funding as a result of the poor economy. Further, he indicated that if the board approved his recommendation the total cost of tuition and fees would go up by a little more than 4 percent for most of the 71,000 students on the three campuses, and that State, Federal, and University financial aid would reduce that price for fully half of the students. Also, he stated that tuition as a part of the cost of attending the University represents an investment by the student and his or her family in a high quality education that will pay handsome dividends over an adult lifetime. The president added that under the proposal before the board today, tuition at the University would rise by 5 percent, the lowest increase of any public university in the State and less than half the national average for public universities. He noted that the increase would be greater for new out-of-state students and for new students in a few select programs. He also gave assurance that the University would adjust an already generous financial aid program so that no qualified student is denied the opportunity to attend, and he said he was certain they would attend because the University of Illinois is a great university and a great educational value.

President Stukel indicated that the staff modeled two tuition plans, one for a 5 percent tuition increase and one for an 8 percent tuition increase and that the higher one might have been recommended in light of the \$58.0 million reduction in funding for the coming year's State appropriation, and he said that he knew many present who supported the higher increase would be disappointed, and he expressed deep appreciation for this support and encouragement. The president then said that he hoped they would understand as he did, that looking out for the University's interests also requires compromise, and reaching our goals is usually an incremental process. He then stressed that quality was the main issue for the University, achieved and maintained by retaining the best faculty and staff, recruiting the brightest students, providing the best education, and conducting the highest level research. He concluded by saying that he believed that the recommendation for a 5 percent increase in tuition was a small step in the right direction toward preserving the quality of the University's

core mission. He then asked Dr. Gardner to add more detail to this recommendation.

Dr. Gardner reviewed the work of the committee on tuition that met during Fall 2002 and included two trustees as members, Trustees Sodemann and Vickrey, and reminded the board that tuition increases have not been sufficient to fill the gap left by decreased funding from the State in the last decade. He presented information on the loss of faculty positions, 20 percent decline in tenure track faculty in the last two decades, and an increase of 40 percent in student-faculty ratios in courses largely attributable to the loss of State funds to the University. He also added that tuition increases over this period have not been sufficient to make up for this loss. He stated that all monies from tuition increase recommended would be allocated to faculty and students programs, and he said that a 5 percent increase in tuition would yield \$30.0 million to the University, after the allotment to financial aid was removed. He reported that the increases in tuition by campus would be: \$117 per semester at Chicago, \$82 per semester at Springfield, and \$133 per semester at Urbana-Champaign. He also summarized several special tuition increases applicable to selected programs and groups, such as new students at Urbana in engineering, business, fine and applied arts, and programs in aviation.

Dr. Gardner then commented on the relationship between tuition and financial aid for students, saying these must be considered together and reminded the board that half the full-time undergraduate students pay less than the full price of tuition and fees and receive some amount of financial aid (materials filed with the secretary). He told the board that the Illinois State Scholarship Commission had decided to fund more students in FY 2004 and reduced the maximum award by \$250 for the next year, making the maximum award \$2500.

In summary he stated that three principles guide tuition policy and recommendations: maintenance of quality, commitment to access and affordability, and commitment to recruiting and retaining the best faculty and staff. He said that the tuition increase of 5 percent would net \$30.0 million and that would be used for a modest salary increase for faculty and staff averaging 2.5 percent and costing \$20.0 million. He added that senior administrators would not receive a salary increase next year.

Discussion and questions from the board followed. Dr. Carroll asked if students would find enough course sections available to enable them to graduate on schedule. Dr. Gardner acknowledged that the necessity to eliminate some courses would make this more difficult, but that the administration was trying to expand the size of classes to provide sufficient access to courses. Mr. Stewart stated that a survey of students at Urbana revealed that the students were willing to accept a tuition increase of 8 percent and he urged his colleagues to consider the needs of the students and the need to preserve quality. Mr. Moore said that the other part of the tuition recommendation that rejected the planned surcharge for the Springfield campus was very serious for that campus that is in a transitional and developing

stage. He stated that students are willing to pay more because they need more courses and more faculty, and he indicated that he was willing to vote for a salary increase for faculty and staff last November and that as a student he was willing to pay for this. He noted that students at Springfield knew about the recommendation for an 8 percent increase in tuition and the recommended \$250 surcharge and wanted to pay this for the benefits this funding would provide the campus. Mrs. Sodemann then spoke and stated that she supported the 8 percent increase in tuition and would have supported more because the board has a responsibility to provide for the University to maintain quality. She said that 5 percent will be manageable for next year, but that the year after might be more difficult. She stated that the board is responsible for any erosion of excellence in the University and that she is not willingly accepting the lower tuition increase. Mr. Shah then observed that while a tuition increase of 5 percent might not be adequate, the economy necessitates that the administration become more adept at finding new ways to maintain quality. Mr. Sperling said he joined the board a few months ago not wanting a tuition increase and had come to believe that an 8 percent increase was needed and that he would support that. He said that his main concern was that of providing financial aid for students. He also noted that he understood Mr. Shah's points about the economy, and that he was trusting that quality could be preserved and that students would be able to graduate on schedule. Mr. Eppley spoke next and said that although more would be better in terms of funds from tuition, the recommendation for a 5 percent increase is good and it is the best the board can do at this time.

IllinoisVENTURES Emerging Technology Fund

Dr. Chicoine explained that agenda item no. 8, "Approve Illinois Emerging Technologies Fund as a Program of IllinoisVENTURES, LLC," is a recommendation to establish a fund to make equity and equity-related investments in promising new companies commercializing University of Illinois technologies.

REGULAR AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 7 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Elect Member to Board of Trustees Executive Committee

(1) It is now necessary to elect one new member to the Executive Committee of the board due to the resignation of a trustee.

The chair of the board is chair of the Executive Committee.

The board has set certain limitations on the powers of the Executive Committee in its *Bylaws*:

Article IV. Standing Committees of the Board

Section 1. At the annual meeting in January of each year, the board shall elect two members to an "Executive Committee," consisting of three members, the board chair to be the chair *ex officio*, which members shall hold office for one year, or until their successors have been elected.

Section 2. The Executive Committee shall meet whenever the chair, or two members thereof, shall find it necessary for the transaction of any business which is urgent and cannot be postponed to a regular meeting of the board. The committee may meet by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other. All trustees shall be given the same notice of the meeting that is sent to the members of the executive committee and any who wish may elect to participate in the meeting as nonvoting participants.

Section 3. The Executive Committee functions as an instrument of the board and shall possess all the powers of the board when in session, provided that it shall not overrule, revise, or change the previous acts of the board, or take from regular or special committees any business referred to them by the board.

Section 4. The Executive Committee shall make a written record of all its transactions and submit it to the board at its next regular meeting, signed by all the members of the Executive Committee agreeing thereto. Such record shall thereupon be incorporated in the minutes of the board as an integral part thereof.

Within these limitations, the actions of the Executive Committee are final.

The members of the Executive Committee elected for 2003 to serve with Mr. Lawrence C. Eppley as chair have been Mr. Thomas R. Lamont and Dr. Kenneth D. Schmidt.

Mr. Lamont's resignation has created a vacancy on the Executive Committee and Mr. Robert F. Vickrey is recommended to become a member of this committee.

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

Configuration of the Fiscal Year 2004 Internal Operating Budget

(2) At their meeting in March 2003 the trustees addressed a variety of issues concerning configuration of the internal operating budget approved annually by the board. The board expressed its commitment to demonstrating to both internal and external audiences, government and tax payers, that the University manages its resources wisely, and with full oversight from and accountability to the Board of Trustees. In fulfilling its statutory mandate to govern the University of Illinois, the Board of Trustees accepted the responsibility to function as the body accountable for oversight of the University's budget. In exercising that oversight responsibility the board committed to following the spirit of the State Finance Act.

Following their March discussion, the board directed the president of the University to prepare all future operating budgets, commencing with the budget for Fiscal Year 2004, under the following requirements:

- All unrestricted funds available for the support of University operations will be budgeted by objects of expenditure at the University level. (Unrestricted funds for operations include State tax revenue from the General Revenue Fund and Education Assistance Fund; tuition, and other revenue in the University Income Fund; and institutional funds including Federal Indirect Costs Recovered (ICR), administrative allowance, and royalties.)
- The president will be required to seek board approval to transfer any unrestricted funding from the Personal Services and Benefits object of expenditure to any other object of expenditure.

- The president will be required to seek board approval for any transfer from an unrestricted object of expenditure that would cause total transfers to exceed two percent of the total value of unrestricted funding.
- The president and the board shall cooperatively establish budget allocation priorities.

Achieving an appropriate level of accountability for the University's use of all available resources continues to be a paramount priority for the board. At the same time, the board recognizes that it is at the level of the Board of Trustees that proper oversight and accountability can be achieved most fully while maximizing operational efficiency through a measure of flexibility essential to the effective conduct of business in a constrained resource environment.

It is also clear that accountability issues are a significant concern to members of State government and the citizens of the State. Given those concerns and the board's strong sense that it is the most appropriate and effective body to exercise accountability over the University's use of its resources, the board seeks to extend the accountability measures adopted in March. The board therefore directs that, in addition to those requirements, commencing with the operating budget for Fiscal Year 2004 the president prepare the estimated restricted funds operating budget for the University by object of expenditure at the University level. (Restricted funds include sponsored projects, including Federal and corporate grants and contracts, Federal appropriations, private gifts and endowment income, the Medical Service Plan, auxiliary enterprise operations, the University of Illinois Hospital, and departmental activities.) Since the board accepts externally sponsored funds recognizing object-of-expenditure restrictions required by the funding agency, the board directs the comptroller to report to the board actual expenditure of restricted funds by object of expenditure on a quarterly basis. The board acknowledges that the University is bound by the terms and conditions of the contracts, grants, or other financial instruments through which these restricted funds are provided and that these funds cannot be reassigned to other purposes or uses by the board or by University officers.

With the addition of these new requirements, the Board of Trustees will approve and control all operating funds available to the University by object of expenditure. This unprecedented level of control will demonstrate to all segments of State government and to the tax payers of Illinois that the University takes its accountability obligations seriously, and that the Board of Trustees exercises oversight over all University operating resources.

In addition to these requirements, all current budgetary oversight agreements remain in force, including the reporting of budget and expenditure data to the trustees by campus and the limitations on the transfer of funds among programs without prior board approval.

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

Approve Tuition Rates, Fiscal Year 2004

(3) At its meeting on February 12, 2003, the Board of Trustees reviewed tuition policy guidelines and discussed possible student charges for Fiscal Year 2004. The board also discussed tuition issues and financial aid and affordability issues in the context of the University's overall budget planning for FY 2004.

The president recommends general tuition increases of five percent for the Chicago, Springfield, and Urbana-Champaign campuses for FY 2004. This action is consistent with the report endorsed by the board at their February meeting: *Ensuring Quality and Affordability: Tuition and Financial Aid at the University of Illinois*.

In addition to the general tuition increases of five percent at each of the campuses, differential rates for all new students (undergraduate and graduate) include the following changes in per semester charges:

- at Chicago and Urbana, the non-resident differential will increase by \$1,000 (part of a multi-year plan to move the non-resident rate to three times the resident rate);
- at Urbana, increase the engineering differential by \$750; increase by \$100 the lower-division differential for fine and applied arts; and initiate a \$500 differential for business students;

At the graduate level, there are also a number of program specific tuition increases proposed. All proposed tuition actions are outlined in the following table of semester tuition rates.

FY 2004 Tuition Per Semester for Full-Time Students^{1,2}
Entering After May 2001

University of Illinois at Chicago

	<i>FY 2003</i>	<i>Regular Increase</i>	<i>Returning Students FY 2004</i>	<i>Percent Increase</i>	<i>Program Increase</i>	<i>Entering³ Students FY 2004</i>
Undergraduate	\$ 2,332	\$ 117	\$ 2,449	5.0	\$1,000	\$ 2,449
Non-Resident ⁷	5,996	301	6,297	5.0		7,297
Engineering	2,532	127	2,659	5.0		2,659
Graduate	2,689	135	2,824	5.0		2,824
Engineering	2,889	685	3,574	23.7		3,574
Biomedical Visualization	4,189	210	4,399	5.0		4,399
Graduate Nursing	4,189	635	4,824	15.2		4,824
MS in MIS in Business	5,439	272	5,711	5.0		5,711
MBA & MS in Accounting	5,439	272	5,711	5.0		5,711
Masters of Real Estate						5,574
Masters of Architecture	2,689	635	3,324	23.6		3,324
Masters of Fine Arts	2,689	635	3,324	23.6		3,324
Dentistry	6,677	1,002	7,679	15.0		7,679
Medicine ³	9,940	497	10,437	5.0		10,437
Doctor of Pharmacy ³	4,901	490	5,391	10.0		5,391
Continuing PharmD	3,658	183	3,841	5.0		3,841
Doctor of Physical Therapy	4,625	232	4,857	5.0		4,857

University of Illinois at Springfield^{4, 6}

	<i>FY 2003</i>	<i>Regular Increase</i>	<i>Returning Students FY 2004</i>	<i>Percent Increase</i>	<i>Program Increase</i>	<i>Entering³ Students FY 2004</i>
Undergraduate	\$109.50	\$ 5.50	\$115.00	5.0		\$115.00
Non-Resident	328.50	16.50	345.00	5.0		345.00
Graduate	123.25	6.25	129.50	5.0		129.50

University of Illinois at Urbana-Champaign

	<i>FY 2003</i>	<i>Regular Increase</i>	<i>Returning Students FY 2004</i>	<i>Percent Increase</i>	<i>Program Increase</i>	<i>Entering³ Students FY 2004</i>
Undergraduate	\$2,651	\$133	\$2,784	5.0		\$2,784
Non-Resident ⁷	6,953	349	7,302	5.0	\$1,000	8,302
Engineering	2,939	148	3,087	5.0	750	3,837
Business	2,651	133	2,784	5.0	500	3,284
Chem. & Life Sciences	2,939	148	3,087	5.0		3,087
Fine Arts LD	2,751	143	2,894	5.2	100	2,994
Fine Arts UD	2,851	143	2,994	5.0		2,994
Graduate	2,950	148	3,098	5.0		3,098
Engineering	3,238	163	3,401	5.0	750	4,151
Business	2,950	148	3,098	5.0	500	3,598
Chem. & Life Sciences	3,238	163	3,401	5.0		3,401
Fine Arts	3,150	158	3,308	5.0		3,308
Graduate Library Science	3,200	161	3,361	5.0		3,361
MBA & Master of Accountancy	6,882	318	7,200	4.6		7,200
MHRIR	2,950	648	3,598	22.0		3,598
Law ⁵	5,655	848	6,503	15.0		6,503
Veterinary Medicine	5,522	442	5,964	8.0		5,964

1. 5 percent general tuition increase also proposed for continuing students that entered prior to May 2001.
2. Comparable increases for extramural, GIS, part-time, and non-resident students are proposed consistent with existing policies.
3. Students admitted after May 2003.
4. Per credit hour charge, additional Capital Scholars fee of \$300 per year for full-time students, \$15 fee for Peoria programs.
5. Includes graduate programs in the College of Law.
6. UIS MBA program in Peoria, \$12,000 for two-year program, starting Fall 2004.
7. All non-resident students admitted after May 2003 will be assessed an additional \$2,000 annually.

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

**Tuition and Fee Increases,
Cost Recovery, Off-Campus, Online Fees, and Aviation Programs,
Fiscal Year 2004**

I.

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

For Fiscal Year 2004, the following actions are proposed for Cost Recovery Programs:

Proposed Tuition and Fees
FY 2004

Executive MBA Program

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>FY 2004 Increase</i>
Tuition	\$16,250	\$20,500	\$4,250
Fees	8,750	13,500	4,750
<i>Total</i>	\$25,000	\$34,000	\$9,000

Master of Science in Finance

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>FY 2004 Increase</i>
Tuition	\$18,900	\$20,500	\$1,600
Fees	8,900	9,000	100
<i>Total</i>	\$27,800	\$29,500	\$1,700

Master of Science in Business Administration

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>FY 2004 Increase</i>
Tuition	\$18,900	\$20,500	\$1,600
Fees	8,900	9,000	100
<i>Total</i>	\$27,800	\$29,500	\$1,700

Master of Science in Policy Economics

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>FY 2004 Increase</i>
Tuition	\$19,100	\$20,500	\$1,400
Fees	4,400	5,000	600
<i>Total</i>	\$23,500	\$25,500	\$2,000

Master of Science in Accountancy

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>FY 2004 Increase</i>
Tuition	\$18,900	\$20,500	\$1,600
Fees	8,900	9,000	100
<i>Total</i>	\$27,800	\$29,500	\$1,700

For the **Executive MBA Program** each class pays the same tuition and fee charges for each of the two program years. Thus the tuition increase recommended for FY 2004 will affect only the students in the entering class of 2004. Total tuition revenue available for FY 2004 will be sufficient to cover projected academic program costs. Fee increases are required to maintain the current level of service for fee-supported activities. The fee increase also includes expected increases in foreign travel, lodging, recruiting expenses, distance learning, and inflationary increases in housing and meal costs, books and materials, special orientation programs for beginning students, a variety of special travel and speaker series, and computer related services.

The **Policy Economics, Finance, Business Administration and Accountancy** programs are specially designed, intensive programs of study leading to a Master of Science degree in a business related discipline. They are intended for promising international administrators in government and private institutions who need additional training in areas of economic analysis and quantitative techniques. Additional funds are required in FY 2004 to provide for normal cost increases for these programs.

II.

Online internet-based courses require additional resources to support campus networks, technical development costs, and different student services than provided to on-campus students. In this rapidly expanding and evolving instructional delivery system, funding is needed for continuous upgrades of hardware and software, access of library services and extension of hours of technical support services to students and faculty.

The chancellor at Springfield recommends increasing the \$15 per credit hour fee for online courses at the Springfield campus to \$25. The chancellor at Urbana recommends increasing the \$18 per semester credit hour fee to \$36 for all credit courses offered through the Division of Academic Outreach.

III.

E-Tuition: Online programs at Springfield are integrated into the regular course offering, however rather than using the concept of in-state and out-of-state tuition, Springfield has developed E-Tuition for this form of instruction. E-Tuition is equivalent to the in-state rate for regular course offerings. At Springfield an individual who is not a resident of Illinois but who is enrolled in an online degree program and who only takes online classes in a given semester would qualify for the E-Tuition rate. This is consistent with the plan recommended in *Ensuring Quality and Affordability: Tuition and Financial Aid at the University of Illinois*.

IV.

The unique costs associated with instructional requirements in the **Institute of Aviation** are addressed by specific charges for individual courses. Charges differ based upon the type of equipment required, the frequency of its use, the instructional mode (classroom, flight simulator, aircraft, etc.) and so on. Annual reviews of aircraft and simulator operating expenses and other equipment training needs are conducted along with projected wage requirements for the next year. Corresponding adjustments are then made in course charges. For the academic year 2004, current rates have been adjusted for materials, labor, insurance, and flight time.

Aviation course charges proposed for FY 2004 are specified below:

<i>Course</i>	<i>FY 2003</i>	<i>Proposed FY2004</i>
Avi 101	\$2,843	\$2,863
Avi 102	2,452	2,515
Avi 120	3,620	3,703
Avi 121	1,907	1,951
Avi 130	3,272	3,347
Avi 140	3,461	3,540
Avi 200	4,637	4,752
Avi 210	4,704	4,821
Avi 220	2,953	3,135
Avi 222	1,599	1,637
Avi 224	2,550	2,583
Avi 280	3,797	3,886
Avi 281	932	954
Avi 291	3,304	3,387
Avi 292		5,748
Avi 293	768	790

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

The president of the University concurs.

On motion of Mrs. Sodemann, these recommendations were approved.

**Student Fees for Chicago, Springfield, and Urbana,
Fiscal Year 2004**

(5) The chancellors at each campus have recommended student fee levels for Fiscal Year 2004 to support auxiliary operations, student programs and activities, and student health services. The fees recommended are required to meet continuing components (salaries and wages, utilities, goods and services), student programs, operating costs including debt service, and repair and replacement programs of facilities that comprise the Auxiliary Facilities Systems.

Chicago campus

At Chicago, the \$18 increase (2.8 percent) in the Service, General, Health Service, and Transportation fees will provide for general cost increases, support for additional School of Public Health students at the Peoria and Rockford sites, funds for intercollegiate athletics to meet gender equity requirements, enhanced pharmacy services and contractual cost increases required for the Chicago Transit Authority U-PASS program.

Springfield campus

The \$15 increase (6.7 percent) in the Service and General fees for the Springfield campus is to provide for general cost increases, continued support for student programs and organizations, and the continued development of an intercollegiate athletics program.

Urbana-Champaign campus

The \$18 increase (3.5 percent) in the Service, General, and Health Service fee provides a change in the appointment for the Freshman Career Program Counselor in the Career Center from nine months to twelve months, funds to offset inflationary costs for pharmaceutical supplies at McKinley Health Center, administrative computer port charges, and \$1 set aside for student financial aid. The \$1 decrease in the General Fee reflects a discontinuation of \$1 toward the purchase of a new scoreboard at the Assembly Hall.

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

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

The president of the University recommends approval.

**University of Illinois
Summary of Fiscal Year 2004 Semester Student Fees**

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>Percent Increase</i>
Chicago			
Student Fees			
Service Fee	\$259	\$264	
General Fee	227	233	
Health Fee	88	90	
Campus Transportation	75	80	
Student-to-Student Assistance	<u>3</u>	<u>3</u>	
<i>Total Per Semester</i>	\$652	\$670	2.8
Springfield			
Student Fees			
Service Fee	\$177	\$192	
General Fee	44	44	
SDT to SDT Assistance	<u>4</u>	<u>4</u>	
<i>Total Per Semester</i>	\$225	\$240	6.7

Urbana-Champaign	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>Percent Increase</i>
Student Fees			
Service Fee	\$168	\$179	
General Fee	174	173	
Health Fee	171	179	
Campus Transit/Safe Rides	33	33	
SEAL/SORF/Others*	17	19	
Krannert	<u>5</u>	<u>5</u>	
<i>Total Per Semester</i>	\$568	\$588	3.5

*March 2003 student referenda eliminated ISG fee (\$1) and added Energy Tech fee (\$2) and Cultural Programming fee (\$1)

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

Student Health Insurance Fees for Chicago, Springfield, and Urbana, Fiscal Year 2004

(6) The chancellors at Chicago, Springfield, and Urbana recommend approval of student health insurance fees for Fiscal Year 2004. The student health insurance fee combined with the student health service fee fund health care programs tailored to meet the needs of the students at the campuses.¹ The campuses consult with student advisory groups on health program coverage and the resulting fee. Students may choose not to participate in the student health insurance program by providing evidence of comparable insurance coverage from other sources. Following is a summary of the student health program coverage.

With the dissolution of the UIHMO, Inc., beginning Fall 2001 the UIC student health insurance plan was placed for a four-year period with the same carrier providing the Urbana student health insurance program—Mega Life. The Mega Life program provides the students with a choice of preferred providers; a prescription drug benefit; as well as a discount plan for vision and dental services for all students. The Mega Life contract necessitates a 15 percent increase in the Chicago student health insurance fee to support policy enhancements, increased costs of health care and reinsurance, as well as to support higher than anticipated utilization of services. The Springfield campus is in the final year of a five-year renewable contract with Student Assurance Services Incorporated. The contract with Student Assurance Services Incorporated necessitates an average increase in rates of 37 percent for FY 2004 to support enhanced benefits for physician office visits and because of higher than anticipated utilization of services. It should be noted that the carrier did not increase rates last fiscal year. The Urbana campus will be in the seventh year of an eight-year renewable contract with Mega Life Insurance. There will be no increase in rates for FY 2004 for the Urbana program due to better than expected claim results and the comprehensive benefits offered by McKinley Health Services. The Mega Life program in Urbana provides basic coverage for undergraduate students and expanded benefits for graduate students. In addition to health insurance, a dental plan, and an eye care plan are available to graduate students.

¹The recommended student health service fee effective Fall 2003 will be \$91 per semester for Chicago students, \$179 per semester for Urbana students, and is not applicable to Springfield students.

The recommended student health insurance fees¹ per semester are as follows:

	<i>FY 2003</i>	<i>Proposed FY 2004</i>	<i>Percent Increase</i>
Chicago	\$315	\$363	15
Springfield			
Under age 35	141	194	38
Age 35 to 64	218	296	36
Urbana			
Undergraduate	155	155	0
Graduate	214	214	0

The vice president for administration concurs with the recommended fee levels.

The president of the University recommends approval.

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

Rate Changes for University-Operated Housing Facilities, Chicago, Springfield, and Urbana, Fiscal Year 2004

(7) The chancellors at each campus have recommended rate changes for University-operated housing for Fiscal Year 2004. The increases are required to meet operational costs (salaries and wages, utilities, general price increases, including food), to provide for student program enhancements, and to provide for debt service and repair and replacement reserve requirements.

Chicago

Residence Halls (room and board, academic year)

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Student Residence Hall</i>				
Single	\$6,764	\$6,964	\$200	3.0
Double	6,206	6,392	186	3.0
<i>Polk Residence Hall</i>				
Suite Double	6,516	6,710	194	3.0
<i>Student Residence and Commons</i>				
Double	6,428	6,620	192	3.0

Note: Rates for the Student Residence and Commons will range from \$6,126 to \$7,644 depending on room configuration. These rates include a board charge of \$2,076.

Single Student Residence (room only)

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$5,446	\$5,664	\$218	4.0
Three-person apt. (per person)	5,336	5,550	214	4.0
Four-person apt. (per person)	5,400	5,616	216	4.0
Two-person suite (per person)	4,654	4,840	186	4.0
Three-person suite (per person)	4,654	4,840	186	4.0

Note: Apartments feature larger spaces than suites and include living rooms (which can convert to bedroom space). Room only-per person.

¹The rates displayed are for the typical undergraduate and graduate student. Rates will vary for summer session, family dependent coverage, etc.

South Campus Building B

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$5,774	\$6,062	\$288	5.0
Four-person apt. (per person)	5,670	5,954	284	5.0

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

<i>Family Apartments</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two bedroom/Family/Furnished	\$5,148	\$5,328	\$180	3.5
Two bedroom/Family/Unfurnished	4,788	4,968	180	3.8
One bedroom/Family/Furnished	4,050	4,194	144	3.6
One bedroom/Family/Unfurnished	3,780	3,924	144	3.8
<i>Single Student Apartments</i>				
Four bedroom/Private/Town House/ Furnished	\$2,826	\$3,006	\$180	6.4
Four-five bedroom/Private/Furnished	2,646	2,754	108	4.1
One bedroom/Shared/Furnished	2,025	2,097	72	3.6
Two bedroom/Shared/Furnished (4 people)	1,413	1,521	108	7.6
<i>Lincoln Residence Halls*</i>	\$6,170	\$6,302	\$132	2.1

*Rates will range \$5,670-\$6,770 depending on declining balance meal plan chosen. The above rates reflect the cost of a 14 meal-a-week plan (\$2,000).

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

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single	\$6,786	\$7,092	\$306	4.5
Double	5,906	6,172	266	4.5
Triple	5,568	5,818	250	4.5

- Notes: (1) The above rates include 14 meals per week classic (traditional) board plan. All undergraduate contracts must include one of six meal plans: 14 meals classic, 20 meals classic, 12 meals classic + 1,500 café credits, 10 meals + 4,500 café credits, 10 meals classic + 6,000 café credits, or all café credits (11,500).
 (2) Rates in halls with air-conditioning will be \$100 more than the above rates.
 (3) Rates in halls with learning communities will be up to \$270 higher than the above rates.
 (4) The rates quoted do not include the \$16 Residence Hall Association dues.

Graduate Housing (room only, academic year)

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Sherman Hall</i> (air conditioned)				
Single	\$3,406	\$3,560	\$154	4.5
Double	3,254	3,400	146	4.5
<i>Daniels Hall</i> (remodeled)				
Large Single	\$4,336	\$4,532	\$196	4.5
Large Double	3,942	4,120	178	4.5
Standard Double	3,254	3,400	146	4.5

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Board Contract (Optional)				
14 meals classic	\$3,416	\$3,570	\$154	4.5
20 meals classic	3,854	4,000	146	3.8
12 classic + 1,500 credits	na	3,570	na	na
10 classic + 4,500 credits	na	4,000	na	na
10 classic + 6,000 credits	na	4,400	na	na
All café credits (11,500)	na	4,232	na	na

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

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Goodwin-Green (monthly rates - includes heat)				
Sleeping rooms	\$420	\$439	\$19	4.5
Zero bedroom	494	516	22	4.5
Zero, with dining	510	533	23	4.5
One bedroom	588	614	26	4.4
One bedroom, with dining	603	630	27	4.5
Orchard Downs (monthly rates)				
One bedroom, furnished	\$488	\$510	\$22	4.5
One bedroom, unfurnished	404	422	18	4.5
Two bedrooms, furnished	548	572	24	4.4
Two bedrooms, unfurnished				
(Orchard South)	436	455	19	4.4
Two bedrooms, unfurnished	513	536	23	4.5

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

Beckwith Living Center (Room & Board, 19 Meal Plan, Academic Year)

<i>Unit</i>	<i>2002-03</i>	<i>Proposed 2003-04</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single room ¹	\$21,008	\$21,850	\$852	4.0
Single room ²	10,500	10,970	470	4.5

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

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

The vice president for administration concurs in these recommendations.
The president of the University recommends approval.

On motion of Mrs. Sodemann, these recommendations were approved.

**Approve Illinois Emerging Technologies Fund as a Program
of IllinoisVENTURES, LLC**

(8) The Board of Trustees is the sole member of IllinoisVENTURES, LLC, which provides services for the development of new companies commercializing University technologies through such activities as assisting companies obtain seed and venture capital funds, recruiting management talent, developing business plans, securing necessary business services, and so forth.

The IllinoisVENTURES, LLC, Board of Managers adopted the recommendation of a task force of the University of Illinois Foundation that evaluated alternatives for increasing the availability of privately sourced early stage capital and authorized the formation of the Illinois Emerging Technologies Fund for the purpose of making equity and equity-

related investments in promising new companies commercializing University of Illinois technologies. IllinoisVENTURES will organize a limited liability company, to be known as IllinoisVENTURES GP, LLC, and serve as general partner of the Fund, which will be a limited partnership. The sole managing member of the General Partner will be IllinoisVENTURES, LLC. The private sector members of the IllinoisVENTURES Board of Managers will make investment decisions on behalf of the Fund.

Private, accredited investors, who combine affiliation/affinity with the University and experience or substantial familiarity with investment in early-stage technology-based companies, will subscribe for interests in and become limited partners of the Fund. The minimum size of the Fund is expected to be \$10.0 million. The traditional 20 percent carried interest of a general partner will accrue to the benefit of IllinoisVENTURES to further its mission.

In addition, IllinoisVENTURES will be retained to provide advisory and management services to the Fund for an annual management fee of two percent per year. The staff of IllinoisVENTURES will provide these advisory and management services. Incentive compensation, if any, will be determined annually at the discretion of the Board of Managers.

The Board of Managers of the General Partner will also include three ex-officio, non-voting members, who will be the University of Illinois vice president for administration, the University of Illinois vice president for technology and economic development, and the university counsel or their designees.

The vice president for technology and economic development, and the Board of Managers of IllinoisVENTURES, LLC, recommend the formation of the Illinois Emerging Technologies Fund, and further approve an amendment to the Operating Agreement for IllinoisVENTURES, LLC, specifying in Section 5.3 that the Board of Managers has the power and authority, on behalf of the company, to form a limited liability company for the purpose of forming and operating a seed and venture capital fund.

The president of the University concurs.

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

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Chicago, Springfield, and Urbana-Champaign campuses on the dates indicated.

Summary

Chicago

Degrees Conferred July 27, 2002

College of Applied Health Sciences	
Bachelor of Science	29
College of Architecture and the Arts	
Bachelor of Arts	8
Bachelor of Fine Arts	1
<i>Total, College of Architecture and the Arts</i>	<i>(9)</i>

College of Business Administration	
Bachelor of Science	86
College of Dentistry	
Doctor of Dental Surgery	4
College of Education	
Bachelor of Arts	2
College of Engineering	
Bachelor of Science	33
Graduate Programs	
Doctor of Philosophy	64
Master of Architecture	4
Master of Arts	40
Master of Associated Medical Sciences	3
Master of Business Administration	53
Master of Education	18
Master of Fine Arts	8
Master of Health Professions Education	7
Master of Public Administration	4
Master of Science	126
Master of Social Work	8
Master of Urban Planning and Policy	13
<i>Total, Graduate Programs</i>	<i>(348)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	168
Bachelor of Science	43
<i>Total, College of Liberal Arts and Sciences</i>	<i>(211)</i>
College of Medicine	
Doctor of Medicine (Chicago)	11
Doctor of Medicine (Urbana)	2
<i>Total, College of Medicine</i>	<i>(13)</i>
College of Nursing	
Bachelor of Science	2
College of Pharmacy	
Doctor of Pharmacy	5
School of Public Health	
Master of Public Health	19
Jane Addams College of Social Work	
Bachelor of Social Work	3
<i>Total, Degrees Conferred July 27, 2002</i>	<i>764</i>
<i>Degrees Conferred December 14, 2002</i>	
College of Applied Health Sciences	
Bachelor of Science	25
College of Architecture and the Arts	
Bachelor of Arts	29
Bachelor of Fine Arts	44
<i>Total, College of Architecture and the Arts</i>	<i>(73)</i>
College of Business Administration	
Bachelor of Science	274

College of Dentistry	
Bachelor of Science	36
College of Education	
Bachelor of Arts	1
College of Engineering	
Bachelor of Science	134
Graduate Programs	
Doctor of Philosophy	81
Master of Architecture	4
Master of Arts	30
Master of Arts in Teaching	1
Master of Business Administration	153
Master of Education	49
Master of Engineering	3
Master of Fine Arts	1
Master of Health Professions Education	1
Master of Public Administration	6
Master of Science	173
Master of Science in Teaching	6
Master of Social Work	3
Master of Urban Planning and Policy	12
<i>Total, Graduate Programs</i>	(523)
College of Liberal Arts and Sciences	
Bachelor of Arts	313
Bachelor of Science	135
<i>Total, College of Liberal Arts and Sciences</i>	(448)
College of Medicine	
Doctor of Medicine (Chicago)	7
Doctor of Medicine (Peoria)	3
Doctor of Medicine (Rockford)	2
<i>Total, College of Medicine</i>	(12)
College of Nursing	
Bachelor of Science	77
College of Pharmacy	
Doctor of Pharmacy	4
School of Public Health	
Master of Public Health	22
<i>Total, Degrees Conferred December 14, 2002</i>	1,629
<i>Degrees Conferred May 11, 2003</i>	
College of Architecture and the Arts	
Bachelor of Architecture	1
Bachelor of Arts	78
Bachelor of Fine Arts	69
<i>Total, College of Architecture and the Arts</i>	(148)
College of Applied Health Sciences	
Bachelor of Science	78
College of Business Administration	
Bachelor of Science	371

College of Dentistry	
Advance Certificates	20
Bachelor of Science	0
Doctor of Dental Surgery	54
<i>Total, College of Dentistry.</i>	(74)
College of Education	
Bachelor of Arts	61
College of Engineering	
Bachelor of Science	215
Bachelor of Science in Engineering Management	4
<i>Total, College of Engineering</i>	(219)
Graduate Programs	
Doctor of Philosophy	80
Master of Architecture	59
Master of Arts	87
Master of Arts in Teaching	2
Master of Associated Medical Sciences	2
Master of Business Administration	201
Master of Education	94
Master of Engineering	6
Master of Fine Arts	7
Master of Health Professions Education	4
Master of Public Administration	11
Master of Science	257
Master of Science in Teaching	5
Master of Social Work	202
Master of Urban Planning and Policy	30
<i>Total, Graduate Programs</i>	(1,047)
College of Liberal Arts and Sciences	
Bachelor of Arts	564
Bachelor of Science	213
<i>Total, College of Liberal Arts and Sciences.</i>	(777)
College of Medicine	
Doctor of Medicine (Chicago)	145
Doctor of Medicine (Peoria)	43
Doctor of Medicine (Rockford)	40
Doctor of Medicine (Urbana)	23
<i>Total, College of Medicine.</i>	(251)
College of Nursing	
Bachelor of Science	119
College of Pharmacy	
Doctor of Pharmacy	133
School of Public Health	
Master of Public Health	74
Jane Addams College of Social Work	
Bachelor of Social Work	45
<i>Total, Degrees Conferred May 11, 2003.</i>	3,397

Springfield

Degrees Conferred July 27, 2002

College of Business and Management	
Bachelor of Arts	29
Bachelor of Business Administration	11
Master of Arts	1
Master of Business Administration	5
Master of Science	1
<i>Total, College of Business and Management</i>	<i>(47)</i>
College of Education and Human Services	
Bachelor of Social Work	4
Master of Arts	51
<i>Total, College of Education and Human Services</i>	<i>(55)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	34
Bachelor of Science	10
Master of Arts	16
Master of Science	4
<i>Total, College of Liberal Arts and Sciences</i>	<i>(64)</i>
College of Public Affairs and Administration	
Bachelor of Arts	16
Master of Arts	24
Master of Public Administration	4
Master of Public Health	1
Doctor of Public Administration	1
<i>Total, College of Public Affairs and Administration</i>	<i>(46)</i>
<i>Total, Degrees Conferred July 27, 2002</i>	<i>212</i>

Degrees Conferred December 14, 2002

College of Business and Management	
Bachelor of Arts	39
Bachelor of Business Administration	18
Master of Arts	1
Master of Business Administration	16
Master of Science	3
<i>Total, College of Business and Management</i>	<i>(77)</i>
College of Education and Human Services	
Bachelor of Social Work	6
Master of Arts	7
<i>Total, College of Education and Human Services</i>	<i>(13)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	82
Bachelor of Science	23
Master of Arts	14
Master of Science	10
<i>Total, College of Liberal Arts and Sciences</i>	<i>(129)</i>
College of Public Affairs and Administration	
Bachelor of Arts	22
Master of Arts	27
Master of Public Health	8
Doctor of Public Administration	1
<i>Total, College of Public Affairs and Administration</i>	<i>(58)</i>
<i>Total, Degrees Conferred December 14, 2002</i>	<i>277</i>

Degrees Conferred May 10, 2003

College of Business and Management	
Bachelor of Arts	68
Bachelor of Business Administration	31
Master of Arts	6
Master of Business Administration	59
Master of Science	31
<i>Total, College of Business and Management</i>	<i>(195)</i>
College of Education and Human Services	
Bachelor of Social Work	15
Master of Arts	22
<i>Total, College of Education and Human Services</i>	<i>(37)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	123
Bachelor of Science	41
Master of Arts	16
Master of Science	11
<i>Total, College of Liberal Arts and Sciences</i>	<i>(191)</i>
College of Public Affairs and Administration	
Bachelor of Arts	35
Master of Arts	11
Master of Public Administration	22
Master of Public Health	10
Doctor of Public Administration	1
<i>Total, College of Public Affairs and Administration</i>	<i>(79)</i>
<i>Total, Degrees Conferred May 10, 2003</i>	<i>502</i>

Urbana-Champaign

Degrees Conferred May 18, 2003

<i>Graduate Degrees</i>	
Doctor of Education	9
Doctor of Musical Arts	11
Doctor of Philosophy	229
<i>Total, Doctors</i>	<i>(249)</i>
Master of Accounting Science	72
Master of Architecture	55
Master of Arts	147
Master of Business Administration	206
Master of Computer Science	20
Master of Education	131
Master of Fine Arts	26
Master of Human Resources and Industrial Relations	29
Master of Landscape Architecture	1
Master of Laws	32
Master of Music	20
Master of Music Education	4
Master of Science	632
Master of Science in Public Health	1
Master of Social Work	34
Master of Urban Planning	10
<i>Total, Masters</i>	<i>(1,420)</i>
Advanced Certificate in Education	6
<i>Total, Graduate Degrees</i>	<i>1,675</i>

Professional Degrees

College of Law	
Juris Doctor	191
College of Veterinary Medicine	
Doctor of Veterinary Medicine	97
<i>Total, Professional Degrees</i>	288

Undergraduate Degrees

College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	406
College of Applied Life Studies	
Bachelor of Science	241
College of Business	
Bachelor of Science	742
College of Communications	
Bachelor of Science	206
College of Education	
Bachelor of Science	153
College of Engineering	
Bachelor of Science	684
College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	16
Bachelor of Fine Arts	121
Bachelor of Landscape Architecture	23
Bachelor of Music	24
Bachelor of Music Education	27
Bachelor of Science	101
<i>Total, College of Fine and Applied Arts</i>	(312)
College of Liberal Arts and Sciences	
Bachelor of Arts	1,145
Bachelor of Science	1,034
<i>Total, College of Liberal Arts and Sciences</i>	(2,179)
College of Veterinary Medicine	
Bachelor of Science	97
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	23
<i>Total, Undergraduate Degrees</i>	5,043
<i>Total, Degrees Conferred May 18, 2003</i>	7,006

COMMENTS FROM DR. SCHMIDT

Dr. Schmidt asked to make remarks and then referred to earlier comments about the need to maintain the quality of the University and the threats to quality that diminishing funds presents. He stated that although quality is difficult to quantify he would like to attempt to quantify the impacts of recent reductions in funding the University. He said that as the chair of the Committee on Academic Affairs he would like to review the impacts of budget reductions in the near future and document such things as course reductions, loss of faculty and staff, etc. He observed that if courses such as the Freshman Discovery courses at Urbana are significantly reduced that

would seem to him a mark of diminished quality. He asked Dr. Carroll to work with him on this. In closing he thanked Mr. Eppley for the great investment of time and effort in helping the University in the past, very difficult months.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

LAWRENCE C. EPPLEY

Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

July 16-17, 2003



This meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana campus, Urbana, Illinois, on Wednesday and Thursday, July 16-17, 2003, beginning at 11:50 a.m. on July 16.

Dr. Kenneth D. Schmidt, chair *pro tem*, called the meeting to order in the absence of Chair Lawrence C. Eppley¹ and asked Mrs. Sodemann to read the statement of responsibilities to the two new student trustees in attendance, Natalie A. Garcia, University of Illinois at Chicago, and Nate H. Allen, University of Illinois at Urbana-Champaign. At the conclusion the board members welcomed Ms. Garcia and Mr. Allen to the board. Next, Dr. Schmidt introduced guest Thomas Livingston, executive director of the Illinois Medical District Commission and president of the Chicago Technology Park, and invited him to make remarks. Mr. Livingston informed the board that he would be leaving this position to accept a position in business in Chicago and that he wanted to thank the board for their help to him in the role he is now leaving. He stated that he wanted to publicly thank Dr. Schmidt, as his friend and mentor, who also serves as chair of the board of the Illinois Medical District Commission. Mr. Livingston said that Dr. Schmidt was responsible for bringing \$40.0 million to the Illinois Medical District, and

¹Mr. Eppley joined the meeting at 12:30 p.m.

for helping to create new jobs in the Illinois Medical District. He also thanked President Stukel and Chancellor Manning for their help to him and in addition thanked many other University administrators for assisting him in his position with the Illinois Medical District Commission.

President Stukel then said that Mr. Livingston and Dr. Schmidt should be very proud of the changes they have helped to make in the Medical District, noting that seldom does one have an opportunity to contribute to such an important project as the redevelopment of a large part of Chicago, as they have had for the last several years.

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

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

MOTION FOR EXECUTIVE SESSION

Chair pro tem Schmidt 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."

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

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

¹Mr. Sperling joined the meeting at 12:10 p.m.

EXECUTIVE SESSION

Dr. Schmidt explained that the order of presentation of items would be to take one item of litigation first, the one employee matter second, and third, to return to two other items of litigation. He said that the reason for this was that Mr. Bruce planned to leave the meeting during the presentation of the last two litigation items, so as to avoid any conflict of interest, thus placing these at the end was more convenient.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

Litigation

Dr. Schmidt then indicated that the board would take up discussion of medical malpractice cases. At this time Mr. Bruce left the room, as is his practice for all such discussions in order to avoid any possibility of a conflict of interest. Again, Mr. Bearrows stated that he had invited Vice Chancellor

Rice to join him to comment on two medical malpractice cases he wished to present to the board.

AT THIS TIME, MR. BRUCE WAS
EXCUSED DUE TO THE NATURE
OF THE MATERIAL BEING
DISCUSSED IN ORDER TO
ELIMINATE THE POTENTIAL FOR
ANY CONFLICT OF INTEREST.

Mr. Bearrows introduced the first case, *Akins v. Schraufnagel, et al.* He informed the board that this concerned a patient who had undergone a lung biopsy at the University of Illinois Hospital during which complications developed. He said the patient suffered seizures then fell into a coma, required care in a long-term care facility, and then expired 20 months after surgery. Mr. Bearrows and Dr. Rice explained that there were questions about adequacy of documentation in this case. Mr. Bearrows stated that four experts were consulted and three expressed criticisms about the standard of care, citing a lack of monitoring of the patient. Mr. Bearrows indicated that outside counsel recommended settlement, and that a decision regarding this course or taking the case to trial must be made before September 8, 2003. After discussion the board agreed by consensus to pursue settlement at between \$1.25 million to \$1.75 million, as suggested by the outside counsel.

The second case, *Newsome v. Roitberg, et al.*, dealt with a question about whether codeine was an appropriate drug to administer to the patient (Newsome), who had undergone a coiling procedure (insertion of platinum coils inside an aneurysm until it is packed to prevent further bleeding) in an attempt to obliterate an aneurysm. Mr. Bearrows reported that the patient had declared an allergy to codeine, and was wearing a hospital bracelet with this information printed on it. Mr. Bearrows related that following surgery for insertion of the coils the patient was admitted again to the University of Illinois Hospital for evaluation of pain and numbness on the left side and underwent additional surgery to remove the coils, and then seemed to improve. He stated that a few days later the patient reported headaches and nausea, and after two other drugs did not address these symptoms codeine was prescribed. Mr. Bearrows and Dr. Rice commented that no documentation was entered in the record to explain why codeine was prescribed, given the information about the patient being allergic to codeine. Mr. Bearrows said that vomiting continued after the codeine injection was given, and the patient's condition deteriorated cognitively and physically requiring further surgical procedures. Mr. Bearrows

added that the patient remains cognitively impaired and requires assistance with simple daily tasks. He reported that expert commentary regarding this case is conflicting. The board discussed the case at length and did not reach consensus in this executive session. Mr. Bearrows noted that while there are medical arguments as to causation, there is exposure in this case. All agreed to continue the discussion in another executive session the following day.

RECESS FOR LUNCHEON

At 1:30 p.m. the board recessed for luncheon and reconvened at 3:05 p.m.

BOARD MEETING RECONVENED

When the board reconvened, the members of the board noted at the beginning of these minutes, Mr. McKeever, President Stukel, and Dr. Thompson were present.

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider University employee matters."

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

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

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

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CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned.

BOARD MEETING RECESSED

At this time the board recessed to reconvene in regular session at 8:30 a.m. on Thursday, July 17, 2003.

BOARD MEETING, JULY 17, 2003

The board reconvened in regular session at 8:45 a.m. Chair Eppley called the meeting to order and asked the secretary to call the roll. The members of the board, officers of the board, and officers of the University as recorded at the beginning of these minutes were present.

PUBLIC COMMENT SESSION

Mr. Eppley announced that the first order of business would be to hear from three individuals who had requested time to address the board. He then invited Mr. Howard Wakeland to speak. Mr. Wakeland introduced himself as associate dean emeritus of the College of Engineering at Urbana and stated that many members of his family had attended the campus at Urbana. He said he wanted to speak about Chief Illiniwek and referred to a copy of his remarks that had been placed at the board members' places earlier (material filed with the secretary). He said that he had little to add to the controversy about Chief Illiniwek, but that with new board members he thought there might be changes in the wind. He summarized previous reviews regarding the continuation of Chief Illiniwek as the symbol of the athletic teams at the Urbana campus from 1990 and noted that in the material he had distributed reference to the fact that the Urbana campus had failed to respond to a request for information from the NCAA, and observed that this might suggest a covert attempt to leave the record blank.

Mr. Eppley then asked Mr. Ken Viscidi to speak. Mr. Viscidi said that he represented the Progressive Resource/Action Cooperative and wanted to comment on Chief Illiniwek as a stereotype that unlike most stereotypes has not been removed and that usage of the chief continues. He then gave examples of inappropriate concepts of ethnic groups and other groups, stating that no one would consider allowing these to continue today. Then he stated that 170 educational institutions had done away with Native American mascots and that several religious and nonprofit groups advised against use of Native American mascots and nicknames. Further, he said that the representation of Chief Illiniwek is inauthentic and that 26 Native

American organizations, including the Peoria tribe, the descendants of the Illini, had asked that this symbol be discontinued. In closing he said that the trend was against Chief Illiniwek and asked the board to vote to retire the chief.

Next, Mr. Eppley asked Dr. Charles McCaffrey to speak. Dr. McCaffrey introduced himself as a fourth generation alumnus of the Urbana campus, and a holder of four degrees from that campus. He said he was currently a non-tenure track faculty member at the campus, and had been associated with the Urbana campus for 31 years. He then indicated that he had comments and questions about the University's nondiscrimination policy (material filed with the secretary). He quoted the policy, stating that the University does not "engage in discrimination or harassment against any person because of race, color, religion, sex, national origin, ancestry, age, marital status, disability, sexual orientation, unfavorable discharge from the military, or status as a disabled veteran or a veteran of the Vietnam era and to comply with all Federal and State nondiscrimination, equal opportunity and affirmative action laws, orders, and regulations. This nondiscrimination policy applies to admissions, employment, access to and treatment in university programs and activities. Complaints of invidious discrimination prohibited by university policy are to be resolved within existing university procedures." Dr. McCaffrey stated: "In point of fact, there are no 'existing university procedures' for resolving discrimination on the basis of age, disability, and sexual orientation in admissions to the UIC College of Medicine." He criticized the policy for its lack of procedures for registering a complaint based on his experience in attempting to file a complaint regarding his application to the College of Medicine at Chicago. He stated that the policy was hollow because no procedures exist for pursuing a complaint, and he gave, as an example, details of his application to the College of Medicine and the interviews that ensued. He stated that he was told by some of those who interviewed him in 2000 that he was too old to be considered for admission to the College of Medicine. He said he applied again in 2002 and was denied again. He concluded his comments by asking why the policy was hollow and what the board intended to do to remedy this.

Mr. Eppley asked President Stukel to investigate this matter and report back to the board. President Stukel said he would be happy to do so.

PRESENTATION OF AGENDA ITEMS

Mr. Eppley announced that each item on the agenda for today's meeting would be presented and that there would be time for discussion. There was no discussion on agenda item no. 1, "Resolution for Thomas R. Lamont," or for agenda item no. 2, "Memorial Resolution for Irving Dilliard." Mr. Eppley commented on agenda item no. 3, "Revise *Bylaws* of the Board of Trustees of the University of Illinois," and reminded the board that drafts of this had been circulated twice, and changes had been made pursuant to comments. He added that the revisions to the *Bylaws* changed the number of standing committees of the board to reflect current needs. Mr. Eppley

then indicated that he would take out of order the agenda item no. 20, “Health and Dental Benefits for Same-Sex Domestic Partners” and ask Mr. Bruce to comment on that.

Health and Dental Benefits for Same-Sex Domestic Partners

Mr. Bruce stated that when he joined the board in February 2003, this item had been presented to the board a few months earlier and the board had decided not to take action but to wait to see if these benefits might be provided in the same way they are for other dependents of employees—by the State through legislative action. He said that since that change has not occurred he now suggests that the board take action to approve this recommendation, because he sees this as an issue of basic fairness, inasmuch as the other dependents of University employees have health and dental insurance provided. He acknowledged that cost was a concern and that the board is very conscientious about all costs, but that the cost for providing these benefits was *de minimus*. He also noted that some do not support the University providing these benefits because other State entities, including other public universities, do not provide these benefits. In response to this he cited examples of other universities in the country, approximately 195, that do offer these benefits, many Fortune 500 companies, major corporations, and other organizations that also offer these benefits to domestic partners of employees, and concluded that these were widely accepted benefits of employment. Lastly, he said that to those who say that the University of Illinois should wait for the State legislature to act that this was wrong because the University is behind the times on this issue and should set an example and provide these benefits to this group. He said that criteria for eligibility had been drawn up and could be implemented.

President Stukel also commented, stating that the University Senates Conference had worked for the past three years to make health and dental benefits available to all domestic partners of University employees. He said that he recommended the benefits for same-sex partners because those individuals could not marry in the State of Illinois. He supported the contention that the cost was *de minimus*.

Dr. Schmidt then spoke and said he did not wish his comments to be misunderstood as referring to the morality of this issue. He then stated three concerns: First, he disagreed with the estimates of participation, saying that these were based on conjecture and feared that the cost might be greater than estimated. Second, he said that even though the cost is *de minimus* the University does not have the money right now to add these benefits. He said he was unwilling to cut any academic programs for this purpose. Third, he indicated that since no State entities currently provide these benefits that this alone should stop the University from providing them. He said those who desire the benefits should work with the State legislature and the governor to seek them.

Mrs. Sodemann said that she agreed with much of what Dr. Schmidt said, but that she thought she must remove her personal feelings from this issue and vote to approve these benefits for same-sex domestic partners

because these people cannot marry. She said that she had learned that the University was having difficulty recruiting and retaining faculty because of the lack of these benefits and she thought that recommended approval of this item. She said she would vote “yes” on the item.

Mr. Sperling said he begged to differ with Dr. Schmidt, and that he thought to focus on the cost of the benefits was a mistake. He stated that this issue concerns fairness and it is also a matter of viability for the University in its ability to attract and retain faculty. He also said that this is the 21st century and that these benefits are important now for ensuring the quality of the faculty. He indicated that it was the right thing to do and probably should have been some time ago.

Mr. Eppley asked President Stukel to comment on the cost of providing these benefits. The president said that the University is not materially different from other peer institutions, and that the experience of other similar universities is the basis for the cost estimate.

Mr. Vickrey then said that he was opposed to this item first, because he believes strongly in process and that the process for deciding on provision of these benefits belongs with the General Assembly. He noted that Senate Bill 101 that would address this issue is pending and if it does not provide all elements the University needs then those should be added to that bill. He said that his second concern was that the item on the agenda excludes opposite-sex domestic partners, and that in the interest of fairness he thought that all domestic partners should be included.

Mr. Allen then said that he was speaking for the students and indicated that the students have been in favor of these benefits for domestic partners for over one year, and that they think the cost is acceptable given the difficulty in recruiting and retaining quality faculty. He also said that recognizing this need is another way to help students be prepared for the modern world.

Mr. Eppley then asked Mr. Bruce to conclude the discussion. Mr. Bruce stated that he believed that civil rights are priceless and that he thought these benefits ought to be provided. He also observed that he had heard that Federal grants come to the University because of the quality of the faculty and that faculty take these grants with them wherever they go; thus, if the University were to lose Federal funding because of not having a policy for providing benefits for same-sex domestic partners the loss would be greater to the University than the cost of the benefits. He said he hoped other public universities in the State would follow the lead of the University of Illinois if this item is approved.

Dr. Schmidt then stated that he wanted all to know that he was in favor of civil rights and that this was not an issue in this instance.

Other Agenda Items

Mr. Eppley said he would take another item out of order and asked Mr. Vickrey to comment on agenda item no. 27, “Lease of Space for University of Illinois Extension, East Moline, Urbana (campus).” Mr. Vickrey reminded the board that this item was withdrawn at his request from the

agenda of the February 2003 meeting for review of the cost of the lease. He said that Mr. Michael B. Provenzano, senior associate vice president for business and financial services, had worked on this and he asked Mr. Provenzano to comment on the item. Mr. Provenzano said that staff had renegotiated this lease and had gotten the cost per square foot reduced. Mr. Vickrey added that the new lease terms would save the University \$60,000 over five years, and that additional language was inserted in the lease to keep the lease at the same rate for five years and to enable the University to contract for repairs to the space if the lessor is not responsive within 30 days and present the bill to the lessor for payment. Mr. Vickrey thanked Mr. Provenzano as well as Mr. Eugene S. Pitcher, university director of real estate; Dr. Steven F. Schomberg, vice chancellor for public engagement and institutional relations; and Associate Dean Dennis R. Campion, Extension and Outreach, College of Agricultural, Consumer and Environmental Sciences, renegotiating this lease.

Mr. Eppley then asked President Stukel to call on appropriate University officers to present the other agenda items. The president called on Chancellor Manning to present items in the agenda that concern the Chicago campus.

Chancellor Manning commented on item #8, "Establish the Doctor of Education in Urban Education Leadership, Chicago," stating that this is important because one of the missions of the Chicago campus is to work with urban schools, particularly the Chicago schools. On agenda item no. 9, "Establish the Bachelor of Science in Entrepreneurship, Chicago," the chancellor said that this degree program is important for preparing students for the present day business environment. She noted that current offerings in entrepreneurship studies at Chicago are outstanding and are ranked among the top five programs in the nation. Mr. Vickrey commended the chancellor for the introduction of this degree program.

On agenda item no. 10, "Reorganize the School of Biomedical and Health Information Sciences as the Department of Biomedical and Health Information Sciences, Chicago," Dr. Manning said that this recognizes a more appropriate structural relationship. Regarding agenda item no. 11, "Reorganize and Redesignate the School of Kinesiology as the Department of Movement Sciences; and Redesignate the B.S., M.S., and Ph.D. in Kinesiology as the B.S., M.S., and Ph.D. in Movement Sciences, Chicago," she said that this is a more appropriate title for the science studied in this program in that kinesiology includes coaching which was once included when this was a free-standing school and is no longer a part of the program, and that the change to a department is a more appropriate structural relationship. Next, Dr. Manning said that agenda item no. 12, "Eliminate the Undergraduate Degree Programs and Certain Minors in Geography, Including the B.A. in Liberal Arts and Sciences with a Major in Geography, the B.S. in the Geography Curriculum, the B.S. and Minor in the Teaching of Geography, and the Minor in Cartography, Chicago," is recommended due to a loss of faculty in geography and a lack of resources to replace faculty and support

a separate department. She added that geography courses would be taught within another department. The last item Dr. Manning presented was agenda item no. 22, "Award Contracts for Job Order Contracting System, Chicago," she explained that this was a process by which certain repairs and renovations were pre-priced and bids requested from contractors in order to have contractors ready to provide these services as needed throughout the year.

President Stukel then called on Chancellor Ringeisen to present the agenda items related to the Springfield campus. In response, Chancellor Ringeisen said that agenda item no. 5, "Vice Chancellor for Student Affairs, Springfield," combines the two campus positions of dean of students and vice chancellor for student affairs in order to save scarce resources. He said that the campus is fortunate to have a candidate of the quality of Dr. Miller who is recommended. On agenda item no. 13, "Establish Student Legal Services Program, Springfield," he said that this is needed because of the change in the student body at Springfield that has brought a greater presence of more residential students on the campus. He also said that the other two campuses have this service for students.

The president then asked Chancellor Cantor to present items concerning the Urbana campus. Chancellor Cantor spoke to agenda item no. 4, "Appoint Athletic Board, Urbana," and said that this is a vigorous board that works well with the Division of Intercollegiate Athletics. Dr. Carroll asked for information about minority group representation on this board and the chancellor said she would get that information and send it to Dr. Carroll. Next, the chancellor said that agenda item no. 14, "Establish a Bachelor of Science Degree in the LAS Individual Plans of Study Curriculum in the Sciences and Letters Curriculum, Urbana"; agenda item no. 15, "Establish Department of Bioengineering and B.S., M.S., and Ph.D. Programs in Bioengineering, Urbana"; agenda item no. 16, "Redesignate the Department of Agricultural Engineering as the Department of Agricultural and Biological Engineering, Urbana"; and agenda item no. 17, "Redesignate the LAS Humanities Major in the Sciences and Letters Curriculum as the LAS Interdisciplinary Major in the Sciences and Letters Curriculum, Urbana," were examples of the campus' efforts to respond to the need to provide interdisciplinary programs that include study in several related areas that are interdependent in current research and scholarship, and to update some interdisciplinary programs to reflect new emphases. On agenda item no. 18, "Redesignate the Post-Genomic Institute Building as the Institute for Genomic Biology Building, Urbana," she explained that this is to recognize that the biology studied in this facility is genomic biology, the name of a new field in biology in which research is currently being carried out and that "post-genomic" was not accurate.

President Stukel then asked Vice President Gardner to comment on agenda item no. 7, "Promotions in Academic Rank and Change in Tenure, 2003-2004." Dr. Gardner told the board that there is no more important decision in personnel matters at a university than these two matters. He

described the dossiers that are prepared for each faculty member considered for either promotion or tenure and the various levels of review that occur from the department level to the provost's level on the campuses before the recommendations are sent to the chancellors and to then to the president. He emphasized the rigor and thoroughness of the process.

Next, the president asked Vice President Rugg to present items related to his areas of responsibility. Starting with agenda item no. 21, "Renew Agreements, University of Illinois Alumni Association and University of Illinois Foundation," Mr. Rugg explained that these agreements have been required by the Legislative Audit Committee of the State following an audit many years ago after which that committee declared that these two organizations are "University-Related Organizations," and that services provided the University by these had to be through contractual arrangements. He said that the amounts of the contracts are less than last year, owing to the University's need to reduce spending. Regarding agenda item no. 23, "Certificates of Participation (UI-Integrate Project) Series 2003," he said that the board had earlier approved the entire amount for certificates of participation for this project and that this item calls for an execution of a portion of that total. He mentioned that this is within the amount approved in 2001. On agenda item no. 24, "South Campus Development Project Revenue Bonds, Series 2003," he reminded the board that the revenue bonds for this project were approved earlier and that this recommendation is to execute the sale of these bonds. He noted that the debt service would be paid by the tax increment financing (TIF) agreement for this development. Mr. Rugg also informed the board that refinancing of other bonds may be added to this issue. For agenda item no. 25, "Award Contracts for Temporary Resources for Development of the Data Warehouse and Associated Data Marts," he said that this is a recommendation to contract for temporary staff to call on when the demand is high for data processing. Mr. Rugg explained that agenda item no. 26, "Award Contracts for South Farms Phase One Implementation, Urbana," referred to an action approved by the board at an earlier time, and that this seeks authorization to proceed with the first phase. He then asked if any board member had a question about any entry in the recommendations in agenda item no. 28, "Purchases." There were no questions.

Mr. Bearrows presented agenda item no. 19, "Designate those Components of the University that are Covered by the Health Insurance Portability and Accountability Act of 1996," and told the board that compliance with this act requires protection of health information about individuals. He said that the University must comply with this and disclose the entities that provide health care services. He stated that this item does that.

EXECUTIVE SESSION

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

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

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

AT THIS TIME, MR. BRUCE WAS
EXCUSED DUE TO THE NATURE
OF THE MATERIAL BEING
DISCUSSED IN ORDER TO
ELIMINATE THE POTENTIAL FOR
ANY CONFLICT OF INTEREST.

Mr. Eppley announced that this meeting was called to receive additional information from University counsel on the case, *Newsome v. Roitberg, et al.*, that was discussed at the meeting the day before. Mr. Bearrows then reported that the plaintiff's expert witness has been deposed, a fact that was not clear earlier, and had testified to the opinions disclosed earlier in the case as previously described by Mr. Bearrows. He described the expert witness as a board certified neurosurgeon who is licensed in several states. He said he is not an academic and has not published scholarly articles in his field. Mr. Bearrows said that this expert stated that he believes, based on his professional experience, that codeine ingested by the patient caused vomiting that in turn caused increased intra-cranial pressure that resulted in bleeding. Mr. Bearrows stated that the University experts for this case do not agree that increased bleeding is caused by increased intra-cranial pressure. He also reported that outside counsel recommends settlement of this case rather than going to trial. Mr. Bearrows recommended to the board an attempt at settlement of up to \$1.0 million.

REGULAR AGENDA

Mr. Eppley asked that the agenda items be called for a vote since some board members needed to leave the meeting soon. The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 19 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Resolution for Thomas R. Lamont

(1) Mr. Eppley read the following item into the record.

To: Thomas R. Lamont

For nearly 13 years your record of service to the University as a member of the Board of Trustees has been generous and remarkable. Your two terms and the portion of an unexpired term for which you graciously agreed to serve were noteworthy for the leadership you provided. Elected by your colleagues early in your tenure to lead the board you served in this role with distinction for a total of three years. During your third term as chair of the board you lead the board in the singularly important process of selecting a president for the University. Your keen ability to build cohesiveness among a diverse group of colleagues, and your skill at developing consensus at key junctures made this a truly excellent experience.

In addition, your service as chair of the Committee on Athletics has been marked by involvement in several important searches, resulting in decisions advantageous to the University. You will be remembered for your willingness to explain to the public the distinctiveness of the athletic enterprise, particularly its high reliance on economic self-sufficiency and the quality of the student athletes.

During your tenure on the board you also chaired the Committee on Finance and Audit for several years, and assisted greatly in advising the administration on decisions regarding investments, borrowing, and other financial matters. Your understanding of State funding mechanisms proved helpful in the counsel you gave the University.

You also lent your assistance to the board Committees on Academic Affairs, Buildings and Grounds, Diversity, and Student Affairs. Your willingness to help out whenever and wherever needed has been a hallmark of your devoted service.

As a graduate of the College of Law at Urbana, you have been a dedicated alumnus. This spirit of commitment to service is borne out in other parts of your life as well. We have witnessed with pride your loyalty to country in your service in the Illinois National Guard at home and abroad. This intense sense of giving back to those parts of our society that are critical to our way of life and that sustain excellence has been a part of your life, and the University of Illinois is a very grateful beneficiary. We are in your debt and we salute you today for your resolute advocacy for the University of Illinois.

The Board of Trustees, together with the president of the University, other administrative officers, and faculty join in this tribute to you. We extend best wishes to you and to Mrs. Lamont, to whom we give thanks for her special assistance to the University. Further, we send our greetings to your sons Michael and Jeffrey.

The Board of Trustees directs that this resolution be incorporated into the minutes of today's meeting to become a part of the official public record, and that a suitable copy be given to you as a permanent reminder of the esteem and affection in which you are held.

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

Memorial Resolution for Irving Dilliard

(2) The Board of Trustees of the University of Illinois records with sadness the death of Irving Dilliard on October 9, 2002, culminating a life of singularly distinguished service. Among his many roles as a public servant, Mr. Dilliard served as a member of the Board of Trustees of the University of Illinois from 1961 to 1967, after receiving more than two million votes in the statewide election for this position. It was important for the University to have a person of Mr. Dilliard's stature on its board during this tumultuous period in American higher education. As editor of the *St. Louis Post-Dispatch* editorial page, Mr. Dilliard was well versed in social controversy and indeed fearlessly waded into discourse on some of the most charged subjects of his time. He frequently editorialized on stories of people whose civil rights had been violated, including a man denied the right to practice law because he would not respond to a question about his belief in the existence of God, and a German war bride facing deportation based on unfounded suspicions. He also was

an authority on the Bill of Rights and the U.S. Supreme Court. He wrote more than 10,000 editorials and many books. His books include, *Mr. Justice Brandies*, *Great American*; and an edited collection of Judge Learned Hand's papers, entitled, *The Spirit of Liberty*. Approximately 850,000 copies of his pamphlet, *Building the Constitution*, was distributed to schools.

Mr. Dilliard began his journalistic career while still a high school student in Collinsville, Illinois, writing for the *Collinsville Herald*. After graduation from the University of Illinois in 1927, followed by a year of graduate study at Harvard University, he began a long tenure at the *St. Louis Post-Dispatch*, first as a correspondent, then as a reporter. For most of his 33 years at the newspaper he was a member of the editorial staff, serving as editor of the editorial page from 1949 to 1957. He first considered becoming a writer while a high school student, and to help him with this decision he wrote to more than 100 major writers to ask for advice. He received more than 120 letters in response, offering advice both gentle and brusque. Those who wrote him included Robert Frost, Rudyard Kipling, George Bernard Shaw, and F. Scott Fitzgerald.

He was one of the first Nieman Fellows at Harvard in 1938, and during World War II he served on General Eisenhower's staff as a psychological warfare specialist and rose to the rank of lieutenant colonel. During this time he was also an editorial adviser for the European edition of *Stars and Stripes*. He was known to play host to supreme court justices who came for lunch at his office at the *St. Louis Post-Dispatch*. His insights about his country and his time in history were extraordinary, as exemplified by the series of editorial articles he wrote in 1954 entitled, *A War to Stay Out Of*, in which he urged that the United States avoid becoming embroiled in the conflict in Vietnam.

After retirement from the *St. Louis Post-Dispatch*, Mr. Dilliard taught at the Salzburg Seminar in American Studies in Austria, and then spent ten years as a faculty member at Princeton University teaching journalism. After leaving Princeton in 1973 he was named the first director of the Illinois Department on Aging. He was also a past president of the Illinois State Historical Society.

He received several honorary doctorates and many awards for service to human rights and civil liberties. The American Bar Association cited him for contributions to public understanding of the judicial system, and he was named a chevalier in the French Legion of Honor.

At this time, the trustees, the University officers, and the faculty pay tribute to the memory of Irving Dilliard, an outstanding alumnus and a well-remembered trustee.

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

Revise *Bylaws* of the Board of Trustees

(3) The chair of the Board of Trustees recommends revision of the *Bylaws* of the Board of Trustees as indicated below.

This represents an updating of the *Bylaws* to reflect a change in the title and description of board committees, new standing committees, and a change in the order of succession to the office of the chair of the Board of Trustees when the elected chair is absent.

Proposed Amendments to the University of Illinois *Bylaws* of the Board of Trustees

(Additions to the text are underlined and deletions are ~~lined-out~~.)

ARTICLE IV. STANDING COMMITTEES OF THE BOARD

Section 6. The chairs of committees are responsible for keeping the board informed of their committees' activities by way of reports, as needed.

It is expected that ordinarily the position of committee chair will rotate among board members every two years.

~~**Academic Affairs:** To review and evaluate major programs to determine that they are consistent with the academic mission of the University and reflect the programmatic emphasis as determined by the board. To support the statutory responsibilities of the colleges and campus senates in matters of academic policy.~~

Academic Affairs Committee: This committee combines responsibilities for review and oversight of academic programs as well as policies related to student development. The committee reviews academic policy in terms of the University Statutes and supports the colleges and campuses in carrying out the academic mission. It also considers policies and programs related to student life in terms of the University's responsibilities for the health, safety, and general welfare of students.

In addition, this committee will be a conduit through which trustees may liaise with the campus senates and the University Senates Conference, and thus ensure ongoing communication between faculty governance groups and the board

Athletics Committee: ~~To be~~ This committee must be knowledgeable of the requirements issued by the Big Ten Conference, NCAA, NAIA, and the federal government under which the athletic programs operate to ensure that procedures are in place to effect compliance and detect noncompliance. ~~To encourage~~ The committee encourages an appropriate balance between athletics and academic work for scholar athletes to maximize the graduation rate ~~of scholar athletes~~. The chair is expected to present information about athletic programs at each campus.

Budget and Audit Committee: This committee provides oversight and ensures accountability for the University's budget. In doing so the committee is guided by the State Finance Act. Working with the President of the University, this committee cooperatively establishes budget allocation and spending priorities recommended to the board for approval, sets tuition and fees, and helps the board ensure that the University is managing its resources wisely and efficiently.

The committee also provides oversight for the University's audit function, and working with the comptroller makes recommendations for and reviews the annual internal audit program and the external audit of the University. Another responsibility for the committee is ensuring that conflicts of interest are avoided.

Buildings and Grounds Committee: ~~To~~ This committee evaluates long-range plans which that impact the University's infrastructure and facilities. ~~To~~ It also reviews and recommends for approval all capital projects; designs for projects; and appointment of architects, and construction managers, and contractors for such projects; acquisition and/or sale of property; lease agreements for property/buildings/portions of buildings; and operation and maintenance projects of a certain magnitude. ~~Approval for these is voted on by the board as an agenda item.~~

External Affairs Committee: This committee is to be adequately informed of and to enhance the University's governmental and external relations program. The committee will assist University officials' interactions with state and federal public officials to advance the University's state and federal priorities.

Finance and Audit: ~~To review and recommend to the board all policies concerning the management and control of the financial resources of the University including the appointment of investment advisors, financial managers and bond underwriters. To maintain oversight of the University's audit function, including recommendations for, and review of, the annual internal audit program. To review, along with the comptroller, the annual financial statements and external audit.~~

Finance and Investment Committee: This committee is to review and recommend to the board all policies concerning the management and control of the University's financial resources including oversight of debt management and bond financing, and formulation of policies and strategies for maintaining and

growing the endowment. It is also responsible for the appointment of investment advisors, financial participants, and bond underwriters, and for working with the comptroller in reviewing the University's annual financial statements.

Human Resources Committee: To review, examine, and recommend policies so as to enhance the quality of life for University students and employees, to promote diversity, and to foster a climate in which University goals and objectives can best be achieved.

In order to enhance the quality of the faculty and staff at the University and to ensure retention of highly productive and effective employees, this committee reviews and evaluates policies related to all aspects of employment at the University for all groups of employees. The committee promotes diversity within the workplace and fosters a climate in which the goals and objectives of the University can best be achieved. The committee also oversees and ensures compliance with relevant State and Federal laws. Examples of the scope of the committee's responsibilities include: recruitment and search policies, recommendations for salary plans, review of benefits offered faculty and staff, approval of non-discrimination and equal opportunity policies, and review of administrative data systems for human resources information.

Legal Affairs Committee: This committee will serve as liaison to the University Counsel, who is the general legal officer of the board and University, and who serves as legal advisor to the board, the President of the University, and other administrative officers of the University. The committee will provide consultation and advice on important legal matters pertaining to the board such as governance, interpretation of statutes, University policies, and litigation management. The committee also may provide guidance concerning the delivery of legal services to the board and University officials.

Strategic Planning Committee: This committee is charged with helping the University administration plan for the future in ways that will aid in developing the institution and in exploiting its strengths. This committee is also responsible for supporting actions that will implement such plans. The committee must always keep in mind the University's multiple missions of teaching, research, service, and economic development in planning for the future.

Student Affairs: To review and evaluate information that reflects on all aspects of student development and life on campus. To evaluate major undertakings and their potential impact on student life. To review and approve the administration's recommended policies regarding provisions for the health, safety and general welfare of students.

Technology and Economic Development Committee: To This committee reviews, evaluates, and provides oversight of all policies concerning the University's economic development mission and strategies. These include those units of the University responsible for and engaged in the commercialization of University-based technologies, such as the Offices of Technology Management, research parks, and incubator facilities, IllinoisVENTURES, LLC, and other University-Related Organizations created to further these purposes. ~~and to~~ It also reviews and recommends nominations to ~~their~~ these units' respective boards of directors and the appointment of their respective chief officers and advisors, and ~~to~~ reviews and recommends to the board policies, agreements, and opportunities concerning the same.

Trusteeship and Governance: To help provide orientation assistance for new trustees, including a mentoring program,¹ help with revision of board documents, review nominations for recipients of the Trustees' Distinguished Service

¹The chair of the Committee on Trusteeship and Governance together with the chair of the board will annually appoint mentors.

~~Medallion, draft agendas for sessions during which the board works on its own processes and procedures, assume special projects at the discretion of the board chair, and otherwise be vigilant in all matters affecting board governance.~~

University Hospital Committee and Clinics: ~~To~~ This committee provides oversight of the University Hospital and Clinics, and reviews and recommends approval of projects, as required.

ARTICLE V. TERMS OF OFFICERS AND APPOINTEES OF THE BOARD

Section 1. The officers of the board shall consist of a chair, who shall be elected for a term of one year with the expectation that the chair shall serve two consecutive terms of one year each, secretary,¹ comptroller, and university counsel, who shall be elected for a term of one year, and a treasurer who shall be elected for a term of two years. In the absence of the chair of the board, the chair of the academic affairs committee shall serve in that capacity.

They shall be elected at the annual meeting of the board and shall hold office until their successors are elected and qualified. Prior to the election of the secretary, comptroller, and university counsel, the board shall have the advice of the president of the University. All vacancies for any cause shall be filled by vote of the Board of Trustees, provided that for the period between the occurrence of any vacancy and the next regular meeting of the Board of Trustees, ~~the Chair of the Academic Affairs Committee of the board shall be and become chair, the member of the Executive Committee with the greatest seniority on the Board shall be and become chair. If both the Chair of the Board and this member are absent the third member of the Executive Committee shall be and become chair, if the vacancy exists in that office; o~~ Otherwise such person as may be designated by the chair shall serve as secretary, comptroller, university counsel, or treasurer, as the case may be.

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

Dr. Schmidt voted “no” on this item and stated that he was doing so because he was opposed to eliminating the Committee on Student Affairs from the standing committees of the board. Mr. Eppley reminded him that the responsibility for student affairs was now included in the responsibilities of the Academic Affairs Committee. Dr. Schmidt indicated that he did not think this sufficient.

Appoint Athletic Board, Urbana

(4) The chancellor at Urbana recommends the appointment of Associate Professor Ann W. Nardulli (Department Molecular and Integrative Physiology), Associate Professor Laurence J. Parker (Department of Educational Policy Studies), Professor Emily Watts (Department of English), Ms. Marianne M. Dickerson (alumnus), Ms. Jamie Lynne Graves (student), Ms. Carol Mayer (student), and Mr. Chezare Warren (student) to the Athletic Board of the University of Illinois at Urbana-Champaign. The chancellor at Urbana also recommends the appointment of Professor Nancy Sottos (Department of Theoretical and Applied Mechanics) as Faculty Athletic Representative (FAR) to the Big Ten Conference and the National Collegiate Athletic Association; the FAR also serves on the Athletic Board. The appointments will be effective August 2003, and will continue for the term designated or until a successor has been appointed.

The Athletic Board is a committee concerned with intercollegiate athletics at the Urbana campus. In its oversight of the academic and educational aspects of the intercollegiate athletics program, it is a committee of the Urbana-Champaign Senate. The board also serves as an advisory committee to the chancellor and the athletic director on the financial management, personnel, and other operational aspects of the intercollegiate athletics program.

¹The secretary shall perform the duties of the “Recording Secretary” and “Corresponding Secretary” as provided for by Illinois statute.

The board consists of 20 members: two faculty representatives to the Big Ten; seven other faculty members; four alumni of the Urbana-Champaign campus; the chair of the Board of Trustees' Committee on Athletic Activities; three students; and three ex-officio members without vote; a designee of the chancellor, the University comptroller or designee, and the athletic director. A slate of faculty nominees is provided to the chancellor by the Urbana-Champaign Senate. The slate of student nominees is provided to the chancellor by the Urbana-Champaign Senate, the Illinois Student Government, and the Student Athlete Advisory Board to fill one student position each. The slate of alumni is provided by the Urbana-Champaign Council of the Alumni Association. The chancellor reviews the lists of nominees and forwards her recommendations to the president of the University for action by the Board of Trustees.

The president of the University concurs.

ANN NARDULLI, associate professor, Molecular and Integrative Physiology, for a term ending in 2005.

Professor Nardulli holds a B.S. in Education from Northern University and a Ph.D. from the University of Illinois at Urbana-Champaign in Physiology and Biophysics. An associate professor of molecular and integrative physiology, she teaches one of the most highly attended courses in the School of Molecular and Cellular Biology, supplementing the lectures with weekly brown bag lunches and discussion group meetings to provide opportunities for student interaction. Her research focuses on how estrogen-responsive genes are regulated; an area with significant clinical application. Using newly developed, highly sensitive molecular biology techniques, she examines endogenous, estrogen-responsive genes in intact human breast cancer cells to define how chromatin structure plays a role in estrogen- and antiestrogen-regulated gene transcription. Understanding the mechanisms by which estrogen agonists and antagonists modulate gene expression is particularly important in light of the fact that these compounds are widely used in hormone replacement therapy and in breast cancer treatment and prevention.

LAURENCE PARKER, associate professor, Educational Policy Studies, College of Education for a term ending in 2007.

Professor Parker holds a Ph.D. from the University of Illinois at Urbana-Champaign in Educational Policy Studies. His teaching specializations are in the areas of critical race theory and educational policy, the politics of education and equity issues for minority students at both the K-12 and post-secondary levels. His research over the past few years has focused largely on educational leadership and diversity, education law and teacher testing, and diversity and evaluation. Most recently, his research interests have expanded to include urban education, higher education desegregation, critical race theory and education, and educational policy and school choice.

EMILY WATTS, professor, Department of English, College of Liberal Arts and Sciences, for a term ending in 2007.

Professor Watts received a B.A., M.A., and Ph.D. in English from the University of Illinois. She has been a Guggenheim and Woodrow Wilson Fellow, is author of three scholarly books (*Ernest Hemingway and the Arts*, *The American Women Poets from 1632 to 1945*, and *The Businessman in Literature*), is currently working on a book on American prosody and has published widely in scholarly journals. Professor Watts has won the college and campus awards for Excellence in Undergraduate Teaching. She has served on numerous departmental, college, university, and national committees, including most recently the Chancellor's Committee on the Status of Women, the Senate Executive Committee, and the Senate Committee on Academic Freedom and Tenure. Professor Watts served previously as chair of the Athletic Board, and has served as chair of the Faculty Advisory Committee to the Illinois Board of Higher Education. Professor Watts has also served on the Big Ten Task Force on Governance and the NCAA Peer Review Equity Subcommittee.

NANCY SOTTOS, professor, Department of Theoretical and Applied Mechanics, College of Engineering, and Beckman Institute for Advanced Science and Technology, for an indefinite term coinciding with service as Faculty Athletic Representative.

Professor Sottos holds a B.S. and Ph.D. in Mechanical Engineering from the University of Delaware. Her research group studies the mechanics of complex, heterogeneous materials such as advanced composites, thin film devices, and smart materials, specializing in meso-scale characterization of deformation and failure in these material systems. Current research focuses on the development of autonomic materials systems that have the ability to achieve adaptation and response in an independent and autonomic fashion (e.g., recent work on autonomic healing in polymers). She received an ONR Young Investigator Award in 1992, Outstanding Engineering Advisor Award in 1992, 1998, 1999, and 2002, the Robert E. Miller Award for Excellence in Teaching in 1999, and was designated a University Scholar in 2002. She is currently serving as the Senior Technical Editor for the journal, *Experimental Mechanics*, and is on the editorial board for *Composites Science and Technology*. She is also the faculty advisor for the student chapter of the Society of Women Engineers.

MARIANNE DICKERSON, alumnus, College of Commerce and Business Administration, for a term ending in 2007.

Ms. Dickerson holds a B.S. in General Engineering from the University of Illinois at Urbana-Champaign, an M.S. in Industrial/Operations Engineering from the University of Michigan, and a M.B.A. from Harvard University. She is a member of the University of Illinois Alumni Association, Technology Entrepreneurship Center Advisory Board, Varsity I Association, the University of Illinois Foundation President's Council and a board member of the General Engineering Alumni and Industrial Advisory Board. She is vice president of information technology for R. R. Donnelley in Chicago. While on the Varsity Women's Track team Ms. Dickerson earned All-American status in 1981 and 1982. As a member of the U.S. Track and Field Team, she was a silver medalist in the 1983 World Track and Field Championships in Helsinki, Finland. Ms. Dickerson was awarded the Big Ten Conference Centennial Medal of Honor in 1995.

JAMIE LYNNE GRAVES, student, senior in the Department of Political Science, College of Liberal Arts and Sciences, for a term ending in 2004.

Ms. Graves is a senior in the College of Liberal Arts and Sciences at Urbana, majoring in political science and Latin American history with a minor in African American studies. She has been active on many department and campus committees and organizations. She believes that she can bring that experience to the Athletic Board to help foster communication between the intercollegiate athletic program and the University as a whole. Ms. Graves is from Peoria, Illinois.

CAROL E. MAYER, student, senior in broadcast journalism, College of Communications, for a term ending in 2004.

Ms. Mayer was one of only two four-year, three-sport (golf, basketball, and soccer) high school student athletes in Richmond, Illinois. In those twelve high school seasons, she held four captain's positions. While at the University of Illinois, she was chosen to represent women's golf on the Student Athlete Advisory Board last spring. Sports are her passion. When she is not in the classroom or on the golf course you might find her on the Net-Nuts Tennis cheering squad. One of Ms. Mayer's primary interests is to be a useful vehicle between student athletes and the Athletic Board.

CHEZARE WARREN, student, senior in elementary education, with a teacher education minor in mathematics and middle school endorsements, College of Education, for a term ending in 2004.

Mr. Warren has held various leadership positions in a number of campus and community activities including the Minority Association for Future Educators, the Peer Recruitment Program in the Office of Admissions and Records, Central Black Student Union, and the Black Chorus to name a few. He also chartered a new chapter of a national fraternity on the Urbana campus, and was appointed most recently to the La Casa Cultural Latina Advisory Committee. Although he does not have an athletic background, Mr. Warren is interested in representing the student body and becoming involved with programming and organizations that affect the campus community as a whole; thus, his interest in the Athletic Board. Mr. Warren is from Chicago, Illinois.

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

Vice Chancellor for Student Affairs, Springfield

(5) The chancellor at Springfield has recommended the appointment of L. Christopher Miller, currently interim vice chancellor for student affairs, dean of students and associate vice chancellor for student affairs, as vice chancellor for student affairs and dean of students, beginning August 16, 2003, on a twelve-month service basis, at an annual salary of \$105,000.

This recommendation is made with the advice of the provost and vice chancellor for academic affairs.

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Appoint Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

ROBERT BERGER, assistant professor of surgery, on 51 percent time, and physician surgeon in surgery, on 49 percent time, College of Medicine at Chicago, beginning May 1, 2003 (NY51;NY49), at an annual salary of \$175,000.

LAWRENCE S. CHAN, associate professor of dermatology, College of Medicine at Chicago, on 51 percent time, beginning March 17, 2003 (AY51), at an annual salary of \$80,000. Dr. Chan will continue to serve as physician surgeon in dermatology, College of Medicine at Chicago, on 19 percent time, at an annual salary of \$50,000 (NY19), for a total salary of \$130,000.

BENET DEBERRY-SPENCE, assistant professor of managerial studies, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$90,000.

PETER DANIEL HEPBURN, assistant circulation librarian and assistant professor, Richard J. Daley Library, University of Illinois at Chicago, on 100 percent time, beginning April 1, 2003 (NY), at an annual salary of \$43,000.

THOMAS GEORGE HORNBY, assistant professor of physical therapy, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$70,000.

AMIE SCHUCK, assistant professor of criminal justice, on 100 percent time, July 16-August 15, 2003 (N), \$6,000, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$54,000.

Emeriti Appointments

- BERNARD H. BAUM, professor emeritus, Division of Health Policy and Administration, June 21, 2002
- MARYBETH BUSCHMANN, professor emerita of medical-surgical nursing, September 1, 2003
- SONA S. HOISINGTON, professor emerita of Slavic and Baltic languages and literatures, June 21, 2003
- MELVIN G. HOLLI, professor emeritus of history, May 21, 2003
- JUNE D. KNAFLE, associate professor emerita, College of Education, May 21, 2003
- REGINA KULYS, associate professor emerita, Jane Addams College of Social Work, May 21, 2003
- PIERRE LEBRETON, professor emeritus of chemistry, May 21, 2003
- SUSAN R. LEVY, professor emerita, Division of Community Health Sciences, School of Public Health, September 1, 2002
- DONALD GLENN MARSHALL, professor emeritus of English, May 21, 2003
- HARRIET WADESON, professor emerita, School of Art and Design, September 1, 2003

Springfield

- JAMES BONACUM, assistant professor, Biology Program, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$45,000.
- LARRY R. LIVINGSTON, assistant professor, Social Work Program, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$40,981.
- JIM OTTERY, assistant professor, English Program, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$45,000.

Emeriti Appointments

- WILLIAM BLOEMER, professor emeritus, Chemistry Program and professor emeritus, Clinical Laboratory Science Program, July 1, 2003
- BARBARA A. JENSEN-SCHWEIGHAUSER, clinical instructor emerita, Applied Study Program, June 1, 2003
- MALCOLM P. LEVIN, professor emeritus of environmental studies, August 1, 2003

Urbana-Champaign

- TRAVIS L. DIXON, assistant professor of speech communication, on 100 percent time, June 16-August 15, 2003 (N), \$15,111, and continuing on 100 percent time, effective August 16, 2003 (2), at an annual salary of \$68,000.
- W. BROOKE ELLIOTT, assistant professor of accountancy, on 100 percent time, June 16-August 15, 2003 (N), \$31,111, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$140,000.
- KURT A. GRIMM, assistant professor of veterinary clinical medicine, on 100 percent time, beginning March 21, 2003 (NY), at an annual salary of \$95,000.
- ROBERT MARKLEY, professor of English, on 100 percent time, beginning August 16, 2003 (A), at an annual salary of \$112,000.
- DANA RABIN, assistant professor of history, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$51,000.
- ZVI SCHWARTZ, assistant professor of leisure studies, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$58,500.
- JO ELLEN STRYKER, assistant professor of speech communication, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$53,000.

Sabbatical Leaves of Absence

- BRUCE E. BRANHAM, associate professor of natural resources and environmental sciences, College of Agricultural, Consumer and Environmental Sciences; sabbatical leave of absence for academic year 2003-04, at two-thirds pay. Associate Professor Branham will complete a monograph on the biology, ecology and management of annual bluegrass (*Poa annua* L.) in other grass crops.
- BRUCE W. FOUKE, assistant professor of geology, College of Liberal Arts and Sciences; sabbatical leave of absence for second semester 2003-04, at full pay. Associate Professor

Fouke will learn, develop and apply statistical ecological analyses to studies of seawater-microbe-coral interactions.

CRAIG M. KOSLOFSKY, assistant professor of history, College of Liberal Arts and Sciences; sabbatical leave of absence for first semester 2003-04, at full pay. Associate Professor Koslofsky will complete a book on the history of night in early modern Europe. This book, entitled *Evening's Empire: A History of the Night in Early Modern Europe*, will be the first in-depth study of nocturnal activities and attitudes toward the night in the early modern period (1500-1800).

GREGORY F. MCISAAC, assistant professor of natural resources and environmental sciences, College of Agricultural, Consumer and Environmental Sciences; sabbatical leave of absence for academic year 2003-04, at one-half pay. Associate Professor McIsaac will work on developing a national database that would be used for understanding and addressing water quality problems associated with excess nutrients.

Emeriti Appointments

RICHARD J. BETTS, associate professor emeritus, School of Architecture, May 21, 2003

CHARLES W. BOAST, professor emeritus of soil physics in the Department of Natural Resources and Environmental Sciences, May 21, 2003

EDWARD H. BROWN, JR., associate professor emeritus of animal biology, July 21, 2003

GERALD M. BROWNE, professor emeritus of the classics, May 21, 2003

ROBERT L. CARRINGER, professor emeritus of English, June 21, 2003

ANTHONY D. KAUFMAN, associate professor emeritus of English, August 1, 2003

WRIGHT NEELY, associate professor emeritus of philosophy, August 21, 2003

WAYNE J. SHAFER, professor emeritus of economics, May 21, 2003

MICHAEL SHAPIRO, professor emeritus of English, July 21, 2003

EMILE J. TALBOT, professor emeritus of French, May 21, 2003

J. C. VAN ES, professor emeritus of rural sociology in the Department of Human and Community Development, July 21, 2003

JAMES P. WARFIELD, professor emeritus, School of Architecture, May 21, 2003

PAUL M. WEICHSEL, professor emeritus of mathematics, August 21, 2003

ROBERT WEISSBERG, professor emeritus of political science, August 21, 2003

STEVEN S. ZUMDAHL, professor emeritus of chemistry, July 21, 2003

Administrative/Professional Staff

VAN ALLEN ANDERSON, associate vice chancellor for research, Office of the Vice Chancellor for Research, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$124,602. Dr. Anderson was appointed to serve as interim associate vice chancellor for research under the same conditions and salary arrangement beginning July 1, 2003.

JULIE E. BRACKEN, associate director of nursing services, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$94,000. Ms. Bracken was appointed to serve as visiting associate director of nursing services under the same conditions and salary arrangement beginning May 5, 2003. She will continue to hold the rank of adjunct clinical instructor, Department of Medical-Surgical Nursing, College of Nursing, on zero percent time (non-tenured and non-salaried), for a total salary of \$94,000.

CLARENCE E. BRIDGES, associate director of facilities management, Physical Plant Administration, Office of the Vice Chancellor for Administration, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$96,000. Mr. Bridges was appointed to serve as visiting associate director of facilities management under the same conditions and salary arrangement beginning May 24, 2003.

MARTIN CAMARGO, head of the Department of English, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$5,000, beginning August 16, 2003 (K). In addition, Dr. Camargo will be appointed to the rank of professor of English, on indefinite tenure on an aca-

- demic year service basis, on 100 percent time, beginning August 16, 2003 (A100), at an annual salary of \$117,500, for a total salary of \$122,500.
- OLIVER J. CLARK, executive director of public safety, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$102,488.
- JOHN GARRETT DEMPSEY, executive director of facilities and services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$126,522.
- ANDREW J. DONNELLY, director, Ambulatory Care Pharmacy, Department of Pharmacy Practice, College of Pharmacy, Chicago, on a twelve-month service basis with an administrative increment of \$22,500, beginning July 21, 2003 (NY). In addition, Dr. Donnelly will continue to serve as director of Hospital Pharmacy Services, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 60 percent time, at an annual salary of \$78,000; and clinical professor of pharmacy practice, College of Pharmacy, Chicago, on a twelve-month service basis, on 40 percent time (non-tenured), at an annual salary of \$52,000 (NY60;NY40), for a total salary of \$152,500.
- KIRK FREUDENBERG, chair of the Department of the Classics, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$2,000, beginning August 16, 2003 (NY). In addition, Dr. Freudenberg will be appointed to the rank of professor in the Department of the Classics, on indefinite tenure on an academic year service basis, on 100 percent time, beginning August 16, 2003 (A100), at an annual salary of \$114,000, for a total salary of \$116,000.
- STANLEY E. HENDERSON, associate provost for enrollment management and director of Admissions and Records, Office of the Provost and Vice Chancellor for Academic Affairs, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning August 16, 2003 (NY), at an annual salary of \$132,000.
- MARIANNE E. KALINKE, head of the Department of Germanic Languages and Literatures, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$2,000, beginning August 16, 2003 (K). Dr. Kalinke was appointed to serve as acting head of the Department of Germanic Languages and Literatures under the same conditions and salary arrangement beginning May 21, 2003. In addition, Dr. Kalinke will continue to hold the rank of professor of Germanic languages and literatures, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$128,000; and professor, Program in Comparative and World Literature, on zero percent time (non-tenured and non-salaried), effective August 16, 2003 (A100;N). On May 15, 2003, Dr. Kalinke was appointed by the Board of Trustees as professor in the Center for Advanced Studies, on indefinite tenure (non-salaried), for a total salary of \$130,000.
- PAUL B. KELTER, director of the General Chemistry Program, School of Chemical Sciences, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$2,500, beginning June 15, 2003 (N). In addition, Dr. Kelter will be appointed to the rank of professor of chemistry, on 100 percent time, May 27-August 15, 2003 (N), \$27,504, and continuing on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$94,000, for a total 2003-04 salary of \$96,500.
- JOHN LOYA, associate vice president for human resources, University Administration, on 80 percent time, and associate vice chancellor for health affairs, Office of the Vice Chancellor for Health Affairs, Chicago, on 20 percent time, on a twelve-month service basis, beginning July 21, 2003 (NY80;NY20), at an annual salary of \$220,000.
- SARAH C. MANGELSDORF, head of the Department of Psychology, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$7,500, beginning August 16, 2003 (K). In addition, Dr. Man-

gelsdorf will continue to hold the rank of professor of psychology, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$130,000, for a total salary of \$137,500.

PHILLIP T. MARUCHA, head of the Department of Periodontics, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$20,000, beginning September 1, 2003 (KY). Dr. Marucha will also be appointed as director of graduate studies, College of Dentistry, on a twelve-month service basis with an administrative increment of \$20,000, beginning September 1, 2003 (NY). In addition, he will be appointed to the rank of professor of periodontics, College of Dentistry, on indefinite tenure on a twelve-month service basis, on 100 percent time, beginning September 1, 2003 (AY100), at an annual salary of \$190,000, for a total salary of \$230,000.

ALLAN J. PAUL, associate dean for public engagement, College of Veterinary Medicine, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$5,000 beginning July 21, 2003 (NY). Dr. Paul was appointed to serve as Interim associate dean for public engagement under the same conditions and salary arrangement beginning July 1, 2003. In addition, he will continue to hold the rank of professor, Veterinary Programs in Agriculture, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure on a twelve-month service basis, on 50 percent time (AY50), at an annual salary of \$53,820. He will also continue to hold the rank of professor of veterinary pathobiology, College of Veterinary Medicine, on indefinite tenure on a twelve-month service basis, on 40 percent time, at an annual salary of \$42,360; professor, Veterinary Diagnostic Laboratory, College of Veterinary Medicine, on a twelve-month service basis, on 10 percent time, at an annual salary of \$10,400; and professor of veterinary clinical medicine, College of Veterinary Medicine, on zero percent time (non-tenured and non-salaried) (AY40;NY10;NY), for a total salary of \$111,580.

KATHE MUNZ SHINHAM, assistant vice president for business and finance, University Office of Business and Financial Services, University Administration, on a twelve-month service basis, on 100 percent time, beginning June 30, 2003 (NY), at an annual salary of \$147,000.

CHARLES J. TABB, associate dean for academic affairs, College of Law, Urbana-Champaign, on an academic year service basis with an administrative increment of \$20,000, beginning August 16, 2003 (N). In addition, he will receive an amount equal to two-ninths of his total academic year salary for two months' service during each summer of his appointment as associate dean (\$35,889 for summer 2003). Mr. Tabb was appointed to serve as interim associate dean for academic affairs under the same conditions and salary arrangement beginning May 21, 2003. He will continue to hold the rank of professor, College of Law, on indefinite tenure on an academic year service basis, on 100 percent time (A100), at an annual salary of \$135,700. Mr. Tabb will continue as an Alice Curtis Campbell Professor of Law (non-tenured) on an academic year service basis with an increment of \$5,800 (N), for a total 2002-03 salary of \$197,389.

MARK VAJARANANT, director of the Division of General Obstetrics and Gynecology, Department of Obstetrics and Gynecology, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$25,000, beginning July 21, 2003 (NY). Dr. Vajaranant was appointed to serve as visiting director of the Division of General Obstetrics and Gynecology under the same conditions and salary arrangement beginning May 12, 2003. In addition, Dr. Vajaranant will continue to hold the rank of associate professor of clinical obstetrics and gynecology, College of Medicine at Chicago, on a twelve-month service basis, on 90 percent time, at an annual salary of \$147,783; and will continue to serve as physician surgeon, Mile Square Health Center, Office of the Vice Chancellor for Health Affairs, Chicago, on a twelve-month service basis, on 10 percent time, at an annual salary of \$14,015, effective July 21, 2003 (WY90;NY10), for a total salary of \$186,798.

LYLE D. WACHTEL, associate vice president for facilities planning and programs, Office of the Vice President for Administration, University Administration, on a twelve-month service basis, on 100 percent time, beginning August 1, 2003 (NY), at an annual salary of \$170,000.

JENNIFER L. WOODARD, associate vice chancellor for civic and corporate relations, Office of the Vice Chancellor for External Affairs, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 21, 2003 (NY), at an annual salary of \$115,442.

HARRIET LISA MURAV, head of the Department of Slavic Languages and Literature, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$2,000, beginning August 16, 2003 (K). In addition, Dr. Murav will continue to hold the rank of professor, Program in Comparative and World Literature, on indefinite tenure on an academic year service basis, on 50 percent time, and professor of Slavic languages and literature, on indefinite tenure on an academic year service basis, on 50 percent time, at an annual salary of \$103,880, effective August 16, 2003 (A50;A50), for a total salary of \$105,880.

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

Promotions in Academic Rank and Change in Tenure, 2003-2004

(7) The chancellors at the respective campuses have recommended the approval of promotions in academic rank and changes in tenure status in accordance with the attached lists. (These lists are filed with the secretary of the board for record.) These changes will be effective at the beginning of the 2003-2004 appointment year.

The numbers recommended for promotion to the various ranks are as follows:

	University Administration		Chicago		Springfield		Urbana- Champaign		Total	
	03-04	02-03	03-04	02-03	03-04	02-03	03-04	02-03	03-04	02-03
Professor, Research Professor, and Clinical Professor <i>Without Change in Tenure</i>	0	(0)	37	(38)	2	(1)	23	(47)	62	(86)
Professor and/or Research Professor <i>On Indefinite Tenure</i>	0	(0)	0	(0)	0	(0)	0	(0)	0	(0)
Associate Professor, Research Associate Professor, and Clinical Associate Professor <i>Without Change in Tenure</i>	0	(0)	31	(12)	0	(0)	4	(1)	35	(13)
Associate Professor <i>On Indefinite Tenure</i>	0	(0)	45	(34)	5	(4)	66	(41)	116	(79)
<i>Total</i>	0	(0)	113	(84)	7	(5)	93	(89)	213	(178)
<i>To Tenure Without Change in Rank</i>	0	(0)	7	(2)	0	(0)	9	(10)	16	(12)

The recommendations from the three campuses have been prepared in accord with provisions of the University of Illinois *Statutes*; however, those from the Springfield campus include faculty originally governed by the *Collective Bargaining Agreement*. Each campus has established formal procedures for the initiation, review, and approval of recommendations for academic promotion in rank with tenure, promotions in rank without change in tenure, and to tenure without change in rank.

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Establish the Doctor of Education in Urban Education Leadership, Chicago

(8) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the College of Education, recommends the establishment of a new graduate degree, the Doctor of Education (Ed.D.) in Urban Education Leadership.

Researchers and practicing educators across the nation have reached widespread consensus that the quality of school leadership is crucial to the effectiveness of schools, the quality of classroom instruction, and involvement in student learning. Low-performing schools cannot be expected to improve student learning without effective school leadership because principals strongly affect every dimension of school organization that supports student learning. School-level leadership is affected significantly by the quality of system-level leadership. Without the right kinds of support from system-level administrators, it is difficult to advance meaningful and lasting improvement at the school level.

As acknowledgement of the importance of school and system-wide leadership has grown, school systems find themselves faced with serious shortages of high quality principals, superintendents, and other school administrators. These shortages are most acute among urban and other under-sourced schools and school systems. Given the age distribution and retirement rates of school administrators, the shortages today are projected to deepen in the near future.

The Chicago area needs school leaders who are capable of addressing the challenges of urban schools. To be able to do this well, school leadership preparation must focus on those challenges, including family poverty, cultural and linguistic differences, inadequate school resources, inadequately qualified teaching staff, impersonal bureaucracies, and others.

The establishment of the proposed Ed.D. in the Urban Education Leadership program responds effectively to all these issues. Not only would such a program embody the Illinois commitment to respond to state educational needs, it would also support the University's "P-16 Initiative," which emphasizes the need to develop new approaches to school leadership preparation in Illinois. The program is designed to attract and to serve three types of students with strong commitment to the leadership and improvement of urban schools and school systems: (1) experienced educators who are seeking an Illinois Type 75 General Administrative Certificate to become school principals; (2) experienced educators who already have Type 75 certificates and who wish to obtain their Illinois Superintendent Endorsements; and (3) educators who are not interested in obtaining state certification but who wish to develop their professional knowledge and skills at the advanced graduate level. The proposed program is a practitioner-oriented, heavily field-based doctoral program, as distinct from a research-oriented Ph.D. degree program.

The proposed program requires successful completion of the following components: (1) a core of seven courses; (2) a set of required courses developed for each of the three separate groups; (3) clinical field experience; (4) comprehensive written qualifying examination; (5) preliminary examination; and (6) an acceptable dissertation.

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

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

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

Establish the Bachelor of Science in Entrepreneurship, Chicago

(9) The chancellor at Chicago, with the advice of the Chicago Senate and the College of Business Administration, recommends the establishment of a new undergraduate degree, the B.S. in Entrepreneurship.

Drawing upon a two-decade history of offering courses and a certificate in entrepreneurship, the College of Business Administration seeks approval to establish the B.S. in Entrepreneurship. For several years, the college's Institute for Entrepreneurial Studies (IES) entrepreneurship program has been consistently ranked among the top programs

in the United States even though IES does not offer a formal degree program. In the most recent rankings by *Success* magazine, the college's program was ranked number three in the nation.

Building upon this record of success, the college proposes to formalize an undergraduate degree program that will meet substantial student demand. The overall purpose of the program is to expand students' awareness and knowledge of new venture opportunities, methods for creating and growing enterprises, and the role of entrepreneurship and younger/smaller firms in economic development and the world economy. The program will help prepare students to create their own businesses, work in professional sectors that serve small or young businesses, enhance family businesses, and/or contribute significantly to the success of the businesses in which they are employed.

The entrepreneurship program recognizes and responds to current hiring trends among businesses seeking employees with more entrepreneurial mindsets. Recent employment advertisements reflect a growing realization that managers, sales professionals, and others with entrepreneurial orientations can assist companies' performance.

The proposed program will also contribute to the emphasis that the State of Illinois and the University give to economic development. It has long been documented that the growth of younger and smaller firms contributes disproportionately to employment and economic growth in the United States.

The proposed B.S. in Entrepreneurship requires successful completion of 120 semester hours of course work, including 60 hours of general education/other requirements and 60-61 semester hours comprised of a business core and the major. The major in entrepreneurship has a 27-hour requirement.

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

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

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

**Reorganize the School of Biomedical and Health
Information Sciences as the Department of Biomedical
and Health Information Sciences, Chicago**

(10) The chancellor at Chicago, with the advice of the Chicago Senate and the College of Applied Health Sciences, recommends the reorganization of the School of Biomedical and Health Information Sciences as the Department of Biomedical and Health Information Sciences.

At the time of its creation in 1994, the School of Biomedical and Health Information Sciences housed undergraduate programs in health information management and medical laboratory sciences; graduate programs in health informatics, biomedical visualization, medical laboratory sciences; and the Specialist in Blood Banking Technology certificate program. The directors in these disciplines recognized the underlying core content of information generation and management among the existing curricula, and set about the task of creating a series of shared courses and academic experiences that highlighted the underlying knowledge and skill sets required of all the school's students, regardless of discipline. As a result of significant curricular revision, students in the four disciplines share more than six biomedical and health information sciences courses, and the faculty share teaching across their disciplines. Furthermore, the faculty are now involved in research that stretches across their disciplines. With the streamlining of the curriculum and the level of collaboration among the faculty, the title "School" no longer seems appropriate. Consequently, approval is requested to change the organizational structure to a department. The new department will be organized with a head.

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

The president of the University recommends approval.

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

**Reorganize and Redesignate the School of Kinesiology
as the Department of Movement Sciences; and Redesignate
the B.S., M.S., and Ph.D. in Kinesiology as the B.S., M.S.,
and Ph.D. in Movement Sciences, Chicago**

(11) The chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Applied Health Sciences recommends the reorganization and redesignation of the School of Kinesiology as the Department of Movement Sciences, and the redesignation of the B.S., M.S., and Ph.D. in Kinesiology as the B.S., M.S., and Ph.D. in Movement Sciences.

In 1995 the former College of Kinesiology and the then College of Associated Health Professions merged to form a single college, now called the College of Applied Health Sciences. At the time of the merger, kinesiology was designated a school within the college because it possessed numerous distinct academic programs: teacher education, athletic training, sports management, exercise science, adapted physical education, and motor control and learning. Despite the apparent breadth, there was a distinct absence of programmatic depth, an observation made independently by internal and external review panels as part of the campus and IBHE program review process in 2000.

During the past year, the School of Kinesiology has undergone significant undergraduate and graduate curricular restructuring. The new curricula, which reflect the expertise and research strength of the faculty in movement sciences, consist of two new concentrations in the undergraduate program, four areas of emphasis at the M.S. level, and two areas of concentration in the Ph.D. program. This structure is consistent with the other departments in the college. With the streamlining of the curriculum and the administrative location of the unit, the designation of "school" was deemed inappropriate as an organizational structure, and the unit name needed to reflect curricular focus in the movement sciences. Consequently, the school and the college approved a change in organization to a department and a redesignation of the name "kinesiology" to "movement sciences." The new department will be organized with a head.

"Movement science" draws on the disciplines of physiology, engineering, and neuroscience to understand the generation and control of purposeful movement. It is a more accurate descriptor of "kinesiology," and it does not include areas of study such as coaching and physical education which are sometimes included in the term "kinesiology." In concert with the curricular restructuring, the change in organization, and the redesignation of the unit as the Department of Movement Sciences, the School of Kinesiology proposes to change the names of its degree programs to the B.S., M.S., and Ph.D. in Movement Sciences.

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

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

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

**Eliminate the Undergraduate Degree Programs and Certain Minors
in Geography, Including the B.A. in Liberal Arts and Sciences
with a Major in Geography, the B.S. in the Geography Curriculum,
the B.S. and Minor in the Teaching of Geography, and the Minor
in Cartography, Chicago**

(12) The chancellor at Chicago with the advice of the Chicago Senate and the College of Liberal Arts and Sciences recommends the elimination of the undergraduate degree programs and certain minors in geography, including the B.A. in Liberal Arts and Sciences with a major in geography, the B.S. in Geography curriculum, the B.S. and minor in the teaching of geography, and the minor in cartography.

The Department of Anthropology, where the geography programs are located, no longer has the faculty in the area of geography to sustain the major and the minor pro-

grams as they currently exist. The department will continue to offer the minor in geography with an emphasis on cultural geography, geographic information systems (GIS) and geo-archaeological sciences that will enhance many programs across the campus as well as offer marketable skills to students from a variety of majors.

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

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

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

Establish Student Legal Services Program, Springfield

(13) The chancellor at Springfield has recommended the approval of a student legal services program to provide legal advice and information to currently registered students, facilitating their education by assisting in the prevention and solving of problems.

Students' attorney(s) will be hired as independent contractor(s) to be available for at least six to eight hours each week during the academic year. Time not directly utilized for student appointments will be used for the development of educational materials and presentations to assist UIS students. A student legal services advisory board consisting of three students, the dean of students (or designee), one faculty member, and campus legal counsel will monitor the ongoing operations of the program to assure compliance with the policies, rules, and regulations of the State and Federal governments and the University of Illinois; will recommend selection of attorney(s); will make recommendations regarding the program's operations and finances; and will promote student awareness of the student legal services program. The proposed budget for this program is \$8,500, to be expended from student activity fees collected. Students have been active in the development of and support for this program.

Similar programs are available for students at the Chicago and Urbana-Champaign campuses.

The president of the University concurs.

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

Establish a Bachelor of Science Degree in the LAS Individual Plans of Study Curriculum in the Sciences and Letters Curriculum, Urbana

(14) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Liberal Arts and Sciences to add a Bachelor of Science degree to the LAS individual plans of study curriculum in the sciences and letters curriculum.

The individual plans of study degree provides an opportunity for students, with the guidance of a faculty member and approval of the college, to construct a unique field of study consistent with their educational interests and career objectives. Currently, students pursuing an individual plan of study earn a Bachelor of Arts regardless of the nature of their course work. For example, the addition of the Bachelor of Science degree to the individual plans of study will allow students pursuing scientific or technical plans of study to earn a degree that more accurately reflects the nature of their studies. Roughly one-third of students pursuing an individual plan of study do so in scientific fields such as meteorology and neuroscience which are more consistent with a Bachelor of Science than a Bachelor of Arts.

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

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

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

**Establish Department of Bioengineering and B.S., M.S.,
and Ph.D. Programs in Bioengineering, Urbana**

(15) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends approval of a proposal from the College of Engineering and the Graduate College to create a Department of Bioengineering and B.S., M.S., and Ph.D. programs in Bioengineering.

Recent revolutionary developments in genomic science herald a new era of biotechnology that promises to provide unprecedented benefits in the form of increased food and energy production, improved health care, and a cleaner environment. Bioengineering is the engineering component of the biotechnology revolution, taken broadly to include the application of advanced imaging, information, electronic, mechanical and materials technology, as well as emerging biomolecular and genomic technologies. The Urbana campus has a long history of bioengineering activities in the form of a bioengineering program that provided coherence to the bioengineering efforts of faculty in various colleges. While this structure served the campus well in the 1970s and 1980s, the recent biotechnology revolution and the resulting increased demand for bioengineering education, research, and service make this an opportune time to build upon the existing infrastructure to develop a department and degree programs that will make Illinois a national leader in bioengineering.

Funds for the department will be made available through reallocation of existing campus resources. The Department of Bioengineering has been a very high priority for the College of Engineering for several years and the college has been positioning itself for the reallocations necessary to fund the Department of Bioengineering. For example, the College of Engineering is currently exploring the merger or elimination of existing units in order to make resources available for Bioengineering. This, along with modest commitments from the campus, provides all the funds necessary over the seven year implementation of the department without requiring any new State dollars.

The College of Engineering and the Graduate College also propose three new degrees to be granted by the Department of Bioengineering. The Bachelor of Science degree will provide an intellectually rigorous education that emphasizes fundamental engineering and life sciences and will prepare students to pursue further education in medicine or bioengineering or successful careers in businesses related to medical diagnostics, prosthetic devices and implants, the pharmaceutical industry, and consulting in health-related fields. Students in the Bachelor of Science program will be required to complete 132 hours including 60 to 61 hours of basic science and mathematics, 28 hours of general education and electives, 27 to 28 hours of bioengineering, and 15 hours in one of the following tracks: biosignals, systems, controls and modeling; electronics; imaging; cellular and molecular microengineering; computational biology; biomaterials; biomechanics; biomolecular engineering; cell and tissue engineering; or premedicine.

The Master of Science degree will offer both a thesis and non-thesis option. Students in the thesis option must complete nine units of coursework including one unit of required bioengineering courses, two thesis units and six additional units to be determined after consultation with a faculty advisor, but must include three units in an engineering or life science focus area. Students in the non-thesis option must complete ten units of coursework including one unit of required bioengineering courses, one elective course, and seven units to be determined after consultation with a faculty advisor, but must include three units in an engineering or life science focus area. All course work in both options must be approved by the Bioengineering Graduate Committee.

The Ph.D. program will require 15 units of coursework beyond the Master of Science degree. Students in the Ph.D. program will be required to pass a qualifying exam, complete seven units of coursework approved by a faculty advisor and the Bioengineering Graduate Committee, pass preliminary exams, complete eight thesis units, complete and successfully defend a thesis, and pass a final examination. Students completing the Ph.D. in Bioengineering will be prepared for distinguished careers in research, academe, and industry.

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

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

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

**Redesignate the Department of Agricultural Engineering as the
Department of Agricultural and Biological Engineering, Urbana**

(16) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Department of Agricultural Engineering in the College of Agricultural, Consumer and Environmental Sciences to change its name to the Department of Agricultural and Biological Engineering.

As with many engineering fields, agricultural engineering has increasingly focused on biological issues and biological solutions to agricultural issues. The Department of Agricultural Engineering now includes research in biomaterials (such as biofuels), biosensors, bioprocessing, and bioenvironmental engineering. All of these endeavors are unique in that they relate engineering to the biology of agricultural issues such as food, energy, natural resources, and the environment. As such, they are complementary to, and synergistic with, the existing biological and engineering programs on campus. The name change will more accurately reflect the current research and teaching foci of the department, will help attract the best and brightest faculty and students interested in biological applications in agricultural engineering, and will bring the department in line with peer institutions, all but two of which include biology in their names.

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

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

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

**Redesignate the LAS Humanities Major in the Sciences
and Letters Curriculum as the LAS Interdisciplinary Major
in the Sciences and Letters Curriculum, Urbana**

(17) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the College of Liberal Arts and Sciences to rename the LAS humanities major in the sciences and letters curriculum as the LAS interdisciplinary major, sciences and letters curriculum.

The LAS humanities major was originally designed to house curricular options that acquaint students in a coherent way with topics that cross disciplinary boundaries and it includes options in American civilization, cinema studies, medieval civilization, Renaissance studies, and the option in gender and women's studies. While the original structure of these options was seated in the humanities, the course work and scholarship have evolved to include disciplines in the social sciences and arts. As such, it is appropriate to change the name of the major to reflect the expansion in disciplinary breadth and the true interdisciplinary nature of the degree options.

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

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

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

**Redesignate the Post-Genomic Institute Building as the Institute
for Genomic Biology Building, Urbana**

(18) The chancellor at Urbana recommends that the Post-Genomic Institute Building be designated as the Institute for Genomic Biology Building. This change recognizes the broad research and education programs in genomic biology that will take place in this new building.

The Board of Trustees at its September 12, 2001, meeting approved the final design of a new building to provide state-of-the-art facilities to support the Urbana campus' post-genomic initiative. The building was referred to as the Post-Genomic Institute. As the research and education initiative became more fully defined, the program statement has been broadened to include many aspects of genomic sciences that will utilize the knowledge gained from the sequencing of the human and mouse genomes as well as those of several plants, animals, and microbes. The change of name for the building reflects this program change.

The president of the University concurs.

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

**Designate Those Components of the University
that are Covered by the Health Insurance Portability
and Accountability Act of 1996**

(19) The Health Insurance Portability and Accountability Act of 1996 (HIPAA) directs the secretary of the Department of Health and Human Services (DHHS) to adopt a rule to protect the privacy of patient health care information. The secretary has issued a final rule, *Standards for Privacy of Individually Identifiable Health Information*, which applies to "covered entities" and which took effect April 14, 2003. Covered entities include health plans, health care clearinghouses, and health care providers who transmit information electronically in connection with covered transactions. DHHS defines a "hybrid entity" as a single legal entity made up of health care and non-health care components whose covered functions are not its primary functions. The University falls into the definition of a hybrid entity. DHHS allows hybrid entities to designate those components of the organization performing covered functions and, after doing so, applies HIPAA to the portions of the organization that have been so designated. In addition, DHHS requires the hybrid entity to carve out non-covered portions of the organization that perform services for the covered portions and include them as part of the covered component.

The following components of the University are hereby designated health care components for the purposes of HIPAA:

- University of Illinois Medical Center at Chicago Hospital (UIH)
- University of Illinois Outpatient Care Clinics (OCC)
- University of Illinois College of Dentistry
- University of Illinois Faculty Dental Practice
- University of Illinois College of Medicine
- University of Illinois Assistive Technology Unit
- University of Illinois Child & Family Development
- University of Illinois Mile Square
- University of Illinois Women's Health Associates Erie
- University of Illinois Cardiology Associates
- University of Illinois O'Hare Center
- University of Illinois Outpatient Dialysis Unit
- University of Illinois Ophthalmology Practice
- University of Illinois Otolaryngology Practice
- University of Illinois Department of Psychiatry
- University of Illinois Anesthesiology (COM)

- University of Illinois Physician's Group
- University of Illinois Dermatology (COM)
- University of Illinois Emergency Medicine (COM)
- University of Illinois Family Medicine (COM)
- University of Illinois Medicine (COM)
- University of Illinois Neurology (COM)
- University of Illinois Neurosurgery (COM)
- University of Illinois Obstetrics/Gynecology (COM)
- University of Illinois Ophthalmology (COM)
- University of Illinois Orthopedics (COM)
- University of Illinois Otolaryngology (COM)
- University of Illinois Pathology (COM)
- University of Illinois Pediatrics (COM)
- University of Illinois Physical Medicine & Rehab (COM)
- University of Illinois Podiatry (COM)
- University of Illinois Radiation Oncology (COM)
- University of Illinois Radiology (COM)
- University of Illinois Surgery (COM)
- University of Illinois Surgical Oncology (COM)
- University of Illinois Urology (COM)
- University of Illinois Neonatology (COM)
- University of Illinois O'Hare Clinic (COM)
- University of Illinois Department of Special Care for Children (DSCC)
- University of Illinois Pharmacy Practice (COP)
- University of Illinois Occupational Health Service Institute
- Smyth School Based Health Center (CON)
- Suder School-Based Health Center (CON)
- Young Women's Leadership Charter School-Based Health Center—YWLCS (CON)
- Thresholds South/North (CON)
- University of Illinois College of Medicine Rockford
- University of Illinois Primary Care Clinic at Rockton (Rockford)
- University of Illinois Primary Care Clinic at Belvidere (Rockford)
- University of Illinois Primary Care Clinic at Mt. Morris (Rockford)
- University of Illinois Women's and Children's Health Center (Rockford)
- University of Illinois Allergy and Asthma Services (Rockford)
- University of Illinois Psychiatric Services (Rockford)
- University of Illinois Family Health Center (Rockford)
- University of Illinois COM Department of Pathology Electron Microscopy Lab (Rockford)
- University of Illinois COM Pediatric Subspecialty (Peoria)
- University of Illinois COM Primary Pediatrics (Peoria)
- University of Illinois COM St. Jude (Peoria)
- University of Illinois COM Pediatric Resource Center—PRC (Peoria)
- University of Illinois COM Regional Development Center—RDC (Peoria)
- University of Illinois COM Pediatric Intensive Care (Peoria)
- University of Illinois COM Early Intervention (Peoria)
- University of Illinois COM Heart of Illinois HIV Aids Center—HIHAC (Peoria)
- University of Illinois COM Rheumatology Clinic (Peoria)
- University of Illinois COM University Teaching Service—UTS (Peoria)
- University of Illinois COM Department of Psychiatry (Peoria)
- University of Illinois COM Gynecology/Oncology (Peoria)
- University of Illinois COM Gynecology (Peoria)
- University of Illinois COM Pediatric Surgery (Peoria)
- University of Illinois COM Spina Bifida (Peoria)
- University of Illinois COM Urodynamics (Peoria)
- University of Illinois COM Audiology (Peoria)

- University of Illinois COM Department of Med-Peds (Peoria)
- University of Illinois COM Department of Neurosurgery (Peoria)
- University of Illinois COM Department of Neurology (Peoria)
- University of Illinois COM Electronmicroscopy (Peoria)

The following components of the University have work force members who perform services for the health care components, and are, therefore, carved out and included as part of the health care components for the purposes of HIPAA:

- University of Illinois Counsel
- University of Illinois Audits
- University of Illinois Public Affairs
- University of Illinois Risk Management
- University of Illinois Medical Malpractice Action Group
- University of Illinois General Liability Action Group
- University of Illinois Claims Management
- University of Illinois Governmental Relations
- University of Illinois Office of Business & Financial Services (OBFS), Purchasing & Accounting
- University of Illinois Human Resources, Labor and Employee Relations
- University of Illinois at Chicago Medical Center at Chicago Advancement Office
- University of Illinois at Chicago Office of Development
- University of Illinois at Chicago Police
- University of Illinois at Chicago Public Affairs
- University of Illinois at Chicago Mile Square Security
- University of Illinois at Chicago Mile Square Building Facilities
- University of Illinois at Chicago Facilities Management (Building Services)
- University of Illinois at Chicago Environmental Health and Safety Office
- University of Illinois at Chicago Provost
- University of Illinois at Chicago Access & Equity
- University of Illinois at Chicago Volunteers
- University of Illinois at Chicago Medical Billing Department (CoM-Peoria)
- University of Illinois at Chicago Department of Student Services (CoM-Peoria)
- University of Illinois at Chicago Administrative Affairs (CoM-Peoria)
- University of Illinois at Chicago Communication & Information Services (CoM-Peoria)
- University of Illinois at Chicago Family Practice Residency Office (CoM-Rockford)
- University of Illinois at Chicago Information Services—computer repair support staff-not clerical support (CoM-Rockford)
- University of Illinois at Chicago Student and Alumni Affairs (CoM-Rockford)
- University of Illinois at Chicago Medical Transcription (CoM-Rockford)
- University of Illinois at Chicago Medical Billing Department (CoM-Rockford)
- University of Illinois at Chicago Courier Service (CoM-Rockford)
- University of Illinois at Chicago Associate Dean for Fiscal Affairs and Administration (CoM-Rockford)
- University of Illinois at Chicago Director of Administrative Operations (CoM-Rockford)
- University of Illinois at Chicago Financial Analyst (CoM-Rockford)
- University of Illinois at Chicago Marketing/Public Relations (CoM-Rockford)
- University of Illinois at Chicago Development (CoM-Rockford)

The chancellor at Chicago with the concurrence of the appropriate University officers recommends that the board affirm these designations thereby defining the covered component of the University for the purposes of HIPAA.

The president of the University concurs.

On motion of Dr. Carroll, 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. 20 through 28 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Health and Dental Benefits for Same-Sex Domestic Partners¹

(20) At the July 2002 Board of Trustees meeting, the University Senates Conference made a presentation concerning domestic partner benefits based on a resolution from that body. The president of the University concurs with the resolution presented by the University Senates Conference with the exception of excluding unmarried opposite-sex partners. He recommends same-sex domestic partners and their dependents become eligible for health and dental insurance benefits to the extent they are provided to married persons in similar appointments and classes. Such coverage is not currently available under health and dental insurance programs operated by the State of Illinois Department of Central Management Services. Therefore, the University issued an RFP on August 12, 2002, seeking proposals for a product similar in design to the State of Illinois Quality Care Health Plan. There were no responses to the RFP.

Accordingly, an insurance premium reimbursement program is proposed. If approved, benefit-eligible employees of the University of Illinois will become eligible to receive health and dental insurance benefits for their same-sex domestic partner if their partnership fulfills the University's definition of a domestic partnership and is registered by the University of Illinois.³ The health and dental insurance benefits, which are taxable to the employee, will be provided through a reimbursement program. The reimbursement rate will be based on the difference between what the employee pays to purchase medical coverage for his/her domestic partner, and the premium the employee would pay for dependent coverage under the State of Illinois plan. The reimbursement benefit will be limited to the monthly amount the State would pay for dependent coverage under the State of Illinois plan. The program could be implemented as early as September 1, 2003.

While a precise projection is impossible, based on the number of domestic partner participants covered by programs at other Big Ten institutions, staff estimate that the number of participants may range from 80 to 100 across the University of Illinois. Staff further estimate that costs for the program would range from \$320,000 to \$400,000.

Funds for the program will be made available from the institutional funds operating budget of the University.

When this item was called Mr. Vickrey asked to speak and made a motion to support the campus senates' recommendation to provide health and dental benefits for all domestic partners of employees. He said that he made this motion in support of fairness for all domestic partners and noted that some opposite-sex partners are prohibited from marrying due to religious convictions and this ought not deprive them of health and dental

¹Same-sex domestic partners, for purposes of eligibility for the health and dental insurance reimbursement program, are defined as two individuals of the same sex who are in a long-term committed relationship, are responsible for each other's financial and emotional well-being, and declare through the completion and submittal of the University of Illinois Affidavit of Domestic Partnership form that: they are each other's sole domestic partner and intend to remain so indefinitely; they are the same sex and for this reason are unable to marry under Illinois law; neither are legally married to another individual; each are at least eighteen years old and mentally competent to consent to this contract; they are not related by blood to a degree of closeness that would prohibit legal marriage in the State of Illinois; they have been residing together for at least six months at the same residence and intend to do so indefinitely; and they are jointly responsible for each other's common welfare and shared financial obligations that may be demonstrated by the existence of supporting documentation.

benefits. Dr. Gindorf said he would need to know the cost implications of that before he could vote on it.

Mr. Eppley asked for all in favor of Mr. Vickrey's motion to say "aye." No one responded "aye." He then asked for those opposed to indicate this by saying "nay." Hearing several "nays," Mr. Eppley declared the motion had failed.

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

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingsead.)

Renew Agreements, University of Illinois Alumni Association and University of Illinois Foundation

(21) 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 2004. 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.

University of Illinois 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 which 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 \$2,383,500 for FY 2004, plus carry-over balances from FY 2003. 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 costs of benefits for University employees working in the Office of Alumni Relations and the Alumni Career Center.

University of Illinois 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 \$5,022,500 for FY 2004, plus carry-over balances from FY 2003. 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.

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 costs 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 2004.

On motion of Dr. Schmidt, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

Award Contracts for Job Order Contracting System, Chicago

(22) The president of the University with the concurrence of the appropriate University officers recommends the award of job order contracts for minor building alterations, repairs, new construction, and site work at the Chicago campus to G. F. Structures Corp., Chicago (the lowest bidder), and Meccor Industries Limited, Skokie (the second lowest bidder). Competitive bidding procedures in accordance with the Illinois Procurement Code were followed.

The contracts will be awarded for an initial term of July 1, 2003–June 30, 2004, for an estimated \$4.0 million and will include three one-year option periods, at an estimated \$4.0 million per option period.

Bids were based on price adjustment factors that will be applied to pre-established unit prices to determine the value of each work order. The adjustment factors will be applicable to work performed in non-patient care facilities with and without design, and patient care facilities with and without design, during normal business hours, and other than normal business hours. The adjustment factors bid by the two contractors are:

	<i>G. F. Structures Corporation, Chicago</i>	<i>Meccor Industries Limited, Skokie¹</i>
<i>Non-Patient Care Facility with No Design</i>		
Normal Working Hours	0.7750	0.7812
Other Than Normal Working Hours	0.7750	0.8042
<i>Non-Patient Care Facility with Design</i>		
Normal Working Hours	0.7750	0.7954
Other Than Normal Working Hours	0.7750	0.8233
<i>Patient Care Facility with No Design</i>		
Normal Working Hours	0.7750	0.7896
Other Than Normal Working Hours	0.7750	0.8181
<i>Patient Care Facility with Design</i>		
Normal Working Hours	0.7500	0.8323
Other Than Normal Working Hours	0.7500	0.8547
Combined Adjustment Factor	0.7750	0.7880

Funds as required will be authorized by job order contract work orders that will be charged against funds allocated for each project. It is also recommended that the comp-

¹MBE/Asian American/Male-Female

troller be authorized to approve work orders under this contract. Work under each job order contract is estimated at \$4,000,000 for each initial and option term. A minimum of \$50,000 for work will be guaranteed to each contractor. No individual work order will exceed \$250,000.

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

Funds for this contract are available from state appropriated, institutional, or restricted funds as designated on a project-by-project basis.

On motion of Dr. Schmidt, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingsead.)

Certificates of Participation (UI-Integrate Project) Series 2003

(23) In January 2001, the board approved the issuance of a series of Certificates of Participation for not more than five years, in aggregate amounts not to exceed \$155.0 million to fund the UI-Integrate Project. In April 2001, Certificates of Participation Series 2001 were issued in the original par amount of \$107.85 million to fund a portion of that project, with an expectation that a second series of Certificates of Participation would be issued in 2003 to complete the project. It is now necessary to issue Certificates of Participation (UI-Integrate Project) Series 2003 to fund the remaining \$37.0 million in project costs plus capitalized interest and the cost of issuance.

Accordingly, the vice president for administration recommends that the board approve:

1. Retention of Chapman and Cutler as bond counsel.
2. Retention of John S. Vincent & Co., LLC, as financial advisor.
3. Retention of UBS Financial Services Inc., as underwriter. (This firm was the senior managing underwriter of the 2001 UI-Integrate Certificates of Participation.)
4. Retention of Mayer Brown Row & Maw as special issuer's counsel.
5. Appointment of Bank One, National Association, as trustee and vendor.
6. The preparation of the Preliminary Official Statement.
7. The preparation of the Certificate Purchase Agreement.
8. The preparation of the Installment Purchase Contract, the Indenture of Trust and Assignment of Purchase Contract, the Acquisition Agreement and the Continuing Disclosure Agreement by the board with respect to the Certificates.
9. The analysis of the purchase of bond insurance to determine if such purchase is deemed economically beneficial following consultation with the financial advisor and managing underwriter.
10. Actions to pursue and obtain a rating or ratings on the Certificates.

Prior to the sale and delivery of the Certificates of Participation, the Board of Trustees will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the board in connection with such sale and delivery.

The president of the University concurs.

On motion of Dr. Schmidt, these recommendations were approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

South Campus Development Project Revenue Bonds, Series 2003

(24) The board, at its meeting on May 15, 2003, authorized a number of actions leading toward the issuance of South Campus Development Project Revenue Bonds, Series 2003 (the "bonds") to finance a portion of the completion costs of the UIC South Campus Infrastructure Project. Such actions have been completed and now it is requested that the board authorize the issuance of the bonds in an amount not to exceed \$10.0 million with a final maturity no later than January 15, 2023, to fund the project and the necessary issuance costs. If the comptroller determines that it is economically desirable, it is requested that the board authorize the issuance of additional bonds, to refund any or all of the outstanding Series 1999 Bonds. An "Estimated Sources and Uses of Funds" table for financing the project cost follows. The annual payments to the bondholders, based on the project costs and necessary issuance costs, are estimated to approximate \$800,000 over the life of the bonds.

The bonds will be sold via a public competitive sale. They will be fully registered and will be special, limited obligations of the board, and will be payable from and secured by: (1) the net revenues of Redevelopment/Tax Increment Financing Agreement (TIF) with the city of Chicago; (2) student tuition and fees, subject to the prior pledge of student tuition and fees to certain outstanding indebtedness of the board; and (3) the Bond and Interest Sinking Fund Account.

All legal matters incidental to the authorization and issuance of the bonds, the forms of the Preliminary and Final Official Statements, the First Supplemental UIC South Campus Development Project Revenue Bond Resolution, Official Notice of Sale, Official Bid Form, Escrow Agreement (if any), and the Continuing Disclosure Agreement have been approved by Chapman and Cutler, bond counsel, Chicago, Illinois.

The vice president for administration recommends:

1. Approval of the Preliminary Official Statement, Official Notice of Sale, Official Bid Form, and approval of the Final Official Statement with the addition of the final terms of the bonds.¹
2. Approval of the sale of the bonds in a principal amount not to exceed \$10.0 million, plus the principal amount for refunding the Series 1999 Bonds (if any), and with a final maturity of no later than January 15, 2023. The price at which the bonds will be purchased from the board by the winner of the competitive sale, exclusive of net original issue discount or premium, will not be less than 97.5 percent of the par amount thereof and the true interest cost of borrowing for the bonds will not exceed 5.0 percent.
3. Approval of the form of the First Supplemental UIC South Campus Development Project Revenue Bond Resolution.¹
4. Approval of the form of the Continuing Disclosure Agreement by the board with respect to the Bonds.¹
5. Approval of the form of the Escrow Agreement (if any).¹
6. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the bonds to the winner of the competitive sale.

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

7. That the comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the First Supplemental UIC South Campus Development Project Revenue Bond Resolution, Official Notice of Sale, Official Bid Form, Escrow Agreement (if any), and the Continuing Disclosure Agreement; and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.
8. Approval of the pursuit of bond ratings and bond insurance to be made available to bidding underwriters.

The president of the University concurs.

**Estimated Sources and Uses of Funds
South Campus Development Project Revenue Bonds,
Series 2003**

	<i>Tax Exempt Fixed Rate Issue</i>
<i>Sources:</i>	
Bond Principal	\$10,000,000
Investment Earnings	96,125
<i>Total Sources</i>	<i>\$10,096,125</i>
<i>Uses:</i>	
Remaining Project Cost	\$ 9,869,944
Capitalized Interest	0
Bond Insurance Premium	46,304
Underwriting Discount	79,209
Cost of Issuance	100,000
Balance	668
<i>Total Uses</i>	<i>\$10,096,125</i>

On motion of Dr. Schmidt, these recommendations were approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

**Award Contracts for Temporary Resources for Development
of the Data Warehouse and Associated Data Marts**

(25) The decision support project is continuing the design and implementation of University electronic data warehouse and data marts. As the design and implementation continue, it is desirable to contract with both TEK Systems, and Starpoint for consulting support for a maximum amount not to exceed an estimated total of \$1,000,000 for both contracts. The consultants will provide support to the University decision support project teams during the various phases of warehouse design, development, testing, and implementation. The consulting services will be temporary and only requested as needed.

Awarding a contract to two firms will ensure that the necessary resources will be available when needed. Determination as to which contractor will be used (and therefore the final amount for each contractor) will be made as requirements are identified and the availability of qualified resources from each contractor.

The University Request for Proposal (RFP) process was used to select TEK Systems, and Starpoint to provide these temporary as-needed services. The companies were selected based on their ability to provide the range of services required for the decision support project.

Funds are available from the Institutional Funds Operating Budget of the University Administration as well as proceeds of the sale of Certificates of Participation—UI-Integrate Project Series 2001a or b and any subsequent series for the UI-Integrate Project.

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 Procurement Rules of the Chief Procurement Officer for Public Institutions of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

Award Contract for South Farms Phase One Implementation, Urbana

(26) 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

Rausch Construction Company, Inc.,	Base Bid	\$15,373,000
Broadview	Alt. G1	123,700
	Alt. G4	47,500
	Alt. G10	83,000
	Alt. G11	372,000
	Alt. G12	32,000
<i>Total</i>		<u>\$16,031,200²</u>

The University is embarking on a multi-phase project to move the Urbana-Champaign campus south farms to a new location. The South Farms Phase One Project has a \$25.0 million budget and includes construction of new research facilities for the beef and sheep units and off-site utility extensions. The beef/sheep complex will consist of an office building, agriculture research facilities/barns, above ground glass-lined steel tanks for waste storage, site utilities (natural gas, electric, water, telecommunications), dry storm water detention ponds, and internal gravel roads. Some minor renovation to the summer pasture (working facility) will be made. The project will also demolish the existing facilities.

¹Description of Alternates: #G1—Assigns Divisions 2-5 to general contractor; #G4—Installs gas line for future loop on Curtis Road; #G10—Adds manure field injection force main east of the site; #G11—Adds intake node and triangle and panel for research data collection; #G12—Adds hay storage building; #E1—Adds emergency generator.

²Contracts for other divisions were awarded that were within the delegated approval levels (plumbing and fire protection: McWilliams Mechanical Service, Inc., Champaign—\$576,600; heating, piping, refrigeration and temperature control: Nogle & Black Mechanical, Inc., Urbana—\$96,900; ventilation and air distribution work: A & R Mechanical Contractors, Inc., Urbana—\$220,000; electrical: Glesco Electric, Inc., Urbana—\$1,155,000; Alt. #E1—Adds emergency generator—\$57,200) making a total award of \$18,136,900.

Funding for the contracts is available from Certificates of Participation (South Farms Phase One) Series 2003 issued to finance the \$25.0 million project plus capitalized interest and costs of issuance in an amount not to exceed \$1.0 million.

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

On motion of Dr. Schmidt, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

Lease of Space for University of Illinois Extension, East Moline, Urbana

(27) The chancellor at Urbana with the concurrence of the appropriate University officers recommends, subject to the satisfactory agreement with the landlord of final lease terms, that the comptroller be authorized to execute a renewal agreement to lease the entire 14,680 gsf building at 4550 Kennedy Drive, East Moline. The space is required to house University of Illinois Extension programs for the Northwest Region, Quad Cities Center, and Rock Island County Offices.

In 1998, the University of Illinois Extension in cooperation with the Rock Island Extension Unit Council initiated a request for proposal (RFP) for space to consolidate programs previously housed in two separate facilities. As a result of that action, the Northwest Regional Office, Quad Cities Extension Center, and the Rock Island Extension Unit were combined at the Kennedy Drive location. The consolidation of these programs in one facility accommodated program cost savings and improved program delivery. The local Rock Island Extension Unit Council input to the RFP, facilities specifications, and site selection was important because the local unit participates in the facility rental cost.

The proposed gross lease will begin January 26, 2004, and terminates on January 30, 2009. The base monthly rent will be fixed for the term of the lease at a monthly rent of \$18,827.10 (\$225,925.20 or \$15.39 per gross square feet per year). The landlord will be responsible for the cost of real estate taxes, insurance, maintenance, and repainting the interior of the space. The lease cost is favorable when compared with comparable rental space in the community.

Funds for Fiscal Year 2005 and future fiscal years will be included in the University of Illinois Extension unrestricted and restricted funds operating budget authorization request to be submitted to the Board of Trustees. The contract is subject to the Board of Trustees approval of the budget.

The president of the University concurs.

On motion of Dr. Schmidt, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich, Mr. Shah.

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingshead.)

Purchases

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

The purchases were presented in two categories: purchases from appropriated funds (i.e., from State appropriations to the University); and purchases from institutional

funds. The latter term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases were:

<i>From Appropriated Funds</i>	
Recommended	\$ 960,300
<i>From Institutional Funds</i>	
Recommended	<u>15,927,081</u>
<i>Grand Total</i>	<u>\$16,887,381</u>

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

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

(The student advisory vote was: Aye, Mr. Allen, Ms. Garcia; absent, Mr. Hollingsead.)

Report of Actions by the Executive Committee

(29) The following actions have been taken by the Executive Committee since the last meeting of the board. These actions are now reported to the board as a whole.

Acting Dean, College of Liberal Arts and Sciences, Springfield

(1) The chancellor at Springfield has recommended the appointment of James W. Stuart, currently director of the Capital Scholars Program and professor, Sociology/Anthropology Program, College of Liberal Arts and Sciences, as acting dean of the College of Liberal Arts and Sciences, effective July 8, 2003, through August 31, 2003, on a twelve-month service basis with an administrative increment of \$36,000. (Based on the annual administrative increment of \$36,000, actual total salary for service as acting dean during this time period will be \$5,300.)

Dr. Stuart will continue to serve as director of the Capital Scholars Program, on 50 percent time, and professor, Sociology/Anthropology Program, on indefinite tenure on an academic year service basis, on 50 percent time, at an annual salary of \$69,992, for a total salary of \$105,992.

Dr. Stuart succeeds Dean William Bloemer, who retired June 30, 2003. Provost and Vice Chancellor for Academic Affairs Michael Cheney served as acting dean during the period of July 1-7, 2003. The chancellor at Springfield will propose temporary reemployment for Dr. Bloemer as interim dean of the College of Liberal Arts and Sciences, effective September 1, 2003, under terms and conditions approved by the board for temporary reemployment of retirees.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Schmidt, this appointment was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Increase Project Budget for College of Medicine Research Building, Chicago

(2) The elements of this project previously approved by the board have included: planning and construction of a new College of Medicine Research Building for the University

of Illinois at Chicago, demolition of buildings and structures on the site of the new building, modifications to adjacent buildings to facilitate the construction of, and connection to the new building, foundation, superstructure, and building systems construction. The project also involved the relocating, planning, and remodeling of adjacent facilities for existing operations displaced for construction of the new facility and for reassignment of other University units.

The College of Medicine Research Building (COMRB) will be approximately 332,000 gsf, most of the space will be assigned to research laboratory and support functions. The new facility will house researchers from the departments of biochemistry, microbiology and immunology, pharmacology, physiology and biophysics, and pathology, as well as clinical researchers working with funded researchers in those departments. It will also provide facilities for interdisciplinary research.

The building site is at the corner of Wolcott Avenue and Taylor Street. The building will be connected to the Medical Sciences Building to the north, and, at the basement and first floor levels, to the Biologic Resources Laboratory. The plans provide for a portion of the Biologic Resources Laboratory (BRL) to be demolished, with some modifications made to the existing facility, and contiguous basement space provided in the new COMRB for BRL space to replace the demolished space.

Previous board actions authorized contracts for planning, demolition of buildings previously occupying the building site, foundation, superstructure, and building system construction. An increase in project budget is necessary to provide for the full build-out of laboratory areas of the building previously designated as shell space. An analysis of the cost of delaying the build-out of shell space demonstrated a significant cost savings by completing the shell space build-out at this time. Financial projections indicate that completing the build-out of the shell space at this time will increase the College of Medicine research activity and generate ICR funding sufficient to pay the debt service obligation related to the shell space build-out.

The president of the University with the concurrence of the appropriate University officers recommends that the project budget be increased by \$41,374,300 from \$115,625,700 to \$157,000,000.

Funds for the project are available from a capital appropriation to the University for the College of Medicine Research Building in the amount of \$101,900,000, the Institutional Funds Operating Budget of the Chicago campus in the amount of \$27,790,000 with the remaining funding requirement in the amount of \$27,310,000 to be made available from the sale of certificates of participation or a similar financing vehicle.

Funds for expenditures on the project that may be incurred prior to the sale of certificates of participation or similar financing vehicle will be provided by the Institutional Funds Operating Budget of the Chicago campus with subsequent reimbursement from the proceeds of the sale of certificates of participation or similar financing vehicle.

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Delegate Authority to Award Construction Contract for the College of Medicine Research Building, Chicago

(3) In January 2000, the board approved the \$115.0 million College of Medicine Research Building project at the Chicago campus. The project consists of the planning and construction of a new College of Medicine Research Building at the Chicago campus, as well as the demolition of buildings and structures currently on the site of the new building, and modifications to adjacent buildings to facilitate the construction of, and connection to the new building.

In order to meet the required construction schedule, the president of the University with the concurrence of the appropriate University officers recommends that the controller be authorized to execute the necessary documents to award a construction contract to the lowest responsible bidder for the general trades work. Competitive bidding procedures in accordance with the Illinois Procurement Code are being followed.

Funds for the project are available from a capital appropriation to the University for the College of Medicine Research Facility and the Fiscal Year 2004 Institutional Funds Operating Budget of the Chicago campus.

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(30) The president presented the following report:

Revision of the Core Courses of the Graduate Programs in the Basic Medical Sciences, College of Medicine, Chicago

The Chicago Senate with the recommendation of the Graduate College and the College of Medicine has approved proposals to revise the core courses of the graduate programs in the basic medical sciences (anatomy and cell biology, biochemistry and molecular biology, molecular genetics, microbiology and immunology, pharmacology, and physiology and biophysics).

The change involves the development and implementation of a new core curriculum of seven courses for the graduate programs leading to a fully unified program, Graduate Education in the Medical Sciences, that will include combined recruiting, admissions, teaching, laboratory rotations, and first-year student services.

The curriculum was designed to maximize the number of common courses in the first year so that students may choose any program or lab for their thesis. The core curriculum will have the direct advantage of providing for more efficiency in teaching by eliminating overlap of courses and enabling the departments to place the most knowledgeable, competent instructor in each lecture without regard for departmental boundaries. Finally, the program and a core curriculum will greatly strengthen the ability of the departments to create Federally-funded interdepartmental training programs.

Revision of the Master of Public Administration, College of Urban Planning and Public Affairs, Chicago

The Chicago Senate with the recommendation of the Graduate College and the College of Urban Planning and Public Affairs approved a proposal to revise the Master of Public Administration program.

The major change to the MPA program was the creation of four new areas of concentration: (1) public management; (2) financial management; (3) information technology; and (4) survey methods. Students are required to complete 12 semester hours of course work in their chosen concentration.

The creation of areas of specialization will serve three purposes. First, it will allow students to develop a high degree of expertise in a particular field. Second, it will provide a focus to each student's learning program. Finally, it will assist the program itself to establish an identity. With the new faculty that have joined the public administration program over the last two years, the program is in a good position to offer multiple courses in sufficient numbers to make this change.

Revision of the Ph.D. in Public Administration, College of Urban Planning and Public Affairs, Chicago

The Chicago Senate with the advice of the Graduate College and the College of Urban Planning and Public Affairs approved a proposal to revise the Ph.D. in Public Administration.

The public administration program made changes to the core course requirements, including the addition of a policy-oriented course, two new research topics courses, and a third methods-related course (to further prepare students for the requirements of the

dissertation and of the profession). A major change to the doctoral program was the creation of four areas of specialization: (1) public management; (2) financial management; (3) science, technology, and information policy; and (4) survey methods. Doctoral students are required to declare two areas of specialization and to complete at least two courses in each. Students competing for academic jobs in the field need to demonstrate a high degree of proficiency in one or more subfields. The additional resources made available to the public administration program over the past two years make it possible to create a viable set of specializations. The existence of areas of specialization will make apparent to external constituents the program's areas of strength, and thereby increase the marketability of the program.

**Establish the Joint PharmD/Ph.D. Program,
College of Pharmacy, Chicago**

The Chicago Senate with the advice of the Graduate College and the College of Pharmacy approved a proposal to establish the joint PharmD/Ph.D. program in the College of Pharmacy. The joint program will allow students to earn both a Doctor of Pharmacy degree and a Ph.D. degree (with any doctoral program currently offered in the College of Pharmacy) by completing all of the requirements of both programs. Some course work is shared and simultaneously applies to both degrees.

Graduates of the program will be unique with respect to their joint clinical and basic science knowledge, and thus the program will respond to the demand for pharmacists with Ph.D. degrees in academia, the pharmaceutical industry, government, and managed care organizations.

**Creation of a Jewish Studies Concentration
for the M.A. and Ph.D. in Germanic Studies,
College of Liberal Arts and Sciences, Chicago**

The Chicago Senate with the advice of the Graduate College and the College of Liberal Arts and Sciences has approved a proposal to create a Jewish studies concentration for the M.A. and Ph.D. in Germanic Studies.

In cooperation with the Jewish Studies program, the Department of Germanic Studies provides its M.A. and Ph.D. students with an elective concentration in Jewish Studies. The addition of this concentration reflects faculty expertise and program strength in Germanic studies. Courses and seminars are regularly offered in Jewish cultural studies, Yiddish, and Ashkenazic studies by Germanic studies faculty. The concentration provides M.A. students working in the field of German-Jewish literature and culture with an interdisciplinary framework to work in their focal area. Ph.D. dissertations in Germanic studies often center on Jewish themes and authors.

**Establish the Joint M.S. in Nursing/M.S. in Health Informatics,
Colleges of Applied Health Sciences and Nursing, Chicago**

The Chicago Senate with the advice of the Graduate College, College of Applied Health Sciences, and the College of Nursing has approved a proposal to establish a program that provides students with concurrent formal study toward two masters' degrees: the M.S. in Nursing and the M.S. in Health Informatics. The joint degree integrates nursing science and health information science, the goal being the identification, collection, processing, and management of information to support nursing practice, administration, education, and research.

Combining the patient care expertise of nurse clinicians with the knowledge of health information technology is a powerful way to ensure that nursing's perspective on patient care is considered in technology debates and decisions.

The course work will consist of core and specialty courses from each of the master's degrees. Total number of credit hours required for completion of the joint program is 64 to 66 hours.

**Creation of the Minor in Moving Image Arts,
College of Liberal Arts and Sciences
and the College of Architecture and the Arts, Chicago**

The Chicago Senate with the advice of the College of Liberal Arts and Sciences and the College of Architecture and the Arts has approved a proposal to create the minor in moving image arts sponsored by both colleges.

The new minor consists of a interdisciplinary, interdepartmental, and cross-college field of study whose focus is on visual media. The minor will require 18 credit hours of course work covering the analysis and creation of film, television, video, and new digital media works. Students will receive instruction in media history, aesthetics, theory, and technique, and would engage in inquiries into how film, television, video, and digital media develop and are received in varied cultural, historical, social, economic, and technological contexts.

**Establishment of a Master of Computer Science
(M.C.S./J.D.) Joint Degree Program, Urbana**

The Graduate College on behalf of the Urbana-Champaign Senate has approved a proposal to establish an M.C.S./J.D. joint degree program. Students in the joint program will complete 90 hours of law courses, of which up to 12 hours may be fulfilled by courses taken in pursuit of the M.C.S. degree, and nine units of M.C.S. course work, of which three units may be fulfilled by law courses relating to intellectual property or related business law. Students will satisfy the graduate requirements for both degrees and will receive both degrees upon completion of the joint degree program. This joint degree program serves the educational and professional interests of students who desire to specialize in an area of the law in which expertise in computer science would be an asset, such as intellectual property law, legal issues surrounding the Internet, e-commerce, and business law as it relates to technology companies. Graduates of the joint degree program will possess complementary skills that will make them highly attractive and successful in the technology marketplace.

**Discontinuance of the Kinesiology Teacher Education PE 6-12 Option
in the College of Applied Life Studies, Urbana**

The Urbana-Champaign Senate has approved a proposal from the Council on Teacher Education for the discontinuance of the Kinesiology Teacher Education PE 6-12 option in the College of Applied Life Studies. This option is being discontinued because of low student demand and a national trend toward curricula that emphasize all grade levels. Students will continue to qualify for certification by enrolling in the broader K-12 program.

**Addition of an Undergraduate Geographic Information
Science Option of the Sciences and Letters Curriculum
in the Department of Geography, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences for the addition of an undergraduate geographic information science option in the sciences and letters curriculum in the Department of Geography. This option will serve students interested in applying spatial analysis and geographic information systems to problems and issues studied within the various fields of geography. Students will be required to take an introductory suite of geography courses with a technical emphasis, as well as electives from geography, math, and computer science.

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.

BOARD MEETING RECESSED

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

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE**Discussion, Preliminary Budget Request for Fiscal Year 2005**

Mr. Eppley turned to President Stukel and asked him to provide a presentation of the preliminary request for the University's budget for Fiscal Year 2005. President Stukel said that Vice President Gardner and Vice President Rugg would make the presentation and asked Dr. Gardner to proceed (materials are filed with the secretary). Dr. Gardner reviewed the materials distributed and noted that an increase of 7.3 percent or \$78.0 million is suggested as a request for FY 2005. He then reviewed the categories for budget increases, beginning with compensation improvements and noted that a 4 percent increase in salaries is requested, or a total of \$32,086.4 thousand. Other payroll costs he mentioned were those attached to workers' compensation, Medicare, and liability insurance, totaling \$2,468.3 thousand. He also enumerated other unavoidable increases including: general price increases, information technology price increases, utilities price increases, and a library materials price increase, for a total of \$9,440.0 thousand. In addition, he stated that operations and maintenance for new areas would total \$4,081.7 thousand.

Next Dr. Gardner gave information about initiatives for recruitment and retention of critical faculty and staff that would require \$16,043.2 thousand and support for facilities renovation that would cost \$2,000.0 thousand. He also stated that the budget request contains \$10,000.0 thousand for academic program initiatives for the three campuses, and \$2,500.0 thousand for other initiatives such as funding online instruction, the P-16 programs, UI-Integrate systems, and economic development activities. He said that these academic program initiatives are part of the budget because the University needs to begin to repair the losses suffered in the budget cut of \$58.0 million last year. He added that the competition for faculty is a major concern and that in order to address this it will be necessary to provide compensation that is above the mean for peer institutions. He told the board that in FY 2003 the University had no salary program and other peer institutions gave salary increases between 3 and 5 percent, causing the University of Illinois to drop two places in the comparison of faculty salaries with peers. He also reminded the board of the responsibility to address deferred maintenance in the University.

Vice President Rugg then presented information regarding the University's preliminary capital budget request (materials are filed with the secretary). He told the board that there were multiple sources of funding for the capital budget to fulfill the multiple missions of the University. He noted recent examples in which regular capital funding had been used for the Classroom/Office Building at Springfield; economic development funding had been the source of funds for the Post-Genomic Institute Building (new name recommended is Institute for Genomic Biology Building) at Urbana, and the Magnetic Resonance Imaging Building at Chicago; a special State initiative had been approved to fund the building of the College of Medicine Research Building at Chicago; and private funds made the Thomas M. Siebel Center for Computer Science possible at Urbana; while funds from the Auxiliary Facilities System funded the recreation centers at Chicago and Urbana. Mr. Rugg stressed that the University of Illinois was different from all other public universities in the State because of the multiple missions that make possible multiple sources of funds for capital projects.

Mr. Rugg explained that this was a presentation of a preliminary budget request and that refinements to it would proceed and a recommendation would be presented to the board for approval in September, a part of which would be a priority list for capital projects. He emphasized that the backlog of deferred maintenance is severe and that this would be the first priority in the capital budget for \$2.0 million. He added that funds for other repair and renovation would be a high priority and then the three campuses priorities would go on the list for the board's review. He also reviewed the University's formula for assessing replacement, realignment, and renewal needs of facilities. In addition he reported that the capital budget appropriation outcomes for FY 2004 had been \$10,735.0 thousand for capital renewal and \$2,000.0 thousand for planning remodeling of Lincoln Hall. He apprised the board that the plans for remodeling Lincoln Hall at Urbana were under review and that a new plan taking into account budget limitations and programmatic needs would be prepared. Chancellor Cantor agreed that a new plan was needed and she was working on preparing this.

President's Report on Administrative Review Project

President Stukel reported in response to the board's request at the March 2003 board meeting that he conduct an institutional review of administrative units to discover opportunities to reduce administrative costs (materials are filed with the secretary). He said that in order to carry out this review he appointed an executive team made up of all three vice presidents and the three provosts, aided by consultants from business—Accenture, and from higher education—the Washington Advisory Group. He explained that the period from March 2003 to July 2003 was the discovery phase for identifying opportunities and for initial assessment, and that the goal was to improve service, reduce costs, and redirect savings to the core missions of education, research, and service. He noted that detailed analyses and implementation would proceed from July 2003 to May 2004. He

also reviewed the processes for the review including: establishing baseline data, analyzing units, identifying savings, and recommending actions. He also reviewed budget reallocations made to deal with cuts in the budget in Fiscal Year 2003 and reported that the administrative units absorbed \$16.0 million in cuts and the academic units \$6.0 million. He indicated that due to this it was possible to preserve 425 academic positions.

He told the board that 18 areas were under review, and that these reviews had been divided up among the University staff, Accenture, and the Washington Advisory Group.

He also reported that this overall review and analysis is complicated by the fact that the same services and units are undergoing transformation by introduction of the UI-Integrate Project through the new Banner systems for financial, human relations, and student services systems. He noted that another exacerbating factor is the fact that the budgets have been reduced and mid-year rescissions have been made in the past two years. He stated that \$1.0 million has already been saved for reallocation to academic purposes and that the goal is to reach a savings of \$10.0 million in operating costs; however, the University will need to benchmark costs of services with similar organizations before it will be clear that \$10.0 million is the right target for savings and reallocation. He said that reorganization had already occurred in some areas to combine some units and reduce the need for as many managers. The president also estimated that another \$10.0 million might be saved by streamlining and changing business activities such as procurement, computing, and some human resources functions.

The president told the board that this process is underway at the same time as cuts are being made by the State of Illinois Office of Management and Budget and the Illinois Board of Higher Education has just told public universities that they are expected to reduce administrative budgets by 25 percent by 2005. In closing, the president thanked the 140 staff members who worked on this from March to July to meet the deadline for this report. He said that he and the rest of the administration are striving to reduce overhead and reinvest resources in the academic areas. Mr. Vickrey thanked the president and others for their efforts. Mr. Eppley said he was trying to understand administrative efficiencies by looking at the organization chart for University administration. In response the president gave examples of mergers and of eliminations of positions and said that there were fewer individuals now and many had more assignments. Chancellor Cantor indicated that a similar process was going on at the campuses and that the two processes would be joined for greater efficiencies. Chancellors Manning and Ringeisen concurred that they are directing similar processes at their campuses and trying to ascertain what services are essential and how restructuring might occur. Mr. Eppley said that the board is supportive of all these efforts.¹

¹At this time, between two presentations to the Committee of the Whole, Mr. Eppley called on Chancellor Ringeisen to introduce the new vice chancellor for student affairs at Springfield, Dr. L. Christopher Miller.

Report on Willard Airport

President Stukel invited Dr. Steven F. Schomberg, vice chancellor for public engagement and institutional relations, to make a brief report on Willard Airport at the request of the board. Dr. Schomberg began his remarks by stating that Willard Airport is a unique aspect of the Urbana campus, in that only two other universities operate an airport with scheduled commercial air service (materials are filed with the secretary). He told the board that the airport was established by act of the Illinois General Assembly in 1943, and that it had been important for Chanute Air Force Base, providing transportation for Air Force personnel until Chanute closed in 1993.

He then told the board of the educational programs carried out at Willard Airport by the Institute of Aviation that include flight training, a Bachelor of Science in Aviation Human Factors; a masters program is pending IBHE approval. Faculty members also conduct research in human factors research. He described the research as being closely related to behavior required of pilots under all conditions, such as crisis decision-making and application of artificial intelligence and expert systems.

In addition, he reviewed the relationship of Willard Airport to the surrounding area, noting that Champaign County contributed \$4.0 million to the construction of a new terminal in 1989. He related that various community groups are involved with the airport in marketing it and in planning for its future use, that many see this airport as a potential hub for transportation in central Illinois. He stated that Willard Airport serves both commercial airlines and private aircraft. Also, he mentioned the business services that are housed at Willard Airport, such as a charter airline service.

Dr. Schomberg reported that flight service, measured by "enplanements," had declined markedly in recent years, from a high of approximately 170,000 in 1991 to 111,159 in 2002. He listed as the major challenges the recruitment of an east coast carrier, an increase of enplanements and correction of loss to other nearby airports, an increase in terminal services, and identification of new tenants at Willard. He concluded his remarks with the comment that strengthening Willard Airport requires a strong partnership with the community and metropolitan government. Dr. Schomberg also said that he planned to have another, fuller, report to present to the board at their meeting in November 2003. Mr. Vickrey concurred that strong community relations were needed to increase activity at Willard Airport. Mr. Eppley asked Mrs. Sodemann and Mr. Vickrey to work with Dr. Schomberg in exploring ways to strengthen the airport.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meeting of January 23, 2003, copies of which had previously been sent to the board.

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

COMMENTS

Vice President Rugg asked for a point of personal privilege and announced that the finance module of the Banner System, a part of the UI-Integrate Project, had been implemented recently. He thanked the “thousands of staff” involved in this for the “thousands of hours” they had invested to make this a reality.

He then announced that this was the last board meeting that Mr. Robert K. Todd, associate vice president for administration and human resources, would attend, as he would retire this month. He saluted him as the personification of the “good soldier,” and thanked him for taking on several very difficult tasks in the last few years, and handling all with aplomb.

Dr. Schmidt then called attention to a letter sent by Mr. Rugg to the board recently concerning newly negotiated rates for medical malpractice insurance. He also predicted that these rates would increase soon, as he expected the University of Illinois Hospital to inherit more complex cases and more at-risk patients that would drive these costs up. He thanked Mr. Rugg for successfully negotiating this rate for this year, which saves the University money. Mr. Rugg then thanked his colleagues who worked on these negotiations.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: September 11, 2003, Springfield; November 13, Urbana; January 15, 2004, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

LAWRENCE C. EPPLEY

Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

September 11, 2003



This meeting of the Board of Trustees of the University of Illinois was held in Rooms C & D in the Public Affairs Center, Springfield campus, Springfield, Illinois, on Thursday, September 11, 2003, beginning at 8:45 a.m.

Chair Lawrence C. Eppley recalled that two years ago on this date a few hours earlier an airplane crashed into the World Trade Center in New York City, followed by another minutes later, setting off a tragic series of events on September 11, 2001. He noted that in New York City today the names of the victims of the World Trade Center attack were being read by children who are relatives of those who died in these crashes. President James J. Stukel then spoke about the pain of the living relatives and friends of the victims and the severity of the impact this tragedy has had on our way of life. Mr. Eppley asked that the board and all present observe a few seconds of silence in memory of those who lost their lives in this tragedy.

Chair Eppley then called on Dr. Kenneth D. Schmidt and Mr. Andrew M. Hollingsead, and asked Dr. Schmidt to recite the responsibilities of student trustees to Mr. Hollingsead by way of installing him as a member of the board. Following this, all members of the board welcomed Mr. Hollingsead to the body.

Chair Eppley then called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr.

Lawrence C. Eppley, Mr. Devon C. Bruce, Dr. Frances G. Carroll, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. The following nonvoting student trustees were present: Mr. Nate H. Allen, Urbana-Champaign campus; Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingsead, Springfield campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

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

PUBLIC COMMENT

Mr. Eppley announced that there were two individuals that had requested time to address the board and had qualified to do so through the board's procedures. He stated that each would be allowed five minutes for his remarks, and called on Mr. Charles E. Finn to speak first.

Mr. Finn thanked the board for the opportunity to speak on behalf of Chief Illiniwek. He recounted that as a nine-year-old he first saw Chief Illiniwek perform at a football game at the Urbana campus, and stated: "This first exposure to the dignified symbol remains with me to this day." He then proceeded to describe the history of the symbol, Chief Illiniwek, and the chief's appearance at home football games at the Urbana campus, noting that the basis for the symbol is found in the practices of the Boy Scouts of America and a special secret honorary group within the Boy Scouts known as the Order of the Arrow of which both he and his son were members. He stressed that the essence of the chief is a sign of homage to the memory of American Indians in Illinois and the American Indian heritage generally, and that there was nothing demeaning or disrespectful about the chief. He then compared the chief to the symbol of the Florida State University's team, Osceola, a Seminole Indian who rides a horse onto the football field at games. He said that to his knowledge there had been no protest from Native Americans about Osceola's presence. He also noted that the Semi-

¹University Senates Conference and Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies, Springfield campus, and Miles D. Woken, clinical instructor and interim director, Center for Teaching and Learning, Springfield campus; Chicago Senate: Elliot Kaufman, professor of molecular genetics, College of Medicine at Chicago; Urbana-Champaign Senate Council: Nancy P. O'Brien, education and social sciences librarian and professor of library administration, University Library.

noles receive royalties from the sale of products with this symbol pictured on them. Mr. Finn concluded his remarks by saying that Chief Illiniwek stands for courage, sportsmanship, and the will to succeed, and in doing so honors the memories of American Indians who lived and struggled in central Illinois (material on file with the secretary).

The next person to address the board was Mr. Bill Silver who introduced himself as the director of the Higher Education Division of Local 73 of the Service Employees International Union (SEIU). He said that his organization represents 3,000 employees at the University of Illinois at the Urbana and Chicago campuses. He stated that he wished to comment on one item in the agenda for today's meeting that recommended contracting out the maintenance of a building on the Chicago campus (this item is entry no. 1 in the purchases item). He said that six employees of the Chicago campus were attending the board meeting with him today and that they had worked most of the night and driven to Springfield after finishing their shift at the campus. Mr. Silver expressed pride in the work of Local 73 members who clean the buildings at the Chicago campus and are doing so with reduced staff now, since budget cuts have eliminated some jobs for his members. He said that his purpose was to discourage the board from approving the recommendation to contract out the maintenance work in one building at the Chicago campus because in-house employees of the University perform better, have less turnover in their ranks, provide better security for the buildings, and have a stable workforce whereas an outside contractor will likely send different people to perform the maintenance work each day. He added that the University had tried contracting out maintenance work before and had been dissatisfied, and had brought the work back in-house. He said that University employees of his local know the University and know how to get help when needed, whereas the outside contractor's employees lack this awareness. He urged the board to take a serious look at this item and then make a commitment to the University employees, as they have made to the institution.

President Stukel then stated that the contract in question involves use of union members, and that he supports the campus's recommendation based on their review and assurance of quality. He also recognized the Chicago campus employees introduced earlier by Mr. Silver.

PRESENTATION OF AGENDA ITEMS

Mr. Eppley turned to President Stukel and asked him and those he would introduce to present background information on each item in the agenda for today's meeting.

The president then asked Chancellor Manning to begin with a presentation of those items on the agenda related to the Chicago campus.

Agenda item no. 1, "Dean, Honors College, Chicago," she stated that she recommended Professor Lon Seth Kaufman for this position, based on the advice of a search committee. For agenda item no. 17, "Lease of Space, 6160 South East Avenue, Hodgkins, Illinois, Division of Specialized Care for Children (DSCC), Chicago," she explained that this is necessitated by a

plan to establish regional offices for DSCC services throughout the State. She said that the lease would be for five years, and that in the fifth year the rate exceeds \$100,000 which requires board approval. Discussion followed about the lease process, the cost per square foot, the escalation over the five years of the lease, the role of the broker, and other bidders. Given the number of questions, the board agreed to allow staff to gather more facts and report back later in the meeting.

Following this President Stukel asked Chancellor Cantor to present information on items concerning the Urbana campus. Chancellor Cantor reported on the following items.

Agenda item no. 2, "Acting/Interim Dean, College of Communications, Urbana," she indicated that Professor Ronald E. Yates, who would continue to serve as head of the Department of Journalism, was recommended to serve as acting dean/interim dean, and that this recommendation had support within the college. Mr. Allen commented that students had high regard for Professor Yates, and Mr. Vickrey asked how long Professor Yates would serve as interim dean. The chancellor replied that this would be until the analysis of the college is complete and a search is conducted, which would probably be next semester. Dr. Gindorf then asked if admission to the college was still at the junior year and the chancellor responded that this was still the case. Next, she reported that agenda item no. 3, "Amend Multi-Year Contract and Professional Services Agreement with Head Women's Basketball Coach, Urbana," was proposed to increase the base salary for Coach Theresa Grentz. Dr. Carroll asked about radio and television appearances and Chancellor Cantor responded that these sources of payment were factored into the total salary. On agenda item no. 5, "Redesignate the Subsonic Aerodynamics Laboratory as the Aerodynamics Research Laboratory, Urbana" she explained that this was for the purpose of better specifying the purpose of the building. For agenda item no. 6, "Eliminate the Bachelor of Science Degree in Forestry, College of Agricultural, Consumer and Environmental Sciences, Urbana" she stated that this was to convert this degree program to an option within the natural resources and environmental sciences major.

President Stukel then asked Dr. Gardner to comment on agenda item no. 11, "Academic Personnel Budget for Fiscal Year 2004," and Dr. Gardner noted that all academic salaries are included in this budget, but not the salaries for the civil service staff; however, he noted that all funds for human resources expenditures are included in the operating budget. On agenda item no. 13, "Award Contracts for Resources to Assist in the Development of Programming Interface with the SCT Banner System," Dr. Gardner asked Dr. Richard Mendola, associate vice president for administrative information technology services, to discuss this with the board. Dr. Mendola explained that these contracts were recommended as estimated at about \$0.5 million to provide programming to establish basic applications for the UI-Integrate Project and other activities, such as establishing job registers at the campuses for civil service positions. He explained that the rate to be charged for these services would be the same the vendor has

charged for other work associated with UI-Integrate, and that from the beginning of the UI-Integrate Project he anticipated needing contract work such as this. He said that thus far he has been able to keep contract work to a minimum, and that this recommendation to add contract employees is necessitated by recent losses in staff since it is difficult to recruit and retain competent staff. He told the board that based on the current market, the cost for this recommendation to use contract employees for various tasks that must be completed in the next few months is fair. There was further discussion of the scope of the UI-Integrate Project and how this fits into that. Dr. Mendola said that the scope has evolved and that this contractor is now working on several aspects of the UI-Integrate Project and that the rate would remain the same for these new tasks. Mr. Shah asked for more information on rates charged for programming.

President Stukel then asked Vice President Rugg to report on other agenda items. Agenda item no. 14, "Award Contracts for Campus Recreation—Renovation and Expansion of the Intramural-Physical Education Building and Campus Recreation Center East, Urbana," Mr. Rugg noted that this project and the budget had been approved earlier by the board and had the approval of the Illinois Board of Higher Education as well, and that this recommendation was for issuing contracts to commence the work. Dr. Carroll commented that she did not see evidence of minority contractors on the bid list and asked if minority participation was included in the Request for Proposal (RFP). Mr. Rugg asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to respond to this and Mr. Provenzano stated that the RFP asked for minority participation in the project.

For agenda item no. 15, "Employ Architect/Engineer for Instructional Facility, College of Business, Urbana," Mr. Rugg told the board that this seeks approval of the design of the building only and if fund-raising for this is successful, then another item for project approval will be brought to the board. Mr. Sperling asked if the fee for this was presented as "not to exceed," and Mr. Lyle Wachtel, associate vice president for facilities planning and programs, said that this was true.

At this juncture in the meeting Mr. Eppley asked Mr. Rugg to briefly review the process for setting priorities for facilities, and bringing items regarding these to the board for approval. Mr. Rugg reviewed the processes at the campuses for setting priorities for facilities, and the compilation of all these into one list of priorities for the University in rank order. He then stated that identifying the source of funds was next, e.g., private gift funds, Federal funds, State appropriations, or a combination, and he added that University policy and State statute require funds to be available at the outset of construction. He noted that a RFP must be circulated for an architect/engineer to produce a design and said that this process is carried out by a committee comprised of campus representatives and representatives from the University Office of Facilities Planning and Programs. He explained that the board must approve the design of a facility and later approve the beginning of construction.

Discussion of University procedures for building facilities compared to private sector construction followed and Mr. Rugg reminded the board that the University constructs a building to stand for at least 100 years. Mr. Eppley stated that the board was interested in finding ways to complete capital projects in a timely way and suggested that regulatory relief might help. He then said that in future he would like Mr. Shah's expertise brought to bear on all capital projects early on, and that Mr. Shah also be consulted on all major purchases involving facilities and leases.

Next, Mr. Rugg commented on agenda item no. 16, "Delegate Authority to the Comptroller to Advance Refund Outstanding Certificates of Participation (Utility Infrastructure Projects)," reporting that this refunding would save the University between \$1.4 and \$1.6 million. Mr. Eppley added that this is similar to refinancing. Dr. Gindorf suggested that the comptroller be given authorization to do this on an annual basis if it is warranted, and Mr. Eppley stated that a debt management policy might be devised that would give authority to the comptroller to act quickly in such matters. Mr. Rugg said that this would help the administration respond quickly on debt management.

On agenda item no. 21, "Purchases," the first entry in this item, a contract for "on-site building management, engineering and janitorial services to be provided for the UIC building located at 1747 West Roosevelt Road," elicited discussion and Mr. Rugg and Mr. Provenzano both replied to questions about this item. The bid process was described and some trustees had questions about why the lowest bidder in terms of price was not considered qualified. Mr. Mark Donovan, associate vice chancellor for facilities management, Chicago, explained that the bid required certain specific things, such as a full-time manager, that the lowest price vendor's bid did not include. He stated that he interviewed four contractors for this contract and found one to be more thorough in meeting all the University qualifications stated in the call for bids. Dr. Carroll requested copies of these requests in future. Mr. Eppley called his colleagues attention to the fact that this contract contains a "not to exceed" clause for the amount of the contract.

President Stukel turned next to Mr. Bearrows and asked him to present agenda item nos. 7, 8, and 9, since Vice President David Chicoine was absent serving on a jury.

Mr. Bearrows spoke first to agenda item no. 9, "Amend Operating Agreement of IllinoisVENTURES, LLC, and Appoint Members to the Board of IllinoisVENTURES, LLC, Vice President for Technology and Economic Development," and told the board that the purpose of this recommendation is to reduce the number of members of the Board of Managers of IllinoisVENTURES, LLC, to nine members from the present number of 11. Further, he said that this states specifically that the representatives of the governor and the president of the University would be business and industry leaders, and the vice president for technology and economic development would be a nonvoting member. The change also calls for staggered terms for the Board of Managers, to provide continuity.

On agenda item no. 8, "Amend Operating Agreement of the University of Illinois Research Park, LLC, the Services and Management Agreement Between the University and the University of Illinois Research Park, LLC, and Appointments to the Board of the University of Illinois Research Park, LLC, Vice President for Technology and Economic Development," Mr. Steven Veazie, deputy university counsel, reviewed the recommended changes to the operating agreement for the research park and the management agreement. He told the board that these changes include a reduction in the size of the board of managers of the research park, from 11 to five, and broader scope for oversight of the parks by the LLC (this includes Urbana, Chicago, and other research parks in Illinois where the University has some operating responsibility by statute or contract). He said the roles of the vice chancellors for research in the management of the University of Illinois Research Park and the Chicago Technology Park are also clarified.

Discussion followed about the appropriate background for the board member of the Chicago Technology Park, who is nominated by the chancellor at Chicago. Both Dr. Schmidt and Dr. Manning agreed that this member should be a business person nominated by the chancellor in consultation with the Illinois Medical District Commission. Since there was no objection, the language of the original item was edited to reflect this clarification before a vote was taken on the item.

Mr. Bearrows then presented agenda item no. 7, "Establish Procedure for Review and Approval of Licensing Transactions and Conflict of Interest Management Plans, Vice President for Technology and Economic Development," by first recalling that the Offices of Technology Management (OTM) at the campuses, with the assistance of IllinoisVENTURES, LLC, provides a means for commercializing University technology. He said that this may lead to licensing new technology to new companies, "start-ups," which may employ or be managed by University faculty or other employees. He noted that because the University possesses the rights to the underlying intellectual property, the start-up must enter into a licensing arrangement with the University. He told the board that the terms of licenses to start-ups have been standardized, and typically permit the start-up the non-exclusive right to use the intellectual property in exchange for compensation to the University, often in the form of an equity interest in the start-up, as well as the University's right to use the technology on a royalty-free basis, and that this non-exclusive license does not involve the expenditure of University funds.

He reviewed for the board the University's established process for reviewing and imposing appropriate restrictions (if warranted) whenever the University licenses its intellectual property rights to a company owned or controlled by a University employee. He referred to *The General Rules Concerning University Organization and Procedure*, Article II., Section 4(d) that permits contracts to be "awarded to any business entity, including those in which a University officer or employee (or members of their immediate families) serve as major officers or primary employees thereof or hold a significant equity interest therein, if such contract is deemed in the best inter-

ests of the University and has the approval of the president or the president's designee." He said that the licensing agreement between the University and a start-up constitutes such a contract, and therefore is subject to this provision. Mr. Bearrows also told the board that under the University's *Policy of Conflicts of Interest and Commitment*, the president is responsible for approving the conflict of interest management plan for University employees involved in a company commercializing University-based technologies, on the basis of reviews and recommendations of administrators responsible for research activities. He stated that neither of these provisions specifies who should review or approve contracts and conflict of interest management plans if the president or a member of his/her immediate family were to be involved with the start-up.

He stated that in this instance, the Urbana OTM is proposing to license software for managing complex construction projects developed by employees of the University Office of Capital Programs (now University Office for Facilities Planning and Programs) to PRZM Technologies, Inc. (PTI), a start-up. Further, he told the board the software was developed by academic professional employees who are the founders of the start-up, and that these individuals want to hire as the CEO of PTI, Mr. Paul Stukel, a son of President Stukel, based on his business experience.

Mr. Bearrows said that his office was asked for advice in this matter, and due to its complex nature, he sought and obtained a legal opinion from Jenner and Block (a copy of which he distributed to the board prior to the meeting). He reported that the opinion suggests a properly structured software license may be executed between the company and the University, providing the review process described in the University's conflict of interest policy is followed. He said that since *The General Rules Concerning University Organization and Procedure* and *Policy of Conflicts of Interest and Commitment* require that the president review and approve contracts with companies owned or controlled by University employees, Jenner and Block's recommendation is that the board or its designee sign off on conflict of interest when a relative of the president is involved.

There was discussion of these issues by the board and after consideration of several ways to handle such situations, including designating the chair as the one responsible, or the Executive Committee, or the chair and vice chair of the Legal Affairs Committee, the board agreed that the full board should approve such contracts, after receiving a thorough analysis of the matter from university counsel. The item was revised accordingly, prior to the board voting on it.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley called this committee meeting to order and turned to President Stukel for comments on the University's operating budget for Fiscal Year 2004. The president stated that he was extremely proud of the faculty for their remarkable productivity and noted that in the face of a 7.8 percent decrease in State support of the University, external funding for faculty

research had increased 15 percent in the last year. He congratulated the faculty for this remarkable accomplishment, and also stressed that enrollments have gone up in the same time period, especially at the Urbana campus, necessitating greater burdens on the faculty in the form of larger classes and increased responsibilities for student advising and consultation.

The president then turned to Vice President Rugg for a presentation of the budget for operations for FY 2004 (materials on file with the secretary).

Presentation of Recommended Fiscal Year 2004 Operating Budget

Mr. Rugg began his report on the FY 2004 internal operating budget by stating that this is not a normal year and definitely does not follow a “business as usual” course. In setting the context for a discussion of the budget, he indicated that it is clear to all that the board, over the past two to three years, has become interested in increased oversight and accountability to both internal and external audiences, and that the board’s interest has spanned all sources of funds, and has been especially focused on restricted funds. He described those funds as having restrictions placed on them by donors, grantors, and contracting agencies. He noted that the board has reaffirmed its commitment to the principles of the State Finance Act as they cover all of the University’s funds, and that the board has moved in this direction as the State administration changed in January 2003 when it became clear that there was an interest on the part of the new administration in improved accountability, a focus on all sources of funds, and greater interest in restricted funds. He recounted early legislative efforts this year aimed at greater State level control over the resources available to the University; for example, a suggestion that line item budgets be required, and other legislation that suggested the authority of the governor’s Office of Management and Budget (GOMB) to review all funds. He stated that both the board and the administration thought that the site of authority for accountability and review of funds should be the board, not the General Assembly, and that thus far, with good help from many board members, the State administration and the General Assembly have concurred in that approach. He praised the board for its leadership in this issue and added that the GOMB and the Illinois Board of Higher Education have begun to require all public universities in Illinois to exercise the same rigor in accountability and budget review that this board has taken a leadership role in providing.

Mr. Rugg then commented on the University’s restricted funds in terms of the State’s greater interest in this category, to make certain that the board understood that the University of Illinois receives the largest share of restricted funds among all universities in the State. He noted that \$360.0 million in restricted funds comes from the University’s Hospital and Medical Service Plan, and that the University of Illinois has \$636.0 million in sponsored projects, \$100.0 million in private gifts, totaling \$41.1 billion that does not exist in any other university. He reviewed the National Science Foundation data for total research and development expenditures

for the latest year available for universities in Illinois. These showed that the University of Illinois has 48 percent of the total restricted funds among all universities and 98 percent of the total among public universities in Illinois.

Next, he reviewed changes in the presentation of the annual operating budget that have occurred since the last time the board met to review an operating budget, one year ago, and stated that these represent the board's directives and the administration's response to them for enhancing accountability. He said that one year ago the board put new limits on the president's authority to reallocate funds within the budget, instituted new reporting requirements for program reallocation, and required reporting of budget and expenditure data by campus. He noted that these changes conformed to the constraints of the Illinois Finance Act that requires board approval for a reallocation of 2 percent or more for program changes.

Mr. Rugg also recalled the action taken by the board at its meeting of March 13, 2003, to require budgeting of unrestricted funds by object of expenditure at the University level, with reporting to the board by campus, with the directive that the president must seek approval for any transfer of funds out of the personal service object (salary and wages), and the directive that the president must seek board approval for transfers among objects above 2 percent of the unrestricted total. Again, he stated that these requirements conform to the State Finance Act.

In addition, he reviewed the action taken by the board at its June 27, 2003, meeting that required budgeting of restricted funds by object of expenditure at the University level, with quarterly reports by the comptroller on the actual expenditures by object. He noted that this budget signals a change from "business as usual" and it represents an enhanced measure of accountability visible to others at the State level. He commended the board for its leadership in this area, and stated that he believed the changes introduced have helped significantly in dealings with the General Assembly and with the governor's Office of Management and Budget. Mr. Rugg then invited Mr. Provenzano to present specific details of the operating budget for FY 2004. (These are found in the *Budget Summary for Operations, FY 2004*, distributed to the board prior to the meeting and filed with the secretary of the board for record.)

Mr. Provenzano stated that he sought to accomplish three things: first was to present an overview of the FY 2004 operating budget; second was to compare the change in the FY 2003 and FY 2004 budgets, and the change for a longer period of time in order to illustrate the impact of budget differences; and third was to review current board policy regarding authority for making budget changes, and indicate what changes require board approval and what changes the president has been delegated authority to make and to report actions taken to the board. He then presented a series of slides that described the budget recommendation. The first showed the total recommendation of \$3.27 billion and the allocation of that total to the three components: (1) unrestricted funds—those available for allocation

by the board at its discretion; (2) restricted funds—those received from external sponsors in the form of grants, contracts, gifts, from governmental agencies, individuals, corporations, and other sources (these funds are restricted to special purposes and usually to specific individuals such as research investigators, and that some of these might be restricted due to State statute for the perpetuation of certain purposes); and (3) payments on behalf of the University—these were described as funds allocated to the Illinois Department of Central Management Services for employee health insurance and to the State Universities Retirement System for retirement annuities for employees (materials on file with the secretary).

In comparing the FY 2000 operating budget with the recommendation for the FY 2004 operating budget, Mr. Provenzano pointed out that both restricted funds and payments on behalf of the University have increased markedly, with the payments on behalf of the University comprising 9 percent of the FY 2000 budget and 10 percent of the FY 2004 budget, and restricted funds making up 44 percent of the FY 2000 budget and 48 percent of the FY 2004 budget recommendation. He also noted that the decline in State support has been offset by increases in student fees and in restricted funds.

In conclusion, Mr. Provenzano reviewed those budget adjustments that require board approval, as stated in Mr. Rugg's comments, and reviewed delegations to the president for budget adjustments, stating that the president is delegated authority to make transfers of any unrestricted funding from an object of expenditure, not including the personal services and benefits object of expenditure, that would not cause the total transfers to exceed 2 percent of the total unrestricted funds budget. Further, he stated the president may make individual programmatic budget adjustments up to \$2.0 million in accordance with the University's needs, the policies and institutional priorities established by the Board of Trustees, and within total income as it accrues exclusive of routine accounting transactions as defined in the glossary of *Budget Summary for Operations, FY 2004*. He indicated that individual programmatic budget adjustments greater than \$1.0 million and less than \$2.0 million, exclusive of routine accounting transactions, are to be included in quarterly reports to the Board of Trustees.

Discussion followed during which Mr. Eppley commended the Urbana campus for its support of the core mission in the face of budget reductions, and stated that the campus has looked to other sources to provide support and in doing so has held harmless essential academic programs.

Dr. Schmidt commented on increased efficiency by the faculty, and the fact that they had taken on increased teaching loads with larger classes. He also stated that the academic programs were not all held harmless, and noted that all of the Freshman Discovery courses at Urbana, taught for undergraduates by senior faculty, had been canceled for the spring semester.

Dr. Gindorf then stated that faculty productivity, defined by larger classes, was a questionable gain for the University. President Stukel

responded that productivity for the faculty included research and outreach service, and reminded the board that the University has a presence in all 102 counties of the State. He again gave praise to the faculty for outstanding service in many arenas.

In closing, Mr. Eppley asked for data comparing five-year trends in growth in major objects of expenditure, similar to the information on page 1 of the recommended FY 2004 operating budget.

Presentation of Fiscal Year 2005 Budget Request

President Stukel reviewed the process of developing a budget request for the board's approval and the steps that are necessary before the University learns of its State appropriation, beginning with the development of a budget request in the spring, followed by review of the request with the board in July, approval by the board in September, and submission to the Illinois Board of Higher Education. Following that, he said the University's budget is part of the governor's budget presented to the General Assembly in February, after which it is debated and voted on by the legislature in May or June, then approved by the governor in June or July. At the conclusion he asked Dr. Gardner to present the components of the budget request for FY 2005 (materials on file with the secretary).

Dr. Gardner summarized the major components of the budget request as: payroll, 4 percent increase, for a total of \$32,086,400; price increases, \$16,236,400; increase in Statewide initiatives in higher education, \$18,043,200; and increase in academic program initiatives, \$12,500,000. He indicated that this would make for an increase of \$78,866,000, or 7.3 percent. Also, he stressed that salary competitiveness for faculty would be very important next year, since there was not a salary program in FY 2003, and a small increase in FY 2004, and all other Big Ten institutions had a salary program in the range of 3 percent to 5 percent for FY 2004, and most AAU institutions had a salary program in the range of 2 percent to 5 percent for this year. He stated that a salary increase program for FY 2005 of 4 percent is very important.

He also said that the budget for FY 2005 must include a request for resources to restore certain faculty positions in academic programs and in the public service programs.

In summing up the request, Dr. Gardner listed the priorities upon which the budget request was developed: need for salary competitiveness; the needs of the multiple missions of the University; the need to sustain quality; the need to reaffirm stewardship of the University; the need to provide for economic development; and finally, the need to maintain the credibility of the request.

Mr. Eppley reminded his colleagues that this request is for State appropriations only. Mr. Vickrey asked for the sources of funds for the budget increase of 7.3 percent. Mr. Rugg responded that the source would be State taxes and student tuition.

Presentation of the Capital Budget for Fiscal Year 2005

Mr. Rugg presented the rank order listing of priorities for capital projects (materials on file with the secretary). He also called the board's attention to the fact that the University received \$12,735,000 in capital appropriations thus far for FY 2004, comprised of \$10,735,000 for capital renewal and \$2,000,000 for remodeling Lincoln Hall.

He then discussed the top ten projects on the list of needs for capital projects that totaled \$775.0 million (material on file with the secretary). Special discussion was had regarding the dire need for remodeling Lincoln Hall, Urbana, the principal classroom building for the College of Liberal Arts and Sciences; the Electrical and Computer Engineering Building at Urbana, for which a gift is expected that would probably cover half the cost of the building; the College of Business new facility, for which a gift might be possible; remodeling the College of Dentistry Building and the College of Medicine Building, Chicago; an addition to the College of Pharmacy Building, Chicago; as well as rehabilitation of the metal buildings and the Library at Springfield.

Mr. Rugg also commented on debt service for capital projects (materials on file with the secretary) and explained that the debt service for all of these projects resides with the State. Mr. Eppley asked if having a match in funds for a building helped in gaining approval for it from the State, and Mr. Rugg responded that this is helpful in the review of projects for approval. In response to Mr. Eppley's query about how long these projects have been on the list of top ten projects, Mr. Rugg told him that most had been on the list at least five years.

There was discussion of the need for the College of Dentistry Building remodeling based on the shortage of dentists in the State, and of the need for other capital projects on this list.

President Stukel described the process for setting priorities for capital projects, noting that information is sought from the campuses, the State legislature, and the public, as well as from the Illinois Board of Higher Education.

MEETING OF THE COMMITTEE ON BUDGET AND AUDIT

Mr. Bruce convened this committee and invited Dr. Richard Traver, executive director of university audits, to report to the board.

Dr. Traver told the board he wished to review with them a charter for the Office of University Audits, that is part of his annual report (material on file with the secretary). He explained that all internal audit operations follow State standards, and that the charter was in addition to those. He then reviewed the charter that included the mission of the audit function, its purpose, the importance of independence to this function, responsibility and authority of the office, and compliance with professional standards.

Discussion followed, including a question about the distinction between a compliance officer and an auditor. Dr. Traver explained that

compliance officers must monitor various activities on a regular basis, whereas auditors review operations on request of the president or on a periodic basis.

Mr. Eppley asked Dr. Traver and Mr. Bearrows to review the Sarbanes-Oxley Act of 2002 in terms of regulations stated therein that might apply to the University.

At the conclusion of discussion President Stukel lauded the work of the Office of University Audits for the thorough professionalism of the office.

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 and pending, probable, or imminent litigation against, affecting, or on behalf of the University.

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

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

EXECUTIVE SESSION

Employee Matters

Chancellor Manning reported on plans for establishing relationships with Rush-Presbyterian-St. Luke's Medical Center for the purpose of jointly appointing faculty with the University of Illinois at Chicago College of Medicine and the University of Illinois Hospital. Dr. Charles L. Rice, vice chancellor for health affairs, was present for this discussion. Dr. Manning stated that the following faculty members at Rush would be offered appointments at the Chicago campus: Kenneth Boyer in infectious diseases; Barbara Santucci in cardiology; Peter Heydeman in neurology; and William Hayden in intensive care.

Dr. Manning explained that these joint appointments would enhance the development of training programs and strategies for education for medical students. She observed that a single faculty, made up of both institutions' faculties, is not envisioned due to cost issues and differences between the institutions' approaches to collective bargaining matters.

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

Mr. Bearrows reported that the University had prevailed in the lawsuit brought by Professor Joseph Levenstein regarding termination of his employment at the College of Medicine at Rockford. He noted that the firm of Jenner and Block had represented the University in this case.

Trustee Bruce was excused due to the nature of the material to be discussed in order to eliminate the potential for any conflict of interest.

Mr. Bearrows then summarized the facts in a medical malpractice case, *Hernandez v. Quintero, et al.*, which involved an alleged failure to properly diagnose meningitis in a 10-year-old girl, Maritza Hernandez. He described the symptoms the girl presented that included headaches, vomiting, disorientation, and an elevated temperature. He said these started at noon on May 3, 2003. He stated that the girl took Tylenol that day without relief, and that at 6:00 p.m. her mother took her to a physician who diagnosed her with gastritis and dehydration, and recommended fluids and Tylenol. Mr. Bearrows then stated that the girl was taken to the emergency room at the University of Illinois Hospital the evening of May 4, 2003, at approximately 8:00 p.m. where she was seen at about 9:45 p.m. by a resident who found that the patient did not have a fever, also did not have any signs of photophobia, and was well hydrated. Mr. Bearrows said that Compazine was prescribed for the nausea and headache, and a CAT scan was ordered to rule out an intracranial lesion. According to Mr. Bearrows, a CAT scan was performed at 12:15 a.m. and revealed evidence of sinusitis. He added that at that time the attending emergency physician considered meningitis a possibility, and ordered a lumbar puncture that was performed at 12:20 a.m. and revealed symptoms of bacterial meningitis, though the patient's temperature was still near normal. Mr. Bearrows reported that antibiotics were begun at that time. He said that at 5:30 a.m. the patient was incoherent and by 6:00 a.m., May 5, 2003, the patient was brain dead.

Mr. Bearrows said that the only conceivable change in procedure in this case might have been to administer antibiotics and perform the CAT scan earlier. However, he added that the defense experts had concluded that the treatment rendered was appropriate. He recommended that the case be tried with a limit of \$250,000 set for possible settlement, and indicated that a court date late in October 2003 had been scheduled.

Dr. Carroll asked if this disease is usually fatal and Mr. Bearrows, joined by Dr. Gindorf, replied that it usually is.

Discussion followed with no dissent on Mr. Bearrows's recommendation to try the case, unless a settlement for \$250,000 or less was reached.

Next, Mr. Bearrows reviewed the case of the death of a newborn, *Williams v. Penn, et al.* He described the case of a 10-week-old premature baby, Isaac Williams, who had apnea that required monitoring, and indicated that the infant had undergone surgery for a bilateral hernia on May 1, 2003, that had gone well, and that the baby's vital signs were good following surgery. He said that the infant was transferred from the recovery room to the pediatric unit for monitoring and arrived there at 3:00 p.m. on May 1, 2003, alert, active, and crying. He reported that nursing responsibility changed at 3:30 p.m. and the nurse recorded normal heart rate and normal respiratory rate at 3:50 p.m. and that the resident ordered Isaac placed on a cardiopulmonary monitor as a precaution. Mr. Bearrows stated that the record shows that at 4:00 p.m. the baby was pale and not crying, and that shortly after 4:00 p.m. the nurse called the resident on duty who began cardiopulmonary resuscitation at 4:15 p.m. Mr. Bearrows said that the

resuscitation attempt failed and Isaac was pronounced dead at 5:20 p.m. due to apnea.

Mr. Bearrows advised that this case appears difficult to try based on one expert's criticism of the nursing care provided, and that he is seeking a second opinion. He recommended settling this for \$1.0 to \$1.5 million if the second expert concurs with the opinion of the first.

Dr. Schmidt asked if this included dropping claims against the physicians and Mr. Bearrows replied that it did.

There being no further business, the executive session was adjourned.

RECESS FOR LUNCHEON AND COMMITTEE MEETINGS

Following a break for luncheon the following committees met: Academic Affairs Committee, Finance and Investment Committee, University Hospital Committee, and Technology and Economic Development Committee.

MEETING OF ACADEMIC AFFAIRS COMMITTEE

Presentation on Faculty Work

Dr. Schmidt, chair of the Academic Affairs Committee, convened this meeting and reminded the board that he had announced a few months ago that he planned to invite a faculty member from the campus on which each board meeting was scheduled to make a presentation. He then invited Chancellor Ringeisen to introduce the presenter for this meeting.

Chancellor Ringeisen introduced Dr. Michael J. Lemke, assistant professor, Biology Program, Springfield, and stated that Professor Lemke conducts outstanding research in the study of the ecology of wetlands, and is consistently ranked as a good teacher on student evaluations. He added that Professor Lemke is also involved in online teaching for the campus. Further, the chancellor stated that Professor Lemke is involved nationally in his profession, serving on an editorial board of a journal and contributing to others, and he serves as senior science advisor and co-academic director of the Woodrow Wilson National Fellowship Foundation's Leadership Program on Biodiversity.

Professor Lemke presented a review of his research on the ecology of aquatic resources and bacteria of wetlands. He said that the Illinois River basin was ideal for his research, and he noted the importance of this area to the development of the field of ecology. He also stated that in his studies of the sources of pollution he studies the problem of pollution of lakes and rivers by chemicals, and he compared wetlands that had formerly been farmed with newly restored wetlands, and noted the problems caused by runoff from farms for lakes and rivers (materials on file with the secretary). In closing, he stressed the importance of scholarship to his teaching. Dr. Schmidt thanked Dr. Lemke for his presentation.

Report from Springfield Senate

Dr. Schmidt asked Dr. Patricia A. Langley, professor of women's studies and legal studies, Springfield, to report on activities of the senate at Springfield

for the past year. She spoke of the transition the campus has made and continues to make in the change from a two-year institution to a four-year institution. She also told the board that the senate decided to lower the number of hours required of students to transfer to the campus from 45 hours to 30 hours, and she reminded the board that not all students at the freshman and sophomore levels are in the Capital Scholars Program. She said that other students require special consideration in terms of curriculum. Professor Langley also reported that related to this new group of students, the senate and the provost had undertaken a review of the general education requirements for a degree from the Springfield campus, as such a review had not occurred for many years. Further, she noted that a new degree program, a Master of Science in Environmental Studies, had been approved and that the name of the Institute of Public Affairs had been changed to the Abraham Lincoln Presidential Center for Governmental Studies. She added that the structure had also been changed to include more units, and the reporting line had been changed to the Office of the Provost. She stated that the introduction of the UI-Integrate Project had been discussed with the senate and that the senate is concerned about how the data regarding individuals will be recorded. She also reported that the campus catalog is being updated and that one rule under consideration for listing courses in the catalog is that if the course has not been taught for three years, then it is dropped from the catalog.

Professor Langley also informed the board that the senate has issued a declaration on civic responsibility that emphasizes civic engagement for students as a part of coursework. In addition, she told the board that the senate has an *ad hoc* committee on salary equity. Further, she mentioned the University Senates Conference had passed an interim code of conduct for faculty and a policy on a faculty member's ability to work. In closing she said the senate continues to review the provisions of the smoking policy at Springfield and where people can and cannot smoke.

Dr. Schmidt thanked Professor Langley for her report.

Report from Chancellor Manning

Dr. Schmidt then commented on the application the Chicago campus has submitted for funding of a National Biocontainment Laboratory (NBL) and noted that the press had carried a story about the University of Chicago receiving a \$35.0 million grant linked to the same bio-defense program and that some might be confused about this grant and the Chicago campus's proposal. He asked Dr. Manning to comment on this process. Dr. Manning said that in order for an institution to receive a grant in this area, it must belong to a Research Center of Excellence, and that the National Institutes of Health has funded eight of these—one at the University of Chicago, to which the Chicago campus belongs, as well as two others, one at Washington University in St. Louis and one at Duke University. She said some saw this funding of the University of Chicago as being a negative sign for the Chicago campus's proposal, but that it is not. Rather it is merely a necessary step. She said that the Chicago campus is in fact part of two such

consortiums and one includes the University of Chicago. Thus, if one reads reports about the application, one needs to keep in mind applicants for a grant to establish an NBL are members of consortiums.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE

Dr. Gindorf, chair of this committee, introduced Mr. Douglas E. Beckmann, assistant vice president of business and finance, and asked him to present information about the University's investments for the last quarter. Mr. Beckmann said that there was good news, in that the markets were up and asked Mr. Steve Voss, consultant from the firm of Ennis Knupp + Associates, the University's financial adviser, to report the data from the second quarter of 2003. Mr. Voss stated at the outset of his report that all data he would present reflect the actual rate of return for both the University's endowment and its operating funds because all management costs have been taken out of these data. He stated that the stock market, as represented by the Wilshire 5000 Fund, was up 16.5 percent for the quarter. He then reviewed the quarterly report (on file with the secretary), noting that returns on the market were strong. He also reviewed the performance of the University's investments for the past 10 years and stated that there were significant negative returns for this time period, with one recent three-year time period being very challenging. He also reviewed the performance of the endowment and operating funds pools and the managers performance for the components of those, noting that the endowment pool totaled \$193.0 million, which is up from the end of March 2003, and that the operating funds totaled \$600.0 million. He pointed out that the operating funds are basically the University's checkbook and that most of the investments are in bonds, with an emphasis on maintaining a strong liquidity position. In conclusion he told the board that the performance for July and August 2003 had shown decent momentum too.

President Stukel then asked Mr. Beckmann to explain how the two endowments support the University's activities. Mr. Beckmann stated that the University endowment is based on gifts to the University, principally farmland and beneficial trusts, and totals approximately \$200.0 million, and the University of Illinois Foundation's endowment is based on gifts to the Foundation of farmland, beneficial trusts, and investments, and totals approximately \$625.0 million. He said that the Foundation has an 11 member investment committee that provides oversight for the investments of the endowment, and that the funds are more actively managed than those in the University's endowment. He also stated that the Foundation's endowment has a 10 percent investment in real estate in its portfolio, which is different from the University's investment portfolio. He concluded by saying that the investment strategy for the University's endowment is simpler.

MEETING OF UNIVERSITY HOSPITAL COMMITTEE

Mr. Vickrey, chair of this committee, convened the meeting. He referred to a letter sent to the board members earlier from President Stukel that related that the current state of the hospital was encouraging. Mr. Vickrey

then stated that Dr. Charles L. Rice, vice chancellor for health affairs, would report the positive news in some detail, and invited Dr. Rice to begin.

Dr. Rice reviewed the report of revenues and expenditures for Fiscal Year 2003 (on file with the secretary) and summarized this, telling the board that the number of patient days was up, the number of clinic visits was up, the number of discharges was up, outpatient visits increased to 420,000, the total revenue for the year was up, the number days for accounts receivable was 68 (compared to 60 for the Midwest average and 75 for urban average), and that the hospital finished the fiscal year with a balance of \$8.5 million.

He reported that there has been good progress in increasing revenues over expenditures in the last five years, and that a key component to this is shortening the time for accounts receivable. He stated that the cash at the end of the year was between \$25.0 and \$26.0 million and that the goal was to have \$90.0 million in order to have cash for 90 days of operation on hand.

Dr. Rice said that the use of agency nurses remains a challenge due to the high cost of hiring such nurses, which is inevitable, and probably good business, given the need for more nurses in the winter due to the change in volume of patients. He also said that costs for supplies are up, and that achieving savings in this area was a goal for FY 2004.

He told the board that this report is based on un-audited books.

Dr. Rice then turned to a summary of the budget for FY 2004 (material on file with the secretary) and said that the targets include: achieving a positive operating margin, improving the cash position, and funding critical infrastructure needs. He said that the budget is based on no change in the number of patient days for FY 2004, a 1.5 percent increase in outpatient volume, a charge rate increase of 5 percent, a Medicaid increase of 55, no change in the State appropriation, improved managed care contracts, continued improvement in the revenue cycle, and conversion of five psychiatric research beds to inpatient psychiatry beds. Further, he noted that the key elements in expenses for FY 2004 were: a 3 percent salary increase, plus funds for collective bargaining contracts; a 4.6 percent increase for supplies; and a bad debt increase based on high unemployment.

He said that initiatives to control expenses included savings on supplies, overtime pay, number of employees, and control of the pay structure. Also, he stated the following goals for FY 2004: maintaining the number of days for accounts receivable, reducing inventory, and controlling capital spending.

He also commented on the infrastructure needs of the hospital and the fact that neighboring hospitals are making major investments in infrastructure. In summary, Dr. Rice indicated that the following factors were important to maintaining and improving the hospital's positive financial status: maintaining current volume (patients); controlling expenses, both supplies and salaries; improving the revenue cycle; and addressing unmet capital needs. Discussion followed regarding the elements in the budget and the State's payment of \$48.0 million for uncompensated care, as payment for

services rendered under the Medicaid program. Mr. Vickrey also emphasized the need to consider capital improvements in order to compete.

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of this committee, asked Dr. James Weyhenmeyer, associate vice president for technology and economic development, to present the annual report on technology commercialization for Fiscal Year 2003 in Vice President David L. Chicoine's stead (material on file with the secretary). Dr. Weyhenmeyer reviewed three components of the technology commercialization process, and explained how they function in the process. First, he described the role of the Offices of Technology Management at the Chicago and Urbana campuses as the initial contact points for faculty for making disclosures of new technology, and the places where this is assessed and faculty are assisted in making disclosures and in licensing their technology. Second, he identified IllinoisVENTURES, LLC, as an infrastructure entity that exists to accelerate or catalize start-up activity based on University developed technology. Third, he stated that the incubators at the Chicago and Urbana campuses provide the space necessary to launch start-up companies commercializing University technology.

Dr. Weyhenmeyer referred to the annual report distributed earlier, and commented on highlights from this report. He noted that at the Urbana campus, the Office of Technology Management had, after several years of developing, reached a point of considerable success in processing disclosures of technology. He said that there had been a 30 percent increase in disclosures in FY 2003 over the previous year, from 111 to 146 disclosures. Also, he said that at Urbana, the number of patents filed increased by 46 percent in 2003 over the previous year, and licenses and options had increased by 15 percent.

He also stated that the trend at the Chicago campus is down, and that that might be due to the enormous effort required to complete the proposal for the National Biocontainment Laboratory this year and to lack of staff.

Mr. Eppley commented on a backlog at Chicago in processing disclosures and said that a new process is being developed. He also remarked on the great potential at Chicago and the help the Office of Technology Management can provide.

Dr. Weyhenmeyer then commented on the activity of IllinoisVENTURES, LLC, for FY 2003 and reported that 57 start-up companies sought help from it—70 percent from Urbana and 30 percent from Chicago. He stated that IllinoisVENTURES, LLC, is at the front end of raising funds for financing of start-up companies, and that an investment vehicle with the University of Illinois Foundation has been established to assist with this.

Next, he described the incubators, saying that Enterprise Works @ Illinois, Urbana, is a facility with 43,000 square feet of space, 50 percent of which is subscribed at present, and he said that the Research Center in the

Chicago Technology Park, with 57,000 square feet, is completely subscribed. He noted that the Research Center generates two-thirds of the State of Illinois Small Business Innovative Research grants.

Discussion followed, and Dr. Schmidt inquired about the decrease in royalty and income at Urbana in FY 2003 from FY 2002. Dr. Weyhenmeyer explained that some licenses expired in 2003, and that he anticipated that there would be a significant increase in FY 2004.

In conclusion, Dr. Weyhenmeyer also reported that there are six start-up companies resulting from work by faculty members at the Chicago campus that are ready to be launched.

BOARD MEETING RECONVENED

At 2:50 p.m. when the board reconvened in regular session the members of the board recorded as present earlier were still in attendance.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of February 12-13, and March 13, 2003, copies of which had previously been sent to the board.

On motion of Mrs. Sodemann, these minutes were approved.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel asked Chancellor Manning to provide an update on the planning for a new facility that will house a National Rural Health Resource Center at Rockford. Chancellor Manning reported that \$1.5 million had been received from the U.S. Department of Health and Human Services for this, and that there was a request for \$600,000 from the State under the aegis of the University's repair and renovation funds. She thanked Mr. Vickrey for his help in the process of securing funding for this facility, and noted that Congressman Manzullo, who represents Rockford, was seeking more Federal funds for the facility.

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Mr. Eppley reinforced his earlier statement that he expected Mr. Shah to work with Vice President Rugg and his staff on matters concerning purchases, major construction projects, leases, and the formula for institutional cost recovery funds. Mr. Shah acknowledged that he planned to do this.

Mr. Eppley also stated that Mr. Bruce, as chair of the Legal Affairs Committee, might give attention to an approach to ensure that board items are consistent with other board policies and State statutes.

Further, Mr. Eppley announced that as part of the Strategic Planning Committee's work he would be meeting with President Stukel; Dr. Sidney S. Micek, president of the University of Illinois Foundation; and Mr. Ronald Guenther, director of athletics, Urbana, to discuss ways in which athletic events might be used as a portal for fund-raising by the Foundation.

OLD BUSINESS

Dr. Schmidt inquired about the controversy concerning the change in the pay date for academic staff. In response, Mr. Bearrows stated that the case was ongoing and that the facts were not well stated.

Dr. Schmidt then asked if the delayed financial aid checks for students had been issued, as yet. Dr. Gardner responded that many had been issued and that a solution for issuing the rest was in process.

Next, Dr. Schmidt asked for information about the cost of providing health benefits to same-sex domestic partners of employees.

Mr. Rugg replied that the program had been implemented on September 1, 2003, and that it was too early to report on the cost. He did say that two employees had applied for these benefits and approximately 30 others had inquired.

NEW BUSINESS

There was no business reported under this aegis.

STUDENT TRUSTEE REPORTS

Mr. Eppley asked Ms. Garcia to present her report to the board first. She stated that new office space had been provided for student organizations on the Chicago campus that made it possible to house most student organizations together in a central location that she said has proved effective for communication among the organizations. She also said that the new student orientation program was very well received by students and probably started a new tradition at the campus. Then she told the board that a special event for student organizations called the Fun Fair had been held and that 200 student organizations were represented in this fair. Also, she announced that the dedication for the two new residence halls on the south campus, Beckham and Robinson Halls, would be September 22, 2003.

Among current student concerns she said that the late issuance of the financial aid checks to students was creating many hardships. She noted that at this time in the fall semester the financial aid office has usually issued 70 percent of the financial aid checks but that this year, due to the late notification of the tuition rates, just 40 percent of the checks have been distributed. She stated that this is extremely difficult for students at Chicago, since most receive some financial aid. She also described the difficulties students are having gaining admission to courses due to the budget cuts of the last few years that have resulted in cancellation of many course sections.

Next, Mr. Hollingsead made comments and invited his colleagues to take a look around the Springfield campus to see recent changes. He stated that with the initiation of the freshman and sophomore years there is a larger percentage of younger students on campus, and thus a greater need for student services. He stated that the students voted in a referendum and approved by a two-to-one margin a fee for a new recreation center on cam-

pus. He also noted more student involvement in athletics as evidenced by the addition of a women's softball team, and enthusiasm for the second year of men's basketball. He reported that student life activities are increasing on campus and that one piece of evidence of this is that some students recently joined the workers' rights consortium. He also called attention to a program on campus that brings students from Japan to the Springfield campus to study English and mathematics, and provides for students from the Springfield campus to go to Japan to study.

Mr. Allen spoke next and reported that he had participated as a speaker at the freshman convocation along with Chancellor Cantor. He told the board that most students at Urbana are concerned about the increase in the number of large classes, necessitated by the budget cuts of recent years. He said that he expected students to have questions for the board in future months about tuition and the University's budget.

COMMENTS

Dr. Carroll thanked Mr. Bearrows for providing thorough memoranda containing background information on litigation.

Mr. Rugg provided additional information regarding the recommendation to lease space for the Division of Services for Special Children that was discussed earlier. In response to earlier questions he provided data on build-out costs, utilities, insurance, and taxes and the total cost per square foot compared to other properties. In addition, he reported that the University did not pay a broker's fee for services in identifying this property. Following discussion, the board seemed convinced that this was a fair price to pay for the lease.

Mr. Bruce stated that he wished his colleagues to know that his concern about entry number one in agenda item no. 21, "Purchases," was dispelled by the additional information provided about the successful bidder's plan to employ union members for the work to be performed.

Mr. Vickrey requested a presentation on the endowment farms at the November 13, 2003, meeting.

REGULAR AGENDA

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

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

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

Dean, Honors College, Chicago

(1) The chancellor at Chicago has recommended the appointment of Lon Seth Kaufman, currently professor and head, Department of Biological Sciences, College of Liberal Arts and Sciences, and professor of bioengineering, College of Engineering, as dean of the Honors College, on a twelve-month service basis, on 50 percent time, beginning September 15, 2003, at an annual salary of \$72,722 (equivalent to an annual nine-month

base salary of \$59,500 plus two-ninths annualization of \$13,222) and an administrative increment of \$15,000.

In addition, Dr. Kaufman will be appointed to the position of vice provost for undergraduate affairs in the Office of the Provost and Vice Chancellor for Academic Affairs, on a twelve-month service basis, on 35 percent time, at an annual salary of \$50,905. He will continue to hold the rank of professor of biological sciences, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 15 percent time, at an annual salary of \$21,817, and professor of bioengineering, College of Engineering, on zero percent time (non-tenured and non-salaried), for a total annual salary of \$160,444.

Dr. Kaufman will succeed Janet I. Madia, who has served as acting dean since May 28, 2001. Ms. Madia will return to her position as executive associate dean for planning and student affairs and campus honors faculty.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

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

Acting/Interim Dean, College of Communications, Urbana

(2) The chancellor at Urbana has recommended the appointment of Ronald E. Yates, presently professor and head, Department of Journalism, College of Communications, University of Illinois at Urbana-Champaign, as acting dean of the College of Communications, August 21-September 11, 2003, and as interim dean, beginning September 12, 2003, until the appointment of a permanent dean is approved by the Board of Trustees. Mr. Yates will be compensated at a rate of \$115,535 a year on a twelve-month service basis (equivalent to an annual nine-month base salary of \$94,529 plus 2/9 annualization of \$21,006) and will receive an additional increment of \$36,000 a year, for a total annual salary of \$151,535 during his service as acting/interim dean.

Mr. Yates will continue to hold the rank of professor of journalism on indefinite tenure on an academic year service basis on zero percent time. In addition, he will continue as head of the Department of Journalism, College of Communications, on an academic year service basis (non-tenured and non-salaried).

He succeeds Kim B. Rotzoll who served as dean of the college from August 21, 1992, through August 20, 2003.

This recommendation is made with the advice of the provost and vice chancellor for academic affairs.

The vice president for academic affairs concurs with this recommendation.

The president of the University recommends approval.

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

Amend Multiyear Contract and Professional Services Agreement with Head Women's Basketball Coach, Urbana

(3) In September 1995, the Board of Trustees approved an employment contract with Theresa Grentz to serve as head women's basketball coach from June 15, 1995, through June 14, 2000. The contract provided compensation for base salary, radio and television

¹Victoria J. Chou, professor and dean, College of Education, *chair*; Faith Johnson Bonecutter, clinical associate professor and director of field work, Jane Addams College of Social Work; Bette L. Bottoms, associate professor of psychology and associate dean, College of Liberal Arts and Sciences; Linda Deanna, associate vice chancellor for student affairs and dean of students; Janet L. Engstrom, associate professor of maternal-child nursing, College of Nursing; Nilda M. Flores-Gonzalez, associate professor of sociology and in the Latin American and Latino Studies Program, College of Liberal Arts and Sciences; Daniel S. Friedman, professor and director, School of Architecture, College of Architecture and the Arts; Jenna Yeon Kim, undergraduate student and president, Honors College Advisory Board; Janet I. Madia, acting dean, Honors College; James W. Pellegrino, professor of psychology, College of Liberal Arts and Sciences, and professor of education; Leslie J. Sandlow, senior associate dean for medical education, professor and head, Department of Medical Education, professor of medicine, and senior associate dean for medical education, College of Medicine at Chicago; Carole L. Snow, executive associate provost for academic and enrollment services, Office of Resource Administration.

broadcasting services, summer camp services, and educational, public relations, consulting, and promotional activities. Coach Grentz's base salary is funded by operating revenue in the Division of Intercollegiate Athletics; her radio and television broadcasting services are funded by broadcast revenue; her summer camp services are funded by camp revenue; and her educational, public relations, consulting, and promotional activities are supported by corporate contracts.

In January 1998, the Board of Trustees approved an amendment to the employment contract to remove the educational, public relations, consulting, and promotional obligations. Instead, the University entered into a separate contract with the Grentz Corporation for educational, public relations, consulting, and promotional activities to be provided by Coach Grentz.

In July 1999, the Board of Trustees approved a second amendment to the employment contract to extend the term of the contract through June 14, 2004, and increase Coach Grentz's total compensation. The board also approved extending the agreement with the Grentz Corporation through June 14, 2004.

The chancellor at Urbana recommends a third amendment to the employment contract to extend the term of the contract by four additional years, through April 15, 2008.

The chancellor at Urbana also recommends that the professional services agreement for educational, public relations, consulting, and promotional activities provided by Coach Grentz through the Grentz Corporation be extended through April 15, 2008.

Coach Grentz's base salary for coaching responsibilities will be increased from \$152,860 to \$160,000 for 2003-04. Compensation for radio and television broadcasting services via the Grentz Corporation will remain at \$75,000. These changes would result in an increase in total compensation from \$252,860 in 2002-03 to \$260,000 for 2003-04.

Funds are available from the sources listed above.

The president of the University concurs.

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

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

DINA BIRMAN, assistant professor of psychology, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$58,000.

- JENNIFER BRIER, assistant professor, Gender and Women's Studies Program, on 75 percent time, and assistant professor of history, on 25 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$53,000.
- AOSHUANG CHEN, assistant professor of immunology, Department of Biomedical Sciences, College of Medicine at Rockford, on 100 percent time, July 1-August 15, 2003 (N), \$10,250, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$61,500.
- HAKAN DEMIRTAS, assistant professor of biostatistics, Division of Epidemiology and Biostatistics, School of Public Health, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$57,500.
- NURTAN A. ESMEN, professor, Division of Environmental and Occupational Health Sciences, School of Public Health, on 51 percent time; research professor, Institute for Environmental Science and Policy, Office of the Vice Chancellor for Research, on 30 percent time; and research professor, Division of Environmental and Occupational Health Sciences, School of Public Health, on 19 percent time, beginning August 16, 2003 (A51;N30;N19), at an annual salary of \$135,000.
- JAMES GILLESPIE, assistant professor of managerial studies, on 100 percent time, July 16-August 15, 2003 (N), \$9,778, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$88,000.
- ILENE B. HARRIS, professor of medical education, College of Medicine at Chicago, on 100 percent time, beginning October 1, 2003 (A), at an annual salary of \$102,273.
- JULIAN JWCHUN LIN, assistant professor of neurosurgery, College of Medicine at Peoria, on 60 percent time, August 1, 2003 (NY), at an annual salary of \$75,000, and continuing on 60 percent time, effective August 16, 2003 (1Y), at an annual salary of \$75,000.
- JENNIFER MONTGOMERY, assistant professor, School of Art and Design, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$45,000.
- DAN PETERMAN, associate professor, School of Art and Design, on 100 percent time, for three years beginning August 16, 2003 (Q), at an annual salary of \$70,000.
- CARL POPE, assistant professor, School of Art and Design, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$60,000.
- KERRY ANN ROCKQUEMORE, associate professor of African-American Studies, on 50 percent time, and associate professor of sociology, on 50 percent time, beginning August 16, 2003 (A50;A50), at an annual salary of \$84,000.
- SALLY SEDGWICK, professor of philosophy, on 100 percent time, June 26-August 15, 2003 (N), \$11,908, and continuing on 100 percent time, effective August 16, 2003 (A), at an annual salary of \$88,080.
- BROOKE E. SHIPLEY, associate professor of mathematics, statistics and computer science, on 100 percent time, beginning August 16, 2003 (A), at an annual salary of \$82,000.
- H. STEVEN SIMS, assistant professor of otolaryngology-head and neck surgery, on 55 percent time, and physician surgeon, otolaryngology-head and neck surgery, on 45 percent time, College of Medicine at Chicago, beginning September 1, 2003 (1Y55;NY45), at an annual salary of \$170,000.

Emeriti Appointments

- MICHAEL A. ANANIA, professor emeritus of English, August 1, 2003
- EDWIN H. CHEN, professor emeritus, Division of Epidemiology and Biostatistics, School of Public Health, June 1, 2003
- JOHN V. MASSEY, research professor emeritus, School of Art and Design, September 1, 2001
- RICHARD A. WADDEN, professor emeritus, Division of Environmental and Occupational Health Sciences, School of Public Health, September 1, 2003

Springfield

- SARA FRANCES CORDELL, assistant professor, English Program, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$38,000.

- ANGAPPA GUNASEKARAN, professor of business administration, on 100 percent time, beginning August 16, 2003 (A), at an annual salary of \$104,000.
- MEREDITH A. NEWMAN, associate professor of public administration, College of Public Affairs and Administration, on indefinite tenure on an academic year service basis, on 100 percent time, beginning August 16, 2003 (A100), at an annual salary of \$90,000. In addition, Dr. Newman will be appointed as chair of the Department of Public Administration, College of Public Affairs and Administration, Springfield, on zero percent time (non-salaried), beginning September 15, 2003 (NG). She will receive an amount equal to one-ninth of her annual salary for one month's service during each summer of her appointment as department chair (\$10,000 for 2003-04). Dr. Newman was appointed to serve as interim department chair under the same conditions and salary arrangement beginning August 16, 2003, for a total 2003-04 salary of \$100,000.
- XIA PAN, assistant professor of business administration, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$75,000.

Urbana-Champaign

- JONT ALLEN, associate professor of electrical and computer engineering, on 100 percent time on zero percent time (non-salaried), August 16, 2003-August 15, 2007 (Q100;N), at an annual salary of \$92,000.
- TAMI C. BOND, assistant professor of civil and environmental engineering, on 100 percent time, August 1-August 15, 2003 (N), \$3,833, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$69,000.
- NICHOLAS BROZOVIC, assistant professor of agricultural and consumer economics, on 100 percent time, July 16-August 15, 2003 (N), \$7,250, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$65,250.
- ANDREA D. ELLINGER, assistant professor of human resource education, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$57,000.
- MATTHEW I. FRANK, assistant professor of electrical and computer engineering, on 100 percent time, and research assistant professor, Coordinated Science Laboratory, on zero percent time (non-salaried), beginning August 16, 2003 (1;N), at an annual salary of \$74,000.
- FRANCES GATEWARD, assistant professor, Program in Comparative and World Literature, on 50 percent time, and assistant professor, Unit for Cinema Studies, on 50 percent time, beginning August 16, 2003 (3;3), at an annual salary of \$60,000.
- JENNIFER LEEANN HARDESTY, assistant professor of human and community development, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$55,000.
- SHUYONG JIANG, Chinese studies librarian cataloging coordinator and assistant professor of library administration, University Library, on 100 percent time, beginning June 23, 2003 (NY), at an annual salary of \$46,000.
- JONATHAN KEEBLE, assistant professor, School of Music, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$50,000.
- JANE KUNTZ, assistant professor of French, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$49,000.
- CAROL W. MADDOX, associate professor of veterinary pathobiology, on 51 percent time (QY51), and associate professor of medicine, Veterinary Diagnostic Laboratory, on 49 percent time (NY49); tenure eligibility will be maintained on 100 percent time in the Department of Veterinary Pathobiology, August 21, 2003-August 15, 2007, at an annual salary of \$102,630.
- ANNE M. MARTINEZ, assistant professor of history, on 50 percent time, and assistant professor, Latina/Latino Studies Program, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$52,000.
- EILEEN DIAZ MCCONNELL, assistant professor of sociology, on 50 percent time, and assistant professor, Latina/Latino Studies Program, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$58,000.
- ISABEL MOLINA, assistant professor, Latina/Latino Studies Program, College of Liberal Arts and Sciences, on 50 percent time, and assistant professor, Institute of Communi-

- cations Research, College of Communications, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$55,000.
- LAN NGUYEN, assistant professor of business administration, on 100 percent time, June 16-August 15, 2003 (N), \$22,222, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$100,000.
- ANTONY ONYANGO OLUOCH, assistant professor of veterinary biosciences, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$70,000.
- FENIOSKY A. PEÑA-MORA, associate professor of civil and environmental engineering, on 100 percent time, June 21-August 15, 2003 (N), \$17,926, and continuing on 100 percent time, effective August 16, 2003 (A), at an annual salary of \$88,000.
- JOEL E. PIKE, assistant professor of accountancy, on 100 percent time, June 16-August 15, 2003 (N), \$31,111, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$140,000.
- MISUMI SADLER, assistant professor of East Asian languages and cultures, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$49,000.
- RACHEL SCHWARTZ, associate professor of accountancy, on 100 percent time, June 16-August 15, 2003 (N), \$34,444, and continuing on 100 percent time, for four years effective August 16, 2003 (Q), at an annual salary of \$155,000.
- DANUTA SHANZER, professor of the Classics, on 100 percent time, and professor, Program in Medieval Studies, on zero percent time (non-salaried), beginning August 16, 2003 (A100;N), at an annual salary of \$117,500.
- WILLIAM E. UNDERWOOD, assistant professor of English, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$55,000.
- YUTIAN WONG, assistant professor, Asian-American Studies Program, College of Liberal Arts and Sciences, on 50 percent time, and assistant professor of dance, College of Fine and Applied Arts, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$50,000.

To the Rank of Associate Professor on Indefinite Tenure:

- GEORGE DELTAS, from assistant professor of economics, to associate professor of economics, College of Business, on indefinite tenure, effective August 16, 2003

Emeriti Appointments

- KENNETH V. K. BEARD, professor emeritus of atmospheric sciences, September 1, 2003
- PETER F. COLWELL, professor emeritus of finance, August 1, 2003
- CAROLYN DRY, professor emerita, School of Architecture, May 21, 2003
- MICHAEL GABRIEL, professor emeritus of psychology, August 21, 2003
- WILLIAM L. GAMBLE, professor emeritus of civil and environmental engineering, August 21, 2003
- SANDY I. HELMAN, professor emeritus of molecular and integrative physiology, September 1, 2003
- NEIL M. HAWKINS, professor emeritus of civil and environmental engineering, March 1, 2000
- JOHN A. JAKLE, professor emeritus of geography, June 21, 2003
- DONALD LEE JOHNSON, professor emeritus of geography, June 21, 2003
- RICHARD A. LARSON, professor emeritus of natural resources and environmental sciences, August 1, 2003
- GEORGE W. MCCONKIE, professor emeritus of educational psychology, July 1, 2003
- VICTOR D. RAMIREZ, professor emeritus of physiology in the Department of Molecular and Integrative Physiology, February 1, 2003
- GARY L. ROLFE, professor emeritus of natural resources and environmental sciences, August 21, 2003
- JOHN E. WALSH, JR., professor emeritus of atmospheric sciences, August 21, 2003

Administrative/Professional Staff

- THOMAS GUSTAV HEINRICH DIEKWISCH, head of the Department of Oral Biology, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$12,000, beginning September 15, 2003 (KY). Dr. Diekwisch was appointed

to serve as interim head under the same conditions and salary arrangement beginning August 1, 2003. In addition, Dr. Diekwisch will be appointed to the rank of associate professor of oral biology, College of Dentistry, on indefinite tenure on a twelve-month service basis, on 50 percent time, at an annual salary of \$74,675; and associate professor of orthodontics, College of Dentistry (non-tenured) on a twelve-month service basis, on 50 percent time, at an annual salary of \$74,675, effective September 1, 2003 (AY50;NY50). He will continue to hold the rank of associate professor of orthodontics, College of Dentistry, on zero percent time (non-tenured and non-salaried); associate professor, Center for Molecular Biology of Oral Diseases, College of Dentistry, on zero percent time (non-tenured and non-salaried); associate professor of anatomy and cell biology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); and adjunct associate professor of periodontics, College of Dentistry, on zero percent time (non-tenured and non-salaried), for a total salary of \$161,350.

THOMAS E. GLENN, executive director of admissions, Office of Admissions and Records, Chicago, on a twelve-month service basis, on 100 percent time, beginning September 15, 2003 (NY), at an annual salary of \$130,000. Mr. Glenn was appointed to serve as visiting executive director of admissions under the same conditions and salary arrangement beginning September 1, 2003.

MARK DEAN GRABINER, head of the Department of Movement Sciences, College of Applied Health Sciences, Chicago, on an academic year service basis with an administrative increment of \$4,090, beginning September 15, 2003 (K). This change in position is due to the reorganization and redesignation of the School of Kinesiology as the Department of Movement Sciences in the College of Applied Health Sciences. Dr. Grabiner will continue to hold the rank of professor of movement sciences, on indefinite tenure on an academic year service basis, on 100 percent time, beginning September 15, 2003 (A100), at an annual salary of \$140,000. In addition, he will continue to hold the rank of professor of bioengineering, College of Engineering, on zero percent time (non-tenured and non-salaried), for a total salary of \$144,090.

WILLIAM R. MCKINNEY, director of the Office of Recreation and Tourism Development, Department of Leisure Studies, College of Applied Life Studies, Urbana-Champaign, on an academic year service basis with an administrative increment of \$3,000, beginning September 15, 2003 (N). Dr. McKinney was appointed to serve as interim director under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. McKinney will continue to hold the rank of associate professor of leisure studies, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$92,074; and associate professor, University of Illinois Extension and Outreach, College of Agricultural, Consumer and Environmental Sciences, on zero percent time (non-tenured and non-salaried), effective September 15, 2003 (A100;N), for a total salary of \$95,074.

HOWARD NEWMAN, chief development officer for the Medical Center, Office of the Chancellor, Chicago, on 82 percent time, and vice president, University of Illinois Foundation, on 18 percent time, beginning September 1, 2003 (NY82;NY18), at an annual salary of \$208,000.

NINA M. OLESINSKI, director, Health Insurance Privacy and Accountability Act (HIPAA) Program Management Office, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning September 15, 2003 (NY), at an annual salary of \$99,698. Dr. Olesinski was appointed to serve as visiting director under the same conditions and salary arrangement beginning July 1, 2003.

STEVEN T. OLSON, director of the Center for Molecular Biology of Oral Diseases, College of Dentistry, Chicago, on an academic year service basis with an administrative increment of \$9,000, beginning September 15, 2003 (N). Dr. Olson was appointed to serve as visiting director under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Olson will continue to hold the rank of professor, Center for Molecular Biology of Oral Diseases, on indefinite tenure on an academic year service basis, on 100 percent time (A100), at an annual salary of \$123,790. He will continue to hold the rank of professor of bioengineering, College

of Engineering, on zero percent time (non-tenured and non-salaried), for a total salary of \$132,790.

NEIL D. PEARSON, director of the Finance Ph.D. Program, College of Business, Urbana-Champaign, on an academic year service basis with an administrative increment of \$12,000, beginning September 15, 2003 (NY). Dr. Pearson was appointed to serve as interim director of the Finance Ph.D. Program under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Pearson will continue to hold the rank of professor of finance on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$162,250. Dr. Pearson will continue as an Investors in Business Education Faculty Fellow (non-tenured) on an academic year service basis with an increment of \$7,500 (N), for a total salary of \$181,750.

GARY E. RANEY, chair of the Department of Psychology, College of Liberal Arts and Sciences, Chicago, on an academic year service basis with an administrative increment of \$7,000, beginning September 15, 2003 (N). Dr. Raney was appointed to serve as acting chair of the department under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Raney will continue to hold the rank of associate professor of psychology, on indefinite tenure on an academic year service basis, on 100 percent time, effective September 15, 2003 (A100), at an annual salary of \$72,000, for a total salary of \$79,000.

LAWRENCE R. SCHEHR, associate dean, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning September 15, 2003 (N50), at an annual salary of \$59,000. In addition, for service as associate dean, Dr. Schehr will receive an administrative increment of \$15,000 on an academic year service basis (N). He was appointed to serve as interim associate dean under the same conditions and salary arrangement beginning August 16, 2003. Dr. Schehr will continue to hold the rank of professor of French, on indefinite tenure on an academic year service basis, on 50 percent time, effective September 15, 2003 (A50), at an annual salary of \$59,000; professor, Gender and Women's Studies Program, on zero percent time (non-tenured and non-salaried); professor, Unit for Criticism and Interpretive Theory, on zero percent time (non-tenured and non-salaried); and professor, Program in Comparative and World Literature, on zero percent time (non-tenured and non-salaried), for a total salary of \$133,000.

SUSAN SINGLETON, director, Center for Library Initiatives, Committee on Institutional Cooperation, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning September 16, 2003 (NY), at an annual salary of \$92,000. Ms. Singleton was appointed to serve as interim director under the same conditions and salary arrangement beginning July 28, 2003.

DJAJA DJENDOEL SOEJARTO, director, Program for the Collaborative Research in the Pharmaceutical Sciences (PCRPS) Field Station, College of Pharmacy, Chicago, on a twelve-month service basis with an administrative increment of \$2,000, beginning September 15, 2003 (NY). Dr. Soejarto was appointed to serve as visiting director under the same conditions and salary arrangement beginning July 1, 2003. In addition, he will continue to hold the rank of professor of pharmacognosy, in the Department of Medicinal Chemistry and Pharmacognosy, on indefinite tenure on a twelve-month service basis, on 100 percent time, effective September 15, 2003 (AY100), at an annual salary of \$115,054. Dr. Soejarto will continue as adjunct professor of forensic science, in the Department of Biopharmaceutical Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$117,054.

LESLIE THOMAS STAYNER, director, Division of Epidemiology and Biostatistics, School of Public Health, Chicago, on an academic year service basis with an administrative increment of \$10,000, beginning September 15, 2003 (N). He will receive an amount equal to one-ninth of his academic year faculty base salary for one month's service during each summer of his appointment as director (\$16,667 for 2003-04). Dr. Stayner was appointed to serve as interim director under the same conditions and salary arrangement beginning August 16, 2003. Dr. Stayner was appointed to the rank of professor, Division of Epidemiology and Biostatistics, on indefinite ten-

ure on an academic year service basis, on 100 percent time, beginning September 16, 2003 (A100), at an annual salary of \$150,000, for a total 2003-04 salary of \$176,667. He was appointed to serve as visiting professor under the same conditions and salary arrangement beginning August 16, 2003.

ANNETTE L. VALENTA, head of the Department of Biomedical and Health Information Sciences, College of Applied Health Sciences, Chicago, on an academic year service basis with an administrative increment of \$8,182, beginning September 16, 2003 (K). Dr. Valenta will receive an amount equal to two-ninths of her administrative increment for two months' service during each summer of her appointment as Head (\$1,818 for 2003-04). In addition, she will receive an amount equal to one-ninth of her academic base salary for one month's service during each summer of her appointment as head (\$12,778 for 2003-04). Dr. Valenta was appointed to serve as interim head, under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Valenta will be promoted to the rank of professor of biomedical and health information sciences, on indefinite tenure on an academic year service basis, on 100 percent time, beginning September 16, 2003 (A100), at an annual salary of \$115,000. She will continue to hold the rank of associate professor of information and decision sciences, College of Business Administration, on zero percent time (non-tenured and non-salaried); adjunct associate professor of medical education, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); adjunct associate professor, Division of Health Policy and Administration, School of Public Health, on zero percent time (non-tenured and non-salaried); and director of graduate studies, School of Biomedical and Health Information Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$123,182.

PAMELA JAMES VOITIK, director of Campus Services, Division of Facilities and Services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning September 15, 2003 (NY), at an annual salary of \$91,480. Ms. Voitik was appointed to serve as interim director of Campus Services under the same conditions and salary arrangement beginning August 21, 2003.

RUTH V. WATKINS, associate provost, Office of the Provost and Vice Chancellor for Academic Affairs, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning September 15, 2003 (NY), at an annual salary of \$110,000. Dr. Watkins was appointed to serve as interim associate provost under the same conditions and salary arrangement beginning August 16, 2003. She will continue to hold the rank of associate professor of speech and hearing science, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$110,000.

Intercollegiate Athletic Staff

HARRY K. HIESTAND, assistant varsity coach-football, Division of Intercollegiate Athletics, Urbana-Champaign, on a ten months' service paid over twelve months service basis, multi-year agreement, on 100 percent time, effective August 21, 2003, through February 28, 2006 (NB), at an annual salary of \$119,244. A performance review will be held in January of each contract year to determine any compensation increases after February 28, 2004.

CRAIG S. TILEY, head varsity coach, men's tennis, Division of Intercollegiate Athletics, Urbana-Champaign, a first amendment to extend the current multi-year agreement, on a twelve-month service basis, on 100 percent time, effective August 21, 2003, through August 15, 2006 (NY100), at an annual base salary of \$90,000. In addition, for television and radio appearances required by the University, Coach Tiley will receive an increment on a twelve-month service basis at an annual rate of \$10,000 (NY). A performance review will be held in May of each contract year to determine any compensation increases after August 15, 2004. In addition, for service as head men's tennis coach of the University's summer men's tennis camp at the Urbana-Champaign campus, Coach Tiley will receive 90 percent of the net profit of the camp. Coach Tiley will be provided a tax deferred annuity of \$10,000 per year dur-

ing the three-year term of the new agreement. Coach Tiley will be entitled to receive the accumulated \$30,000 plus accumulated income or losses on investments if he is still employed as head varsity coach of men's tennis on August 15, 2006. This first amendment supersedes Coach Tiley's current employment contract effective from August 21, 2000, through August 20, 2005.

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

**Redesignate the Subsonic Aerodynamics Laboratory
as the Aerodynamics Research Laboratory, Urbana**

(5) The chancellor at Urbana recommends for approval a proposal from the College of Engineering to change the name of the Subsonic Aerodynamics Laboratory to the Aerodynamics Research Laboratory.

The Subsonic Aerodynamics Laboratory is moving from Engineering Warehouse Number One to a new building currently under construction and referred to as the Subsonic Aerodynamics Laboratory. However, the research includes other aerodynamic research utilizing the wind tunnel and other facilities for building and bridge aerodynamics. The new name will more accurately reflect the breadth of the purpose of the laboratory building.

The president of the University concurs.

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

**Eliminate the Bachelor of Science Degree in Forestry,
College of Agricultural, Consumer
and Environmental Sciences, Urbana**

(6) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Department of Natural Resources and Environmental Sciences in the College of Agricultural, Consumer and Environmental Sciences to eliminate the Bachelor of Science in Forestry.

As part of a larger curriculum revision, the Department of Natural Resources and Environmental Sciences plans to eliminate the current B.S. in Forestry and replace it with a new forestry option under the B.S. in Natural Resources and Environmental Sciences (see the "President's Report on Actions of the Senates"). Eliminating the separate forestry degree and creating a new forestry option will produce a more consistent and efficient program and better serve students by ensuring they have an academic foundation in the broader area of natural resources and environmental sciences.

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

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

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

**Establish Procedure for Review and Approval of Licensing
Transactions and Conflict of Interest Management Plans,
Vice President for Technology and Economic Development**

(7) The Offices of Technology Management (OTM) in Chicago and Urbana are actively engaged in licensing University technology. These efforts may lead to a licensing of University technology to new companies ("start-ups"), which may employ and/or involve University faculty or other employees. These start-ups are often assisted by Illinois VENTURES, LLC. The terms of licenses to start-ups have been standardized, and typically permit the start-up the non-exclusive right to use the intellectual property in exchange for compensation to the University, often in the form of an equity interest in the start-up, as well as the University's right to use the technology on a royalty-free basis. Thus, the standard non-exclusive license does not involve the expenditure of University funds.

The University has an established process for reviewing and imposing appropriate restrictions (if warranted) whenever the University licenses its intellectual property rights to a company owned or controlled by a University employee. Specifically, Article II., 4, (d) in the University's *The General Rules Concerning University Organization and Procedure* permits contracts to be "awarded to any business entity, including those in which a university officer or employee (or members of their immediate families) serve as major officers or primary employees thereof or hold a significant equity interest therein, if such contract is deemed in the best interests of the University and has the approval of the president or the president's designee." The licensing agreement between the University and a start-up constitutes such a contract and therefore is subject to this provision. In addition, under the University's *Policy of Conflicts of Interest and Commitment*, the president is responsible for approving the Conflict of Interest management plan for University employees involved in a company commercializing University-based technologies, based upon review and recommendations of administrators responsible for research activities. Neither of these provisions, however, specifies who should review or approve contracts and conflict of interest management plans if the president or a member of his/her immediate family were to be involved with the start-up.

To clarify this situation, the vice president for technology and economic development and the university counsel recommend that the Board of Trustees, having received the recommendation of the university counsel, review and approve licenses and/or conflict of interest management plans involving companies or transactions when it is necessary for the president to recuse himself from approving the transaction and the plan based on an interest held by the president or his/her immediate family.

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

**Amend Operating Agreement of the University of Illinois
Research Park, LLC, the Services and Management Agreement
Between the University and the University of Illinois
Research Park, LLC, and Appointments to the Board
of the University of Illinois Research Park, LLC,
Vice President for Technology and Economic Development**

(8) The administrative review directed by the Board of Trustees in March 2003 included research park management as a functional area. The research park management subcommittee, chaired by Dr. Eric Gislason, vice chancellor for research, Chicago, was charged to review research park management and activities. The recommendations of the research park subcommittee are implemented by amendment of the Operating Agreement (bylaws) of the University of Illinois Research Park, LLC (LLC), incorporated in the State of Illinois by the University in March 2000, and by amendment of the Services and Management Agreement between the University and the LLC. The effect of the changes to the two agreements is to broaden the jurisdiction of the LLC to oversight of the research parks at Urbana campus, the Chicago campus, and other research parks in Illinois where the University has some operating responsibility by statute or contract. The Board of Managers of the LLC supports the recommendations of the research park subcommittee, as endorsed and brought forth by the administrative review process.

The recommended Operating Agreement, as amended, and the recommended Services and Management Agreement, as amended, are attached to this item and incorporated herein. (Copies of these documents are filed with the secretary of the board for record.)

The research park management subcommittee also recommended that the Board of Managers of the LLC be reduced from eleven members to five, who would be appointed as follows:

1. The chair (or designee) of the Technology and Economic Development Committee of the Board of Trustees of the University of Illinois, appointed in the same manner as appointments to Board of Trustees' committees;

2. The vice chancellor for research for the University's Urbana-Champaign campus;
3. Vice chancellor for research for the University's Chicago campus;
4. A business leader nominated by the chancellor of the University's Urbana-Champaign campus in consultation with the Research and Technology Transfer Council (or successor entity) for the Urbana-Champaign campus, and
5. A business leader nominated by the chancellor of the University's Chicago campus in consultation with the Illinois Medical District Commission.

In order to implement these amendments, the president of the University recommends that the comptroller of the board and secretary of the board be authorized to execute the amended Operating Agreement, and Services and Management Agreement as described in this item. The vice president for technology and economic development recommends delegation of authority to the president of the University to appoint the two external members of the Board of Managers described in sections 4 and 5 above.

The vice president for technology and economic development concurs.

The president of the University recommends approval.

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

**Amend Operating Agreement of IllinoisVENTURES, LLC,
and Appoint Members to the Board of IllinoisVENTURES, LLC,
Vice President for Technology and Economic Development**

(9) At the Board of Trustees meeting of April 13, 2000, the board authorized formation of the IllinoisVENTURES, LLC (LLC), a limited liability company which promotes the development of new companies commercializing University technologies through such activities as assisting companies in obtaining early-stage capital, recruiting management talent, developing business plans, and obtaining necessary business services, to help these companies succeed. The Operating Agreement (bylaws) of the LLC specifies an eleven-member Board of Managers, appointed by the Board of Trustees, consisting of two members of the Board of Trustees, the vice chancellors for research at the Urbana-Champaign and Chicago campuses, five business and industry leaders, one representative of the president of the University, and one member recommended by the governor.

It is recommended that the Operating Agreement be amended (Section 5.2) to reduce the size of the Board of Managers to nine and to specify the representative of the president of the University and the member recommended by the governor be business and industry leaders. The amended Section 5.2 would read:

5.2 COMPOSITION OF THE BOARD OF MANAGERS. The Board of Managers shall consist initially of those individuals named in the company's Articles of Organization who shall serve until such time as the member appoints the Board of Managers. At that time, the Board of Managers shall consist of nine (9) individuals. The nine (9) individuals shall include:

Two members of the Board of Trustees of the University of Illinois, appointed in the same manner as appointments to Board of Trustees committees.

The vice chancellor for research of the University Illinois at Urbana-Champaign;

The vice chancellor for research of the University Illinois at Chicago;

External members who shall be business and industry leaders:

One member recommended by the governor;

One representative of the president of the University; and

Three (3) additional business and industry leaders.

The president, the vice president for technology and economic development, and the Board of Managers of the LLC recommend this amendment of the Operating Agreement.

The position of representative of the president of the University on the Board of Managers is vacant and three current members of the Board of Managers, who are business and industry leaders, are completing their first three-year terms. These are James Foght, Vector Securities, Winnetka, Illinois; Warren Holsberg, vice president and director, Motorola Ventures, Schaumburg, Illinois; and Michael Tokarz, The Tokarz Group, Purchase, New York.

It is recommended that (1) the president of the University be delegated the authority to appoint his representative to the Board of Managers, and (2) James Foght, Warren Holsberg, and Michael Tokarz be reappointed to the Board of Managers. It is recommended also, that the Board of Managers establish staggered terms for the business and industry leader members considering the three-year terms specified in Section 5.7 of the Operating Agreement and the need for continuity on the Board of Managers as terms expire. Upon the determination by the Board of Managers, the terms of the five business and industry leader members of the Board of Managers shall be reported to the vice president for technology and economic development, the University's principal officer to the LLC and to the secretary of the LLC.

The vice president for technology and economic development, in consultation with members of the Board of Managers, recommends the authorization for the president to appoint his representative to the Board of Managers.

The president of the University and the vice president for technology and economic development recommend the appointments of James Foght, Warren Holsberg, and Michael Tokarz to the Board of Managers.

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

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 10 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.)

Annual Operating Budget for Fiscal Year 2004

(10) The vice president for administration recommends approval by the Board of Trustees of the University's Fiscal Year 2004 operating budget, covering the allocation of estimated operating income from all sources, as presented in the document titled *Budget Summary for Operations, FY 2004*.

Consistent with Board of Trustees directives on 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 vice president for academic affairs and the vice president for administration also recommend that prior Board of Trustees approval is required to authorize:

- The transfer of any unrestricted funding from the Personal Services and Benefits object of expenditure to any other object of expenditure.
- The transfer of any unrestricted funding from an object of expenditure that will cause the total transfers to exceed two percent of the total unrestricted funds budget.
- Individual programmatic budget adjustments greater than \$2.0 million, exclusive of routine accounting transactions as defined in the glossary.

- The allocation or expenditure of a supplemental state appropriation, additional University Income Fund revenue, and additional Institutional Fund revenue.

The Board of Trustees delegates to the president authority for:

- The transfer of any unrestricted funding from an object of expenditure, not including Personal Services and Benefits object of expenditure, that will not cause the total transfers to exceed two percent of the total unrestricted funds budget.
- Individual programmatic budget adjustments up to \$2.0 million in accordance with the University's needs, the policies and institutional priorities established by the Board of Trustees and within total income as it accrues, exclusive of routine accounting transactions, as defined in the glossary. Individual programmatic budget adjustments greater than \$1.0 million and less than \$2.0 million, exclusive of routine accounting transactions will be included in quarterly reports to the Board of Trustees.
- The reduction of departmental allocations necessitated by a decrease in the State appropriation, University Income Fund revenue, or Institutional Fund revenue, consistent with the board's policies and institutional priorities.
- The acceptance of restricted fund revenue. The board recognizes that restricted funds revenue and the object of expenditure categories of such revenue may vary from the FY 2004 estimated restricted funds operating budget approved by the board. Consequently, the board authorizes departmental restricted funds budgets and expenditures for the restricted purposes of the funds within total income as it accrues. The board delegates authority to the president to oversee restricted funds revenue for the restricted purposes for which it is provided, and to allocate such restricted funds as the revenue accrues.

The Board of Trustees requires quarterly reporting as follows:

- Comparison of unrestricted fund budgets and projected expenditures by object of expenditure category
- Unrestricted fund expenditures by campus and object of expenditure category
- Restricted fund expenditures by campus and object of expenditure category
- Comparison of University Income Fund revenue to budget
- Comparison of ICR fund budget and projected expenditures
- Comparison of ICR fund revenue to budget
- Report of programmatic budget transfers, exclusive of routine accounting transactions, in excess of \$1.0 million but not greater than \$2.0 million

The president of the University concurs with this recommendation.

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

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

Academic Personnel Budget for Fiscal Year 2004

(11) In May 2003, the Board of Trustees approved the continuation of the Fiscal Year 2003 budget into FY 2004 until such time as the University appropriation process was completed and could be translated into detailed budget recommendations. With the finalization of the detailed budget, recommendations for academic and administrative appointments beginning August 21, 2003, have been completed within the funds available to the University.

Accordingly, the president of the University recommends approval of the budget document entitled *Academic Personnel, 2003-2004* and requests authorization, in accord with the needs of the University and the equitable interests involved, and within total income as it accrues: (1) to accept resignations; (2) to make such additional appointments as are necessary and to approve the issuance of notices of nonreappointment, subject to the provisions of the University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and *Policy and Rules*; and (3) to make such other personnel adjustments as needed, such adjustments to be covered in periodic reports to the Board of Trustees (Secretary's Report).

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

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

Requests for New Operating and Capital Appropriations, Fiscal Year 2005

(12) Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2004, 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 2005 Budget Request for Operating and Capital Funds*, provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2005 Operating Budget Request is outlined in Table 1. The University seeks \$78.9 million in new funds, an increase of 7.3 percent above the current year's budget. The FY 2005 request focuses primarily upon needs for restoration of faculty strength, salary competitiveness for faculty and staff, and a variety of academic program improvements including strengthening the academic base, recovering lost capacity in library materials in both print and electronic forms, and increased links to the State of Illinois. The FY 2005 request expands prior efforts to secure facilities renovation resources in the operating budget. 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 2005 Capital Budget Request in priority order. Together, these projects represent an investment of \$346.8 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 the maintenance and upkeep of its 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 2005 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 vice president for academic affairs recommends approval.

The president of the University concurs.

Table 1
FY 2005 Operating Budget Request

I. Continuing Components			\$48,322.8
<i>% of FY 2004 Base*</i>			<i>4.47%</i>
A. Compensation Improvements		\$32,086.4	
1. Salary Improvements - 4%	\$ 32,086.4		
B. Other Payroll Costs		\$ 1,724.0	
1. Medicare	\$ 300.0		
2. Workers' Compensation	924.0		
3. Legal Liability	500.0		
C. Price Increases		\$10,307.3	
1. General Price Increases - 3%	\$4,218.0		
2. Utilities Price Increase - 6%	3,585.7		
3. Library Price Increase - 10%	1,914.2		
4. Technology Price Increases - 5%	589.4		
D. O & M New Areas		\$ 4,205.1	
1. Chicago Projects	\$2,589.2		
2. Springfield Projects	950.0		
3. Urbana-Champaign Projects	665.9		
II. Statewide Initiatives in Higher Education			\$18,043.2
A. Recruitment & Retention of Critical Faculty & Staff - 2%	\$16,043.2		
B. Facilities Renovation Support	2,000.0		
III. Academic Program Initiatives			\$10,000.0
A. Strengthening the Academic Base	\$6,595.0		
B. Investing in Instructional Technology	1,450.0		
C. Increased Links to the State of Illinois	1,955.0		
IV. Academic Program Initiatives (University-wide)			\$2,500.0
A. Online Instruction	\$250.0		
B. P-16 Programs	250.0		
C. UI-Integrate	1,000.0		
D. Economic Development	1,000.0		
Total Request			\$78,866.0
<i>% of FY 2004 Base*</i>			<i>7.30%</i>
V. Statewide Programs (FSI, IDAL and ION)		\$ 961.6	
VI. Addenda (DSCC)**		\$2,000.0	

All numbers are dollars in thousands.

** FY 2004 Base: \$1,080,111.5*

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

Table 2
FY 2005 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			51,560.0	51,560.0	82,420.0
4	Campus Infrastructure Program	20,000.0			20,000.0	102,420.0
5	Electrical & Computer Engr. Bldg.			83,430.0	83,430.0	185,850.0
6	Pharmacy Addition	57,745.0			57,745.0	243,595.0
7	College of Business Building			27,000.0	27,000.0	270,595.0
8	Dentistry Renovations	61,800.0			61,800.0	332,395.0
9	COM/RRC Renovations	10,400.0			10,400.0	342,795.0
10	Rehab Metal Buildings/Library		4,000.0		4,000.0	346,795.0
	Total	\$162,110.9	\$4,468.7	\$180,215.4	\$346,795.0	\$346,795.0

Special State support will be requested for the National Bio-Containment Lab at UIC contingent on Federal funding approval.

On motion of Mr. Vickrey, the requests for operating and capital appropriations for Fiscal Year 2005 were approved as recommended by the following vote: Aye, Mr. Eppley, Mr. Bruce, Dr. Carroll, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Award Contract for Resources to Assist in the Development of Programming Interface with the SCT Banner System

(13) In August 2002, a contract for \$1,500,000 was approved for TEK Systems with an end date of June 2005. The temporary resources required are for development of medium to complex applications in the Java language that will allow SCT Banner to interface with current programs. The contract also included resources needed to develop approved modifications to SCT code that will be written in the "C" language. At that time, only generic application development estimates could be planned for the UI-Integrate Project. Since the time of the contract signing, better estimates of the volume of UI-Integrate work have become available. Additionally, internal funding for several additional application development projects (Personnel Register Management System, Banner security application, and Codebook) have been allocated to this project. The estimate for this service required from TEK Systems is now \$2,750,000 based on the revised estimates. The final amount may be more or less depending on the amount of resources required to complete the project.

Through a request for proposal process, TEK Systems was selected to provide these temporary-as-needed resources. The company was selected based on their ability to provide the range of resources required for this project.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends approval to amend the current contract with TEK Systems for the services described above. Procedures for renewing this contract will be followed in accordance with the Procurement Rules of the Chief Procurement Officer for Public Institutions of Higher Education.

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

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

**Award Contracts for Campus Recreation—Renovation
and Expansion of the Intramural Physical Education Building
and Campus Recreation Center East, Urbana**

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

IMPE Phase I

Division I—General

Williams Brothers, Peoria	Base Bid	\$2,620,000
	Alt. G1	7,100
		<u>\$2,627,100</u>
<i>Total All Divisions of Work</i>		\$4,694,300 ²

CRCE Phase I

Division I—General

Williams Brothers, Peoria	Base Bid	\$11,330,000
	Alt. G1	30,900
	Alt. G2	66,000
	Alt. G3	(100,000)
	Alt. G4	43,000
	Alt. G5	9,500
	Alt. G7	6,000
	Alt. G8	<u>30,000</u>
		\$11,415,400
<i>Total All Divisions of Work</i>		\$16,848,811 ³

¹Description of Alternates: Alt. G-1 assigns other contract divisions of work to general contractor; Alt. G-2 revises the chlorination system and adds a supplemental ozone system; Alt. G-3 revises the specified welded seam; Alt. G-4 revises flooring and base to terrazzo and precast terrazzo; Alt. G-5 revises the pool finish with a ceramic tile; Alt. G-7 adds a nine-screen visual display wall system; Alt. G-8 revises precast concrete and cast stone to limestone.

²Contracts for other bid packages were awarded that were within the delegated approval levels (Plumbing: McWilliams Mechanical, Inc., Champaign—\$253,900; Heating, Piping, Refrigeration, & Temperature Control: Nogle & Black Mechanical, Inc., Champaign—\$634,500; Ventilation & Air Distribution Work: A & R Mechanical Contractors, Inc., Urbana—\$397,800; Electrical: Bodine Electric, Champaign—\$712,000; Fire Protection: Automatic Fire Sprinkler, Bloomington—\$69,000) making a total award of \$4,694,300.

³Contracts for other bid packages were awarded that were within the delegated approval levels (Plumbing: A & R Mechanical Contractors, Inc., Urbana—\$656,790; Heating, Piping, Refrigeration, & Temperature Control: A & R Mechanical Contractors, Inc., Urbana—\$1,025,000; Ventilation & Air Distribution Work: A & R Mechanical Contractors, Inc., Urbana—\$1,312,200; Electrical: Coleman Electric, Inc., Mansfield—\$2,265,527 (includes Alt. E-7 adds nine-screen visual wall system—\$192,000; Alt. E-11 provides a custom version of H1 light fixture—no charge; and E-12 provides electrical controls and feeders for ozone system—\$4,369); Fire Protection: FJ Murphy & Son, Inc., Springfield—\$173,894) making a total award of \$16,848,811.

At its meeting January 17, 2002, the board approved the campus recreation—renovation and expansion of the Intramural Physical Education Building and the Campus Recreation Center East project. In a student referendum on this project, held November 12 and 13, 2001, 74 percent of the students voting approved of an increase in the general fee not to exceed \$77 per semester to be phased in over a three-year period (Fiscal Year 2005 through FY 2007). In accordance with Illinois Statutes, the Illinois Board of Higher Education approved this non-instructional capital improvement.

The project consists of the following:

- Phase I. The expansion and renovation of the Campus Recreation Center East to include 10,000 square feet of strength and conditioning space; a 1/8 mile track; three additional basketball/volleyball courts; additional locker rooms; two multi-purpose rooms; a recreational pool; three racquetball courts; a lounge area; and game rooms. In the Intramural Physical Education Building changes include the addition of two basketball courts at the north end of gym on, and renovation of, the existing four basketball courts.
- Phase II. The expansion and renovation of the Intramural Physical Education Building to include 30,000 square feet of strength and conditioning space; a 1/4 mile track; four additional basketball/volleyball courts; one oversized multi-activity court, and a climbing wall. IMPE renovations will add five multi-purpose rooms; renovation of all existing activity space, racquetball courts, SportWell, and locker rooms; upgrades to the equipment/laundry room; and addition of a food service option, and lounge.

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

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

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

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

Employ Architect/Engineer for Instructional Facility, College of Business, Urbana

(15) This proposed project for the College of Business calls for construction of a new state-of-the-art instructional facility of approximately 153,900 gross square feet to be located immediately west of Wohlers Hall at the Urbana campus. At least three units in the college will be accommodated in this new facility—the MBA Program, the Undergraduate Affairs Program, and the Accountancy Program. Also, off-campus guests, i.e., alumni, recruiters, speakers, etc., will be accommodated here. The new building will address both quantitative and qualitative space needs to support modern instructional styles. All program elements embody the college's long-standing commitment to excellence in scholarship, teaching, and service.

In order to proceed with project planning, it is necessary to employ an architect/engineer for the required professional services through the design development phase. The selection of the architect/engineer was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹ The board will be asked to approve additional phases for professional services and project approval at the time funds for construction are identified.

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that Phillips Swager Associates (with Cesar Pelli & Associ-

ates), Peoria, Illinois, be employed for the professional services required through the design development phase at a fee of \$1,455,000, including reimbursables.

Funds for the contract are available from private gift funds.

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

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

Delegate Authority to the Comptroller to Advance Refund Outstanding Certificates of Participation (Utility Infrastructure Projects)

(16) The vice president for administration recommends the delegation of authority to the comptroller for an advance refunding of outstanding utility-related certificates of participation. An advance refunding includes issuing certificates of participation, depositing the proceeds into an escrow account, and investing the funds in U.S. Treasury securities maturing on the future call date of the outstanding certificates of participation. The new certificates of participation are issued at an amount that, when added to the investment income on the U.S. Treasury securities, will provide the necessary funding to call the outstanding certificates of participation. There is no guarantee that this opportunity will be presented by the market, and action will only be pursued if the transaction offers considerable financial benefit to the University. If this action were pursued it would have limited impact on the level of outstanding debt; in general, new debt would replace existing debt. (Note: there may be a small increase in total principal outstanding, even though the total debt service requirement would be reduced, as the new certificates would pay a lower rate of interest.)

Since 1999, the board has issued several series of Certificates of Participation (Utility Infrastructure Projects) at varying interest rate levels. In the present interest rate environment, several of these issues can be refinanced, in whole or in part, at rates lower than their original issuance. Such issues include the Series 1999 Certificates of Participation (\$67,955,000 outstanding), Series 2001A Certificates of Participation (\$74,080,000 outstanding), and Series 2001B Certificates of Participation (\$56,900,000 outstanding). The principal amount of certificates of participation to be issued to accomplish the advance refunding and the reduced level of debt service to be derived there from will depend upon market conditions at the time of sale. The principal amount of certificates of participation issued could range from \$60.0 million up to \$235.0 million and present value of the reduction in debt service could range from three percent to seven percent of the principal amount of the refunded certificates.

The decision as to the timing and size of the advance refunding issue (or issues) will rest with the comptroller and will be based upon the trade-off between a current opportunity to reduce future debt service versus the reasonable expectation of future opportunities arising from further market improvement. In no event will the aggregate principal amount of the advance refunding issue (or issues) exceed \$235.0 million and the final maturity of such issues will not exceed the maximum term allowed by law.

This authorization will be effective for one year from the date hereof and may be renewed by action of the board. Following request for proposal (RFP) selection procedures under the State's Procurement Code, Lehman Brothers Inc., Morgan Stanley & Co. Incorporated, and UBS Financial Services Inc. (formerly UBS PaineWebber Inc.), have

¹A selection committee consisting of William Beard, Clif Carey, and Roland Kehe (Planning, Construction & Maintenance), George Freeman, Mark Neville, and Mary Miller (College of Business), Michael Doerr (University Office for Capital Programs), interviewed the following firms (listed in ranking order): (1) Phillips Swager Associates (with Cesar Pelli & Associates), Peoria, Illinois; (2) URS (with Robert A.M. Stern Architects), Chicago, Illinois; and (3) Lohan Caprille & Goettsch, Chicago, Illinois. The committee recommends Phillips Swager Associates (with Cesar Pelli & Associates), Peoria, Illinois, as best meeting the criteria for the project.

been appointed as senior managing underwriters for University bond and certificate issues. Any one or combination of these firms will serve as a senior manager or co-managers on these advance refunding issues. Other co-managing underwriters, previously approved by the same RFP process for such a role, will be assigned to the advance refunding certificates of participation financings on an issue-by-issue basis. Chapman and Cutler LLP, has been engaged to serve as bond counsel, John S. Vincent & Co., LLC, to serve as financial advisor and Bank One, National Association, acting through its corporate trust office or the successor of such corporate trust office at the comptroller's direction to serve as trustee and vendor on the advance refunding issues authorized hereunder; provided, however, the comptroller is hereby authorized, at his discretion and upon compliance with applicable State law requirements, to designate a different bank or trust company to serve as trustee and vendor on the advance refunding issues. Special issuer's counsel will be designated through the RFP selection procedure now in progress. In order to proceed with the final preparation, sale and issuance of advance refunding certificates of participation, contingent upon realizing at least a three percent savings and approval by the comptroller, the vice president for administration recommends that the board approve:

1. The sale and issuance of up to \$235.0 million of certificates of participation (net of original issue discount or premium, if any), with a final maturity not to exceed the maximum term allowed by law, for the purpose of advance refunding outstanding certificates of participation (utility infrastructure projects) to reduce future debt service. The true interest cost of such advance refunding issues shall not exceed 4.75 percent.
2. Application for certificate ratings.
3. Negotiation with bond insurers and other credit enhancement and liquidity support providers, as needed and deemed economically beneficial following consultation with the senior managing underwriter and the financial advisor.
4. Negotiation with the underwriter(s) to enter into an interest rate swap agreement in conjunction with the issuance of advance refunding certificates of participation if such agreement is deemed to be in the financial interests of the University by the vice president for administration and comptroller.
5. Preparation of a Preliminary Official Statement(s) and Official Statement(s) in substantially the same form as the board's Official Statement dated December 13, 2001, updated accordingly to reflect the terms of the certificates of participation and the University's current disclosure information.
6. Preparation of the Continuing Disclosure Undertaking in substantially the same form as the Continuing Disclosure Undertaking entered into by the board on January 8, 2002.
7. Preparation of an Installment Purchase Contract, an Acquisition Agreement, an Indenture of Trust and Assignment of Purchase Contract, and a Certificate Purchase Agreement in substantially the same forms as such documents entered into by the board as of December 1, 2001, for each series of certificates to be issued hereunder.
8. Preparation of Escrow Agreements in substantially the same form as entered into by the board as of August 1, 2001, to provide for the deposit of obligations of or fully guaranteed by the United States of America sufficient, together with the investment income thereon, to provide for the payments of such outstanding certificates of participation to be refunded.
9. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of certificates of participation to the underwriters.
10. The comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate including the authorization and distribution of a Preliminary Official Statement and a final Official Statement with respect to the sale of the certi-

cates of participation, and all acts and things whether heretofore or hereafter done or performed by the officers of this board which are in conformity with the intents and purposes hereof shall be and the same are hereby, in all respects, ratified, confirmed, and approved.

The president of the University concurs.

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

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

Lease of Space, 6160 South East Avenue, Hodgkins, Illinois, Division of Specialized Care for Children, Chicago

(17) The chancellor at Chicago recommends that the University lease from Quarry Office Center, LLC, 4,700 square feet of office space on the first floor of the Quarry Office Center building located at 6160 South East Avenue, Hodgkins, Illinois, for the period November 1, 2003, through October 31, 2008. The leased space would accommodate the relocation of an office of the Division of Specialized Care for Children from its current location at the Chicago campus in order to better serve its clients. Proposals were solicited from alternative buildings in the same general area and the Hodgkins location has been determined to be the most economical and suitable choice for its purposes.

The term of the proposed lease is five years, with an option to renew for one additional five year period. Annual base rental costs start at \$20.00/sq. ft., with one month of free rent in year one, for a total cost of \$86,166.63. Thereafter, rent escalates at 3.0 percent annually, and by year five the base rent would equal \$105,797.88. The lease rate is full service and includes rubbish removal, common area maintenance, heating and cooling during normal business hours, insurance and taxes. The University will be responsible for its own electrical and telephone charges, and for janitorial service (except rubbish removal) for its premises.

Funds for Fiscal Year 2004 are available in the institutional funds operating budget of the Division of Specialized Care for Children. Funds for future fiscal years will be included in the institutional funds operating budget request to be submitted to the Board of Trustees. The lease is subject to the Board of Trustees approval of the budget.

The vice president for administration concurs.

The president of the University recommends approval.

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

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

Authorization for Settlement

(18) The university counsel recommends that the board approve settlement of *Akins v. Schraufnagel, et al.* in the amount of \$1,500,000. The plaintiff, Shirley Akins, alleges that defendants failed to properly monitor and resuscitate 22-year-old Lakisha Akins during a bronchoscopy procedure, resulting in her cardiac arrest and death.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Vickrey, this recommendation was approved by the following vote: Aye, Mr. Eppley, Mr. Bruce, Dr. Carroll, 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. Allen, Ms. Garcia, Mr. Hollingsead; no, none.)

Authorization for Settlement

(19) The university counsel recommends that the board approve settlement of *Newsome v. Roitberg, et al.* in the amount of \$800,000. The plaintiff, Hatler Newsome, alleges that defendants improperly administered a pain medication (Codeine) to his wife, 55-year-old Rose Newsome, resulting in permanent neurological impairment to her.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Vickrey, this recommendation was approved by the following vote: Aye, Mr. Eppley, Dr. Carroll, 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. Allen, Ms. Garcia, Mr. Hollingsead; no, none.)

Authorization for Settlement

(20) The chancellor at Chicago recommends that the board delegate to the university counsel the authority to negotiate, and to the vice president for administration the authority to approve, a settlement in *United States ex rel. Pollak v. Board of Trustees of the University of Illinois* in an amount discussed previously in closed session, and to execute any and all documents and agreements related thereto.

The president of the University concurs.

On motion of Mr. Vickrey, this recommendation was approved by the following vote: Aye, Mr. Eppley, Dr. Carroll, 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. Allen, Ms. Garcia, Mr. Hollingsead; no, none.)

Purchases

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

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

The total amounts of these purchases were:

From Appropriated Funds

Recommended	\$ 530,471
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From Institutional Funds

Recommended	2,424,092
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<i>Grand Total</i>	\$2,954,563
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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.

Dr. Gindorf asked to be recorded as not voting on purchase item no. 1.

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

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

Report of Meeting by the Executive Committee

(22) This is to make record of a meeting by the Executive Committee since the last meeting of the board.

The Executive Committee met via telephone conference on Friday, August 1, 2003, beginning at 2:00 p.m. In closed session, the Executive Committee considered University employee matters and pending, probable, or imminent litigation against, affecting, or on behalf of the University. There were no transactions.

This report was received and confirmed.

President's Report on Actions of the Senates

(23) The president presented the following report:

Revision of the M.Ed. in Instructional Leadership: Early Childhood Education, College of Education, Chicago

The Chicago Senate, with the recommendation of the College of Education, has approved a proposal to revise the Master of Education in Instructional Leadership: Early Childhood Education.

This program leads to State of Illinois Type 04 Teaching Certificate (for teaching children up to and including the age of eight years). The major impetus for revising the program emerges from policy shifts in the teacher certification accreditation process and structure in Illinois. Illinois universities will be accredited according to how well they prepare students to specific standards, and how well graduates of the program perform in their beginning years of teaching, as measured by standardized instruments of student achievement. The program was updated to reflect the current understanding about the information and skills teachers of young children need to be effective, and better prepares students for the contemporary realities of teaching young children.

Establish the Mental Health Nurse Practitioner Concentration in the M.S. in Nursing, College of Nursing, Chicago

The Chicago Senate, with the recommendation of the College of Nursing, has approved the addition of a new concentration, the Mental Health Nurse Practitioner concentration, to the Master of Science in Nursing program. The Mental Health Nurse Practitioner concentration emphasizes clinical practice, education, research, and consultation related to the care of adults with mental health disorders.

In addition to the courses currently required for the clinical nurse specialist, the Mental Health Nurse Practitioner concentration requires additional course work in neuroscience and practice in behavioral health.

The Mental Health Nurse Practitioner concentration expands the graduate mental health nursing options and responds to the demand for the availability of a Mental Health Nurse Practitioner program in the College of Nursing.

**Establish the Adult Nurse Practitioner and Adult/Geriatric Nursing
Practitioner Concentrations in the M.S. in Nursing Program,
College of Nursing, Chicago**

The Chicago Senate, with the advice of the College of Nursing, approved the addition of two new concentrations to the Master of Science in Nursing program, the Adult Nurse Practitioner and the Adult/Geriatric Nurse Practitioner. These concentrations emphasize clinical practice, education, research, and consultation related to the care of adults and older adults with common, acute, and chronic conditions. The Adult Nurse Practitioner concentration emphasizes practice evaluation and chronic care of adult health problems in the primary care setting, while the Adult/Geriatric Nurse Practitioner concentration emphasizes practice evaluation and management of common and uncomplicated problems in adults and older adults across the care continuum.

It is estimated that in the next two decades, the current percentage (13 percent) of persons age 65 will rise to 20 percent of the population, representing an additional 30 million senior citizens. In addition to the increased burden this growing adult/geriatric population places on the total health care system, the concomitant decline in the nursing workforce has created a significant gap in the number of advanced practice nurses prepared in adult and geriatric care compared to the demand for advanced practice nurses with these specialty preparations. This situation has already heightened concerns regarding the quality of care delivered across settings, from institutionalized care provided in long-term facilities to the hospitals.

Past, current, and prospective students have expressed interest in graduate adult, and adult/geriatric nursing. Graduates of the concentrations will be eligible to take certification examinations by both the American Nurses Credentialing Center and the American Academy of Nurse Practitioners.

**Revision of the B.S. in Human Nutrition,
College of Applied Health Sciences, Chicago**

The Chicago Senate, with the recommendation of the College of Applied Health Sciences, has approved a proposal to add a standard didactic option to the Bachelor of Science in Human Nutrition program.

The standard didactic option of the B.S. in Human Nutrition allows students to complete a course of study that does not have a clinical practice component and does not lead to the credential of registered dietitian.

Typically, departments of nutrition offer two undergraduate tracks: one focused on didactic training in nutrition science, and the other on the practice of nutrition (i.e., dietetics) culminating in a B.S. with eligibility to become a registered dietitian. Students in the new standard didactic nutrition science track would use the degree as preprofessional training for graduate school in biomedical science, to enter the job market, or to continue on in an internship program to become a registered dietitian. The new standard didactic track will provide for increased opportunities for future graduate work or as an adjunct to other related degrees (kinesiology, public health, etc.), while the typical dietetics program, such as human nutrition's current professional bachelor's degree, prepare students for the practice of nutrition.

The goal of the Department of Human Nutrition is to become a leader in both education and research in the area of human nutrition. Leading programs in nutrition across the country offer a broad-based undergraduate degree. In order to be in the mainstream and to be competitive with other programs, it is essential for the Department of Human

Nutrition at Chicago to expand its undergraduate program beyond one that is exclusively a professional bachelor's degree program.

**Revision of the B.S. in Movement Sciences (formerly Kinesiology),
College of Applied Health Sciences, Chicago**

The Chicago Senate, with the recommendation of the College of Applied Health Sciences, has approved a proposal to revise the Bachelor of Science in Movement Sciences (formerly the B.S. in Kinesiology).

The B.S. in Movement Sciences has been reconfigured to have two areas of concentration: (1) movement science (formerly exercise physiology) and (2) exercise and fitness. The movement science concentration consists of 44 hours of course work in biology, chemistry, mathematics, physics, and advanced movement sciences. Upper level movement sciences courses cover exercise physiology, motor control and learning, and musculoskeletal biomechanics. The new exercise and fitness concentration provides fundamental background for evidence-based exercise and fitness regimens for persons of all ages, ranging from healthy to disabled. The concentration consists of 45 hours of required courses, most in movement sciences, and 24 hours of electives in fitness and exercise.

The curricular changes were made to reflect the expertise and research strength of the faculty in movement sciences, as noted in the July 17, 2003, item to the board on the reorganization and redesignation of the School of Kinesiology. Also as a result of the revision of the undergraduate curriculum, movement sciences eliminated the physical education options (K-12 teacher certification, 6-12 teacher certification, and community physical education) in order to strengthen the core competencies of movement sciences that are consistent with faculty strength and the mission of a Research I university. Other local and state universities continue to offer physical education teacher preparation programs, including Northeastern Illinois University, Chicago State University, Northern Illinois University, Illinois State University, and the University of Illinois at Urbana-Champaign.

Movement sciences also eliminated its athletic training program because of substantial changes in the National Athletic Trainers Association certification requirements, an absence of critical faculty mass possessing the expertise to contribute to the program, and an historically small student enrollment. Similarly, the minor in coaching has been eliminated due to its reliance on the curriculum involved in the physical education area and its faculty.

The potential impact of movement sciences' curricular changes is also reflected by *Healthy People 2010*, the national 10-year health program to maintain and improve health. The first goal of *Healthy People 2010* is to help individuals of all ages to increase life expectancy and improve their quality of life. The undergraduate concentrations in movement sciences are responsive to these identified national needs and challenges related to physical activity. The movement science concentration will provide the framework of basic science related to physical activity to those students who represent the future health care providers and basic researchers. Students in the exercise and fitness concentration will be the larger direct point of contact between the physical activity goals and target populations of *Healthy People 2010*.

**Establish the Joint PharmD/MBA Program,
Colleges of Pharmacy and Business Administration, Chicago**

The Chicago Senate, with the recommendation of the College of Pharmacy and the College of Business Administration, has approved a proposal to establish the joint Doctor of Pharmacy/Master of Business Administration program. The joint program allows students to earn both a Doctor of Pharmacy degree and a Master of Business Administration degree. Some course work is shared and simultaneously applied to both degrees.

Given the rapidly changing, competitive health care systems, there is a great demand for health care professionals with business education training. Both the PharmD and MBA degrees are highly sought after as many pharmacists return to school to earn the

MBA after they enter practice. The joint degree satisfies that demand by making both degrees attainable in five years rather than the usual six years, thereby giving students the incentive to complete both degrees. Establishing such a joint program at UIC will attract more top students to the UIC College of Pharmacy.

Revisions of Options in the B.S. in Natural Resources and Environmental Sciences, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Agricultural, Consumer and Environmental Sciences for the elimination of the existing options and addition of new options in the B.S. in Natural Resources and Environmental Sciences in the Department of Natural Resources and Environmental Sciences. Currently, there are four options in this degree: biological science, social science, environmental soil and water science, and fish and wildlife conservation. The department proposes to eliminate these options and add new options in fish and wildlife conservation, forest science (to replace the eliminated B.S. in Forestry), human dimensions, resource ecology, and soil and water science. Students in all five options will take core courses in physical, biological, chemical, and social sciences, and additional specialization courses relevant to the option. The new options are more consistent with current faculty research interests and the current and future direction of the department and will better serve students by providing them with the knowledge and skills needed to succeed in today's marketplace.

This report was received for record.

Comptroller's Report of Contracts for the Period July 1, 2002-June 30, 2003

(24) 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.

Comptroller's Report of Investment Transactions July 1, 2002, through June 30, 2003

(25) The comptroller presented the above report which includes transactions under Finance and Audit Committee guidelines. A copy of this report is filed with the secretary of the board.

This report was received for record.

Capital Projects Status Report

(26) Mr. Robert K. Todd, associate vice president for administration and human resources, 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 11, 2003.

Summary

Graduate Degrees

Master of Accounting Science	8
Master of Architecture	10
Master of Arts	44
Master of Business Administration	1
Master of Computer Science	10
Master of Education	80
Master of Fine Arts	3
Master of Landscape Architecture	3
Master of Laws	1
Master of Music	3
Master of Music Education	11
Master of Science	350
Master of Science in Public Health	1
Master of Social Work	29
Master of Urban Planning	4
<i>Total, Masters</i>	(558)
Certificate of Advanced Study in Library and Information Science	1
<i>Total, Graduate Degrees</i>	559

Professional Degrees

College of Law	
Juris Doctor	3
<i>Total, Professional Degrees</i>	3

Undergraduate Degrees

College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	34
College of Applied Life Studies	
Bachelor of Science	27
College of Business	
Bachelor of Science	92
College of Communications	
Bachelor of Science	14
College of Education	
Bachelor of Science	17
College of Engineering	
Bachelor of Science	99
College of Fine and Applied Arts	
Bachelor of Fine Arts	10
Bachelor of Landscape Architecture	2
Bachelor of Music	2
Bachelor of Music Education	2
Bachelor of Science	9
<i>Total, College of Fine and Applied Arts</i>	(25)
College of Liberal Arts and Sciences	
Bachelor of Arts	191
Bachelor of Science	131
<i>Total, College of Liberal Arts and Sciences</i>	(322)
<i>Total, Undergraduate Degrees</i>	635
<i>Total, Degrees Conferred August 11, 2003</i>	1,197

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: November 13, Urbana; January 15, 2004 (Annual Meeting), Chicago; March 11, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

November 13, 2003



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

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

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

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

R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

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

PUBLIC COMMENT SESSION

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

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

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

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

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

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

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

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

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

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

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

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

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

MOTION FOR EXECUTIVE SESSION

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

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

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

ADJOURN TO PINE LOUNGE, ILLINI UNION

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

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

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION

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

Collective Negotiating Matters

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

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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CONFIDENTIALITY
EXISTS FOR THIS SECTION.

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

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

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

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

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

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

EXECUTIVE SESSION ADJOURNED

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

BOARD MEETING RECONVENED

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

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

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

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

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

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

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

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

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

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

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

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

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

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

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

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

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

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

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

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

The vice president for academic affairs concurs in this recommendation.

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

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

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

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

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

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

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

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

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

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

REPORT FROM URBANA-CHAMPAIGN SENATE

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

RECESS FOR COMMITTEE MEETINGS

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

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

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

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

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

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

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

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

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

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

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

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

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

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

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

RECESS FOR LUNCHEON

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

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE

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

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

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

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

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

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

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

BOARD MEETING RESUMED

At this time, the board reconvened in regular session.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of May 15 and June 27, 2003, copies of which had previously been sent to the board.

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

AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 2 through 14 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Resolution for Professor Carl R. Woese

(2) To Professor Carl R. Woese:

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

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

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

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

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

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

Resolution for Professor Paul C. Lauterbur

(3) To Professor Paul C. Lauterbur:

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

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

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

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

Resolution for Professor Anthony J. Leggett

(4) To Professor Anthony J. Leggett:

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

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

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

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

Honorary Degrees, Urbana

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The chancellor at Urbana concurs in these recommendations.

The president of the University recommends approval.

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

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

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

A—Indefinite tenure

B—Ten months' service paid over twelve months

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

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

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

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

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

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

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

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

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

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

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

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

Emeriti Appointments

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

Springfield

DENNIS J. GAFFNEY, professor of accountancy, on 100 percent time, January 1, 2004-August 15, 2007 (Q), at an annual salary of \$110,000.

XIAOQING LI, assistant professor of management information systems, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$73,000.

RYAN K. WILLIAMS, assistant professor of criminal justice, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$51,407.

Urbana-Champaign

MUHAMMAD AL-FARUQUE, Middle Eastern Studies librarian and associate professor of library administration, University Library, on 100 percent time, August 7, 2003-August 15, 2007 (QY), at an annual salary of \$69,500.

STEPHEN BOND, assistant professor of computer science, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$77,000.

ROBERT J. BRUNNER, assistant professor of astronomy, on 51 percent time, and research scientist, National Center for Supercomputing Applications, on 49 percent time, beginning August 16, 2003 (1;N49), at an annual salary of \$59,000.

CHRISTOPHER R. BYRON, assistant professor of veterinary clinical medicine, on 100 percent time, beginning September 16, 2003 (1Y), at an annual salary of \$90,000.

XIMING CAI, assistant professor of civil and environmental engineering, on 100 percent time, beginning September 22, 2003 (1), at an annual salary of \$68,000.

MARGARET E. CALKINS, assistant professor of landscape architecture, on 75 percent time, beginning January 1, 2004 (N75), at an annual salary of \$37,500.

STEPHANIE CEMAN, assistant professor of basic sciences, College of Medicine at Urbana-Champaign, on 100 percent time, and assistant professor of cell and structural biology, College of Liberal Arts and Sciences, on zero percent time (non-salaried), beginning August 16, 2003 (1;N), at an annual salary of \$60,000. Eligibility for tenure in both departments is maintained; funding provided by basic sciences, College of Medicine at Urbana-Champaign.

SHEFALI CHANDRA, assistant professor of history, on 50 percent time, and assistant professor, Women's Studies Program, on 50 percent time, beginning August 16, 2003 (1;1), at an annual salary of \$49,000.

BRIAN LEEDS DEMARCO, assistant professor of physics, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$62,600.

RICHARD GORVETT, assistant professor of mathematics, on 100 percent time, beginning August 16, 2003 (3), at an annual salary of \$95,000.

KIMBERLY A. HUEY, assistant professor of kinesiology, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$53,000.

SIYI LI, assistant professor of accountancy, on 100 percent time, July 17-August 15, 2003 (N), \$15,037, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$140,000.

YUN LIN, assistant professor of crop sciences, on 25 percent time, August 4-August 15, 2003 (N), \$2,578, and continuing on 100 percent time, effective August 16, 2003 (1), at an annual salary of \$58,000.

*RALPH W. MATHISEN, professor of history, on 100 percent time, and professor of the Classics, on zero percent time (non-tenured and non-salaried), beginning August 16, 2003 (A100;N), at an annual salary of \$105,000.

*DAVID NICOL, professor of electrical and computer engineering, on 100 percent time, beginning August 16, 2003 (A), at an annual salary of \$136,000.

MATTIAS KURT POLBORN, assistant professor of economics, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$85,000.

JOHN DAVID POLK, assistant professor of anthropology, on 100 percent time, beginning August 16, 2003 (1), at an annual salary of \$53,000.

*SCOTT W. SCHWARTZ, archivist for music and fine arts and associate professor of library administration, University Library, on 100 percent time, beginning September 22, 2003 (AY), at an annual salary of \$66,000.

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

Emeriti Appointments

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

Administrative/Professional Staff

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

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

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

ROBERT L. KELLY, JR., director of parking, Division of Facilities and Services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 16, 2003 (NY), at an annual salary of \$95,750. Mr. Kelly was appointed to serve as interim director of parking under the same conditions and salary arrangement beginning October 16, 2003.

SARAH J. KILPATRICK, head of the Department of Obstetrics and Gynecology, College of Medicine at Chicago, on a twelve-month service basis with an administrative increment of \$50,000; and chief of service of obstetrics and gynecology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$50,000, beginning November 17, 2003 (KY;NY). Dr. Kilpatrick was appointed to serve as interim head and interim chief of service under the same conditions and salary arrangement beginning March 17, 2003. In addition, she will hold the title of Goldstick-Arends Professor in the Department of Obstetrics and Gynecology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), beginning November 17, 2003 (NY). She will continue to hold the rank of professor of obstetrics and gynecology, College of Medicine at Chicago, on indefinite tenure on an academic year service basis, on 51 percent time, at an annual salary of \$100,000; and physician surgeon in obstetrics and gynecology, College of Medicine at Chicago, on a twelve-month service basis, on 39 percent time, and physician surgeon in obstetrics and gynecology, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 10 percent time, at an annual salary of \$200,000, effective November 17, 2003 (AY51;NY39;NY10), for a total salary of \$400,000.

*ALAN P. KOZIKOWSKI, head of the Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, Chicago, on an academic year service basis with an administrative increment of \$10,000, beginning November 17, 2003 (K). Dr. Kozikowski was appointed to serve as interim head under the same conditions and salary arrangement beginning October 1, 2003. In addition, he will also be appointed to the rank of professor of medicinal chemistry and pharmacognosy, College of Pharmacy, on indefinite tenure on an academic year service basis, on 60 percent time, at an annual salary of \$180,000; and as research professor of medicinal chemistry and pharmacognosy (non-tenured) on an academic year service basis, on 40 percent time, at an annual salary of \$120,000, effective November 17, 2003

- (A60;N40), for a total salary of \$310,000. Dr. Kozikowski was appointed to serve as visiting professor of medicinal chemistry and pharmacognosy, on 60 percent time, at an annual salary of \$180,000, beginning August 16, 2003.
- FRANK LICARI, executive associate dean for academic affairs, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$35,000, beginning November 17, 2003 (NY). Dr. Licari was appointed to serve as visiting executive associate dean under the same conditions and salary arrangement beginning August 1, 2003. In addition, Dr. Licari will continue to hold the rank of clinical assistant professor, Dental Clinics, College of Dentistry, on a twelve-month service basis, on 100 percent time, at an annual salary of \$155,000; clinical assistant professor of pediatric dentistry, on zero percent time (non-tenured and non-salaried); and dental surgeon, College of Dentistry, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY100;NY;N), for a total salary of \$190,000.
- JOHN MARK MCBRIDE, associate director, pharmacy information technology systems, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY100), at an annual salary of \$108,500. Mr. McBride was appointed to serve as visiting associate director under the same conditions and salary arrangement beginning September 1, 2003. In addition, Mr. McBride will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, Chicago, on zero percent time (non-tenured and non-salaried), effective November 17, 2003 (NY), for a total salary of \$108,500.
- ROBERT A. MICEK, director of business planning and decision support, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$118,000. Mr. Micek was appointed to serve as visiting director of business planning and decision support under the same conditions and salary arrangement beginning April 1, 2003.
- ROSE ANN MIRON, assistant vice chancellor for public engagement and institutional relations, Office of the Vice Chancellor for Public Engagement and Institutional Relations, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$88,000.
- DONALD MOY, associate director of finance-general accounting and budget, Hospital Finance, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$98,470. Mr. Moy was appointed to serve as visiting associate director of finance under the same conditions and salary arrangement beginning August 1, 2003.
- JAMES D. OLIVER, assistant dean for urban and metropolitan affairs, University of Illinois Extension and Outreach, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 1, 2003 (NY), at an annual salary of \$151,600.
- MARION S. OSTREGA, associate director for administration, Research Resources Center, Office of the Vice Chancellor for Research, Chicago, on a twelve-month service basis, on 100 percent time, beginning November 14, 2003 (NY), at an annual salary of \$97,850. Mr. Ostrega was appointed to serve as visiting associate director for administration under the same conditions and salary arrangement beginning August 1, 2003.
- MARILYN PLOMANN, assistant to the head of Otolaryngology-Head and Neck Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$105,000.
- DAVID SCHEJBAL, associate vice chancellor and director, Office of Continuing Education, Office of the Vice Chancellor for Public Engagement and Institutional Relations, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$113,200. Dr. Schejbal will continue as adjunct associate professor of natural resources and environmental sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$113,200.

MARK E. STANLEY, associate director of housing—director of business and technology services, Housing Division, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$92,000. Mr. Stanley was appointed to serve as interim associate director of housing—business and technology services under the same conditions and salary arrangement beginning September 15, 2003.

BART M. TAUB, associate head and director of graduate studies in the Department of Economics, College of Business, Urbana-Champaign, on an academic year service basis with an administrative increment of \$10,000, beginning November 14, 2003 (N). He will receive an amount equal to one-ninth of his total academic year salary for one-month's service during each summer of his appointment as associate head and director (\$11,189 for 2003-04). Dr. Taub was appointed to serve as acting associate head and director of graduate studies under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Taub will continue to hold the rank of professor of economics, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2003 (A100), at an annual salary of \$90,700, for a total salary of \$111,889.

*DAVID IAN WEIGHTMAN, director of the School of Art and Design, College of Fine and Applied Arts, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning December 16, 2003 (NY100), at an annual salary of \$112,000. In addition, for service as director, Dr. Weightman will receive an administrative increment of \$8,000, on a twelve-month service basis (NY). Dr. Weightman will be appointed as professor, School of Art and Design, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), effective December 16, 2003 (A), for a total salary of \$120,000.

CLARK E. WISE, director for capital project administration, Facilities and Services, Office of the Chancellor, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning November 17, 2003 (NY), at an annual salary of \$100,100. Mr. Wise was appointed to serve as interim director for capital project administration under the same conditions and salary arrangement beginning October 14, 2003.

COLIN A. WRIGHT, associate head of biochemistry, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$5,000, beginning November 17, 2003 (NY). Dr. Wright was appointed to serve as acting associate head under the same conditions and salary arrangement beginning August 16, 2003. In addition, Dr. Wright will continue to hold the rank of professor of biochemistry, on indefinite tenure on an academic year service basis, on 100 percent time, at an annual salary of \$100,000; professor of plant biology, on zero percent time (non-tenured and non-salaried); and professor of biophysics, Department of Molecular and Integrative Physiology, on zero percent time (non-tenured and non-salaried), College of Liberal Arts and Sciences, effective November 17, 2003 (A100;N;N), for a total salary of \$105,000.

On motion of Dr. Gindorf, these appointments were confirmed.

Establish Liautaud Graduate School of Business, College of Business Administration, Chicago

(7) The chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Business Administration recommends the establishment of the Liautaud Graduate School of Business within the College of Business Administration at Chicago in recognition of the gift of the Liautaud family to the University.

The members of the Liautaud family (James P. Liautaud, Grazina Liautaud, and James J. Liautaud) authorized a gift commitment of \$5,000,000 toward the establishment of the Liautaud Graduate School of Business in the College of Business Administration at Chicago. The gift will become an endowment, the income from which will be used to

finance the graduate programs within the school: Master of Business Administration, M.S. in Accounting, M.S. and Ph.D. in Management Information Systems, M.A. in Real Estate, and Ph.D. in Business Administration.

The proposed Liautaud Graduate School of Business will be an administrative unit whose objective is to consolidate within the school several post-baccalaureate programs in business administration. The creation of the Liautaud Graduate School of Business and the consolidation of the programs under its administration will achieve two major goals and several objectives. First, the school will improve the external visibility of all of the programs and will facilitate coordinated efforts to recruit students and publicize the programs. One of the fundamental objectives of the school is to increase the size of student enrollment and enhance the quality of post-baccalaureate programs offered by the College of Business Administration. Second, the school will serve the function of internal coordination of the programs, including the coordination of statement of program goals, program design, program evaluations and revisions, course schedules, and graduate student financial aid. In addition, a critical task of the school will be to design and implement a plan for quality assurance for each of the graduate programs. Another particular target of the school is to increase external funding for the post-baccalaureate programs.

The Liautaud Graduate School of Business will be headed by the associate dean for graduate business programs who reports to the dean of the College of Business Administration. Operating responsibility for the individual degree programs rests with the directors of graduate studies who will continue to make admission and all other decisions within their domains.

James P. Liautaud received his B.S. in Mechanical Engineering from the University of Illinois at Urbana-Champaign in 1963. He is the founder of several businesses, including Capsonic Group, Inc., American Antenna, American Research and Engineering, and Gabriel Investments. In 1983 he was honored by the American Society of Professional Engineers for the "Design of the Year," and in 1989 he was named a Distinguished Alumnus of the UIUC College of Engineering. In 1992 he approached the College of Business Administration at Chicago about creating a Family Business Council and eventually underwrote the development of this unit.

Grazina Liautaud (Mrs. John P.) received her B.S. in Elementary Education in 1961 from the University of Illinois at Urbana-Champaign. She is very active in charitable organizations, including service as president of Children's Hope Division of Human Services of the Lithuanian-American Community, Inc.

James John Liautaud, Mr. And Mrs. Liautaud's son, is a prominent businessman. In 1983 he founded Jimmy John's Gourmet Sandwich Shops. The company now has more than 100 retail stores located mainly in the eastern half of the nation. He is very active in civic and charitable activities in his hometown of Champaign, Illinois, and a major donor to the Fighting Illini Scholarship Fund at Urbana.

All three members of the Liautaud family are members of the University of Illinois President's Council.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Redesignate Abraham Lincoln Presidential Center
for Governmental Studies as the Center
for State Policy and Leadership, Springfield**

(8) The chancellor at Springfield with the advice of the Springfield Senate, the Office of the Provost, and the Abraham Lincoln Presidential Center for Governmental Studies recommends that the Abraham Lincoln Presidential Center for Governmental Studies be redesignated as the Center for State Policy and Leadership.

This change is recommended to eliminate confusion in fundraising and marketing efforts due to the similar name of the Abraham Lincoln Presidential Library and Museum. No additional funding is requested.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval.

On motion of Dr. Gindorf, this recommendation was approved.

Designate Classroom/Office Building as University Hall, Springfield

(9) The chancellor at Springfield with the concurrence of the provost and vice chancellor for academic affairs, the vice chancellor for administration, and the vice chancellor for student affairs recommends that the new classroom/office building currently under construction be designated University Hall.

The president of the University concurs.

On motion of Dr. Gindorf, this recommendation was approved.

Redesignate Expanded Child Development Laboratory as the Early Child Development Laboratory, Urbana

(10) The chancellor at Urbana recommends that the Expanded Child Development Laboratory be designated as the Early Child Development Laboratory. This change more clearly designates the purpose and mission of the facility to serve younger children.

The Board of Trustees at its January 13, 2000, meeting approved the final design of a new building to provide for expanded space for the child development laboratory. The building was referred to as the Expanded Child Development Laboratory. "Expanded" was an appropriate term to use during the design, construction, and initial implementation phases of the facility. The focus was on expanding the overall Child Development Laboratory program in terms of the number of children and families served and the number of classrooms available. Now that the facility is being used, the term "expanded" no longer adequately describes its purpose. The term "early" accurately reflects the age levels being served in the new building compared to those children being served in the original facility. Younger children are served in the new facility (i.e., infants, toddlers, two-year-olds, and young three-year-olds), and older children in the original facility (i.e., three-, four-, and five-year-olds).

The president of the University concurs.

On motion of Dr. Gindorf, this recommendation was approved.

Tuition Rates, Fiscal Year 2005

(11) Following extensive reviews and recommendations from the Academic Affairs Management Team, student leaders, and the chancellors at each campus, the vice president for academic affairs recommends approval of general tuition increases of 8 percent for Fiscal Year 2005. This action is consistent with the report endorsed by the board at their February 2003 meeting, *Ensuring Quality and Affordability: Tuition and Financial Aid at the University of Illinois*.

In addition to the general tuition increase of 8 percent, an additional rate increase of 7.41 percent for all new undergraduate students is included. This tuition rate will not increase for four years and will comply with the tuition guarantee legislation, Public Act 93-0228. This legislation ensures that an incoming student will have tuition set for four years to provide predictability in their tuition costs.

In addition, there are four undergraduate differential increases proposed per semester.

- The engineering differential at UIC is increased by \$200.
- An art and architecture differential at UIC is established at \$200.
- A nursing differential at UIC is established at \$200.
- The chem/life sciences differential at UIUC is increased by \$750 (new students).

At the graduate and professional levels, there are also a number of program specific tuition increases proposed. All differentials passed by the board in June 2003 continue to be phased in. All proposed tuition actions are outlined in the following tables of semester tuition rates.

The president of the University concurs.

On motion of Dr. Gindorf, these recommendations were approved.

**University of Illinois
Tuition Increases Per Student
Undergraduate Students (Residents)¹**

	<i>Chicago</i>			<i>Urbana-Champaign</i>			<i>Springfield²</i>		
	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>
Continuing Undergraduate									
College of Engineering	\$2,659	\$3,072	\$413	\$3,837	\$4,144	\$ 307			
Engineering Related				3,837	4,144	307			
Chem/Life Sciences				3,087	3,584	497			
Fine and Applied Arts				2,994	3,234	240			
Art & Architecture	2,449	2,845	396						
Business				3,284	3,547	263			
Nursing	2,449	2,845	396						
General Undergraduate	2,449	2,645	196	2,784	3,007	223	\$115.00	\$124.25	\$ 9.25
New Undergraduate - Tuition Guarantee*									
College of Engineering	2,659	3,300	641	3,837	4,451	614			
Engineering Related				3,837	4,451	614			
Chem/Life Sciences				3,087	4,387	1,300			
Fine and Applied Arts				2,994	3,474	480			
Art & Architecture	2,449	3,056	607						
Business				3,284	3,810	526			
Nursing	2,449	3,056	607						
General Undergraduate	2,449	2,841	392	2,784	3,230	446	115.00	133.50	18.50

Notes:

* Student entering after Spring 2004

¹ Comparable increases for extramural, GIS, part-time and non-resident students are proposed, including phase in of rates, consistent with existing policies.

² Per credit hour charge at UIS. Additional Capital Scholars fee of \$150 per semester for full-time students.

University of Illinois
Tuition Increases Per Semester
Graduate/Professional Students (Residents)¹

	<i>Chicago</i>			<i>Urbana-Champaign</i>			<i>Springfield^{2,3}</i>		
	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>	<i>Fall 2003</i>	<i>Fall 2004</i>	<i>Dollar Increase</i>
Post-Bac Certificate in Accountancy				\$3,098	\$3,346	\$248			
Graduate									
College of Engineering	\$ 3,574	\$ 3,860	\$ 286	4,151	4,483	332			
Engineering Related				4,151	4,483	332			
Chem/Life Sciences				3,401	3,673	272			
Fine and Applied Arts				3,308	3,573	265			
Nursing	4,824	5,210	386						
Library Sciences				3,361	3,630	269			
Biomedical Visualization	4,399	4,751	352						
MBA	5,711	6,168	457	7,200	7,800	600			
Master of Accountancy	5,711	6,168	457	7,200	7,800	600			
MS in MIS in Business	5,711	6,168	457						
Business				3,598	3,886	288			
Master of Real Estate	5,574	6,020	446						
Master of Architecture	3,324	3,590	266						
Master of Fine Arts	3,324	3,590	266						
Masters HRIR				3,598	4,386	788			
MS Biotechnology (New)		5,800							
MS Occupational (Continuing)	2,824	3,050	226						
MS Occupational (Entering)	2,824	4,250	1,426						
Graduate Public Health (Continuing)	2,824	3,050	226						
Graduate Public Health (Entering)	2,824	3,750	926						
General Graduate	2,824	3,050	226	3,098	3,346	248	\$129.50	\$140.00	\$10.50
Professional									
Doctor of Physical Therapy	4,857	5,246	389						
Dental	7,679	8,294	615						
Medicine	10,437	11,272	835						
Veterinary Medicine				5,964	6,620	656			
Law ⁴				6,503	7,154	651			
Pharm-D	5,391	5,823	432						
Pharmacy Continuing	3,841	4,149	308						

Notes:

¹ Comparable increases for extramural, part-time, and non-resident students are proposed, including phase in of rates, consistent with existing policies.

² Per credit hour charge at UIS.

³ UIS MBA program in Peoria, \$3,375 per semester for 2-year program starting in FY 2005.

⁴ Includes graduate programs in the College of Law.

**Tuition and Fee Increases,
Cost Recovery, Off Campus, Online, and Aviation Programs,
Fiscal Year 2005**

I.

(12) The Urbana-Champaign campus provides several academic programs on a “full cost recovery” basis, i.e., all costs are met through a combination of tuition and fee charges. Tuition and fee requirements for each of these programs are reviewed and adjusted annually to ensure that adequate revenues are available to operate each program.

For Fiscal Year 2005, the following actions are proposed for Cost Recovery Programs:

**Proposed Tuition and Fees
FY 2005**

Executive MBA Program

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$22,500	\$2,000
Fees	13,500	13,500	0
<i>Total</i>	\$34,000	\$36,000	\$2,000

Master of Science in Finance

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$24,000	\$3,500
Fees	9,000	9,000	0
<i>Total</i>	\$29,500	\$33,000	\$3,500

Master of Science in Business Administration

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$22,700	\$2,200
Fees	9,000	9,000	0
<i>Total</i>	\$29,500	\$31,700	\$2,200

Master of Science in Policy Economics

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$21,600	\$1,100
Fees	5,000	5,400	400
<i>Total</i>	\$25,500	\$27,000	\$1,500

Master of Science in Accountancy

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>FY 2005 Increase</i>
Tuition	\$20,500	\$24,000	\$3,500
Fees	9,000	8,000	-1,000
<i>Total</i>	\$29,500	\$32,000	\$2,500

For the **Executive MBA Program**, each class pays the same tuition and fee charges for each of the two program years. Thus the tuition increase recommended for FY 2005 will affect only the students in the entering class of 2005. Total tuition revenue available for FY 2005 will be sufficient to cover projected academic program costs. Fee increases are required to maintain the current level of service for fee-supported activities. The fee increase also includes expected increases in foreign travel, lodging, recruiting expenses, distance learning and inflationary increases in housing and meal costs, books and materials, special orientation programs for beginning students, a variety of special travel and speaker series, and computer related services.

II.

The **Finance, Business Administration, Policy Economics, and Accountancy** programs are specially designed, intensive programs of study leading to a Master of Science degree in a business related discipline. They are intended for promising international administrators in government and private institutions who need additional training in areas of economic analysis and quantitative techniques. Additional funds are required in FY 2005 to provide for normal cost increases for these programs.

III.

The unique costs associated with instructional requirements in the **Institute of Aviation** are addressed by specific charges for individual courses. Charges differ based upon the type of equipment required, the frequency of its use, the instructional mode (classroom, flight simulator, aircraft, etc.) and so on. Annual reviews of aircraft and simulator operating expenses and other equipment training needs are conducted along with projected wage requirements for the next year. Corresponding adjustments are then made in course charges. For the academic year 2005, current rates have been adjusted for materials, labor, insurance, and flight time.

Aviation course charges proposed for FY 2005 are specified below:

<i>Course</i>	<i>FY 2004</i>	<i>Proposed FY2005</i>
Avi 101	\$2,863	\$3,038
Avi 102	2,515	2,639
Avi 120	3,703	3,927
Avi 121	1,951	2,065
Avi 130	3,347	3,453
Avi 140	3,540	3,748
Avi 200	4,752	5,104
Avi 210	4,821	5,070
Avi 220	3,135	3,235
Avi 222	1,637	1,732
Avi 224	2,583	2,707
Avi 280	3,886	4,116
Avi 281	954	1,001
Avi 291	3,387	3,566
Avi 292	5,748	6,104
Avi 293	790	820

These changes have been reviewed and are recommended for approval by the chancellors and by the vice president for academic affairs.

The president of the University concurs.

On motion of Dr. Gindorf, these recommendations were approved.

Student Fees for Chicago, Springfield, and Urbana, Fiscal Year 2005

(13) The chancellors at each campus have recommended student fee levels for Fiscal Year 2005 to support auxiliary operations, student programs and activities, and student health services. The fees recommended are required to meet continuing components (salaries and wages, utilities, goods and services), student programs, operating costs including debt service, and repair and replacement programs of facilities that comprise the Auxiliary Facilities Systems.

Chicago campus

At Chicago, the \$38 increase (5.7 percent) in the Service, General, Health Service, and Transportation fees for the Chicago Campus is to provide for projected general cost, utilities and debt service increases; the addition of Phase 1 of a new assessment to Auxiliary Units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); and a 2-cent per day, per student increase in the contract with the Chicago Transit Authority (CTA) for the student U-PASS program.

Springfield campus

The \$51 increase (21.3 percent) in the Service, General, and Health fees for the Springfield campus is to provide for projected general cost, utilities and debt service increases; the addition of Phase 1 of a new assessment to auxiliary units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); continued development of an intercollegiate athletic program; continued support of student programs and organizations; and a student referendum approved fee for the health center beginning in Fiscal Year 2005.

Urbana-Champaign campus

The \$10 increase (1.7 percent) in the Service, General, and Health fees, which takes into account the revised payer base, for the Urbana campus is to provide for Phase 1 of a new assessment to auxiliary units for a portion of the campus expense for benefits-eligible employee health insurance (to be phased in over two years); Career Center staff enhancements; and an increase for the Illini Union Board Lectures Committee. The General fee increase is due in part to the campus recreation renovation, approved by student referendum in November 2001; this increase is to be phased in over a three-year period beginning in Fiscal Year 2005.

The following table presents the current and proposed fee levels for the programs described above.

The vice president for administration concurs in the fee levels proposed.

The president of the University recommends approval.

University of Illinois
Summary of Fiscal Year 2005 Semester Student Fees

	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>Percent Increase</i>
Chicago			
Student Fees			
Service Fee	\$264	\$282	
General Fee	233	246	
Health Fee	90	94	
Campus Transportation	80	83	
Student-to-Student Assistance	<u>3</u>	<u>3</u>	
<i>Total Per Semester</i>	\$670	\$708	5.7
Springfield			
Student Fees			
Service Fee	\$192	\$208	
General Fee	44	64	
Health Fee*	na	15	
Student-to-Student Assistance	<u>4</u>	<u>4</u>	
<i>Total Per Semester</i>	\$240	\$291	21.3

*Fall 2003 student referendum approved the imposition of a \$15 per semester health fee beginning in FY 2005.

Urbana-Champaign	<i>FY 2004</i>	<i>Proposed FY 2005</i>	<i>Percent Increase</i>
Student Fees			
Service Fee	\$179	\$179	
General Fee	173	184	
Health Fee	179	178	
Campus Transit/Safe Rides	33	33	
SEAL/SORF/Others*	19	19	
Krannert	<u>5</u>	<u>5</u>	
<i>Total Per Semester</i>	\$588	\$598	1.7

*SEAL/SORF, \$16; Energy Technologies Fee, \$2; Cultural Programming Fee, \$1

Mr. Hollingsead proposed the following as an amendment to this item:

"I move to amend this item to reflect an additional increase of \$60.00 per semester for students at the University of Illinois at Springfield as the first phase of a student-approved fee for a new recreation center. Student fees at UIS will be \$351.00 per semester with this addition. It is understood that the size, configuration, and programming of the new recreation center remains under review."

On motion of Mr. Bruce, this amendment was approved unanimously.

On motion of Dr. Gindorf, these recommendations as amended were approved.

Rate Changes for University-Operated Housing Facilities, Chicago, Springfield, and Urbana, Fiscal Year 2005

(14) The chancellors at each campus have recommended rate changes for University-operated housing for Fiscal Year 2005. The increases are required to meet operational costs (salaries and wages, utilities, general price increases, including food), to provide for student program enhancements, and to provide for debt service and repair and replacement reserve requirements.

Chicago

Residence Halls (room and board, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Student Residence Hall</i>				
Single	\$6,970	\$7,248	\$278	4.0
Double	6,394	6,650	256	4.0
<i>Polk Residence Hall</i>				
Suite Double	6,710	6,978	268	4.0
<i>Student Residence and Commons</i>				
Double	6,620	6,884	264	4.0

Note: Rates for the Student Residence and Commons will range from \$6,370 to \$7,904 depending on room configuration. These rates include a board charge of \$2,126.

Single Student Residence (room only)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$5,664	\$5,918	\$254	4.5
Three-person apt. (per person)	5,550	5,800	250	4.5
Four-person apt. (per person)	5,616	5,868	252	4.5
Two/Three-person suite (per person)	4,840	5,058	218	4.5

South Campus Building B

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two-person apt. (per person)	\$6,062	\$6,366	\$304	5.0
Four-person apt. (per person)	5,954	6,252	298	5.0

Springfield**Apartments** (room only, academic year)

<i>Family Apartments</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Two bedroom/Family/Furnished	\$5,328	\$5,675	\$347	6.5
Two bedroom/Family/Unfurnished	4,968	5,192	224	4.5
One bedroom/Family/Furnished	4,194	4,446	252	6.0
One bedroom/Family/Unfurnished	3,924	4,081	157	4.0
<i>Single Student Apartments</i>				
Four bedroom/Private/Townhouse	\$3,006	\$3,171	\$165	5.5
Four-five bedroom/Private/Renovated	2,754	2,920	166	6.0
Four bedroom/Private/Flat	2,754	2,877	123	4.5
One bedroom/Private/Flat	4,194	4,446	252	6.0
One bedroom/Shared/Flat	2,097	2,181	84	4.0
Two bedroom/Shared/Flat (4 people)	1,521	1,630	109	7.1

Note: Apartment rate is for selected bedroom rate only. No meal plan is required of apartment residents.

*Lincoln Residence Halls** \$6,302 \$6,817 \$515 8.2

*Note: Rates for Capital Scholars in LRH include proposed increases for both room and board. The rate a given student pays will range from \$6,002 to \$7,102 depending on declining balance meal plan chosen. The above rate reflects the similar cost associated with a 14-meals-a-week plan (\$2,200).

Urbana-Champaign**Undergraduate Housing** (room and board, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single	\$7,092	\$7,321	\$229	3.2
Double	6,172	6,401	229	3.7
Triple	5,816	6,045	229	3.9

Notes: (1) The above rates include 14-meals-per-week classic (traditional) board plan. All undergraduate contracts must include one of six meal plans: 14 meals classic, 20 meals classic, 12 meals classic + 1,500 café credits, 10 meals classic + 4,500 café credits, 10 meals classic + 6,000 café credits, or all café credits (11,500).

(2) Rates in halls with air conditioning will be \$100 more than the above rates.

(3) Rates in halls with learning communities will be up to \$290 higher than the above rates.

(4) The rates quoted do not include the \$16 Residence Hall Association dues.

Graduate Housing (room only, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
<i>Sherman Hall</i> (air conditioned)				
Single	\$3,560	\$3,713	\$153	4.3
Double	3,400	3,553	153	4.5

Daniels Hall (remodeled)

Large Single	\$4,532	\$4,685	\$153	3.4
Large Double	4,120	4,273	153	3.7
Standard Double	3,400	3,553	153	4.5
<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Board Contract (Optional)				
14 meals classic	\$3,570	\$3,570	\$0	0.0
20 meals classic	4,000	4,000	0	0.0
12 classic + 1,500 credits	3,570	3,570	0	0.0
10 classic + 4,500 credits	4,000	4,000	0	0.0
10 classic + 6,000 credits	4,400	4,400	0	0.0
All café credits (11,500)	4,232	4,232	0	0.0

Note: Rates quoted do not include the \$8 Graduate Hall Association dues.

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Goodwin-Green (monthly rates - includes heat)				
Sleeping rooms	\$439	\$452	\$13	3.0
Zero bedroom	516	529	13	2.5
Zero, with dining	533	546	13	2.4
One bedroom	614	627	13	2.1
One bedroom, with dining	630	643	13	2.1
Orchard Downs (monthly rates)				
One bedroom, furnished	\$510	\$523	\$13	2.5
One bedroom, unfurnished	422	435	13	3.1
Two bedrooms, furnished	572	585	13	2.3
Two bedrooms, unfurnished (Orchard South)	455	468	13	2.9
Two bedrooms, unfurnished	536	549	13	2.4

Note: Rates in Orchard Downs include a special assessment for an intergovernmental agreement with the City of Urbana.

Beckwith Living Center (room & board, 19 meal plan, academic year)

<i>Unit</i>	<i>2003-04</i>	<i>Proposed 2004-05</i>	<i>Dollar Increase</i>	<i>Percent Increase</i>
Single room ¹	\$21,850	\$22,300	\$450	2.0
Single room ²	10,970	11,200	230	2.1

¹Includes room and board with full assistance with Activities of Daily Living (ADL-showering, dressing, personal care, etc.)

²Room and board without full assistance with Activities of Daily Living.

The vice president for administration concurs in these recommendations.

The president of the University recommends approval.

On motion of Dr. Gindorf, these recommendations were approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 15 through 24 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Revise Tax-Deferred Retirement Plan

(15) Pursuant to Illinois Statutes, a Tax-Deferred Retirement Plan was established by the Board in 1964, and amended in 1967, 1980, 1984, 1993, 1997, and 2002. Under this Plan employees, at their sole option, may assign a portion of salary (technically called a salary reduction) to be invested toward retirement benefits under section 403(b) and 403(b)(7) of the Internal Revenue Code.

In spring 2003, a two-phase comprehensive review of the plan was initiated and an independent consulting firm, Mercer Human Resources Consulting, was retained for this review. In Phase I, Mercer was retained to review the University of Illinois Tax-Deferred Retirement Plan in comparison to the 403(b) marketplace and to identify areas of improvement. Mercer recommended that the University of Illinois should:

1. Reduce the program complexity and the number of duplicative funds offered.
2. Provide participants access to a diverse, competitive, and cost-effective array of investment asset classes.
3. Increase the cost-effectiveness and responsiveness of vendor administration services, including participant fees and education.

In Phase II, Mercer was retained to solicit proposals from current and potential insurance and investment companies, to evaluate these proposals, and then to recommend finalists for further review by the University of Illinois. An *ad hoc* committee composed of administrators, faculty representatives, academic professionals, and staff was appointed to review the recommendations submitted by Mercer. Eight vendors were included in Mercer's comprehensive review, including the University's five current vendors. Based upon selection criteria encompassing investment quality and performance, fees and expenses, and administration and services, four vendors were invited to make presentations. After weighing the results of Mercer's in-depth analysis and interviews with the finalists, the committee recommends that two vendors, Fidelity and TIAA-CREF, be retained as 403(b) investment firm vendors. Also the committee recommends that American Century, ING, and MetLife be discontinued from the University of Illinois Tax-Deferred Retirement Plan.

The committee further recommends that the University of Illinois discontinue enrolling new participants in programs offered by American Century, ING, and MetLife effective February 1, 2004, and that those currently participating in these programs be notified that they will be discontinued effective April 1, 2004. Participants may retain current account balances with these vendors, but will no longer be allowed to make contributions to these vendors.

In addition, the committee recommends that the language of the Tax-Deferred Retirement Plan dated January 1, 2002, previously approved by the Board of Trustees, be revised to incorporate the changes of the approved 403(b) investment firm vendors, effective February 1, 2004.

The committee recommends that the Board of Trustees adopt the February 1, 2004, document (copy filed with the secretary) entitled "University of Illinois Tax-Deferred Retirement Plan," as the document governing the administration of the plan.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

**Certificates of Participation,
(UI-Integrate) Series 2003**

(16) In January 2001, the board approved the issuance of a series of Certificates of Participation over a period not to exceed five years, in aggregate amounts not to exceed \$155.0 million to fund the UI-Integrate Project. Certificates of Participation, Series 2001 were issued in the original par amount of \$107.85 million to fund a portion of the project, with an expectation that a second series of Certificates of Participation would be issued in 2003 to complete the project.

The board, at its meeting on July 17, 2003, authorized a number of actions leading toward the issuance of Certificates of Participation (UI-Integrate Project) Series 2003 evidencing proportionate interests in installment payments to be made by the board (the "Series 2003 Certificates"). Such actions have been completed and now it is requested that the board authorize the issuance of the Series 2003 Certificates in an amount not to exceed \$40.0 million with a final maturity of not more than 12 years to fund the UI-Integrate Project, including capitalized interest plus necessary issuance costs. The Series 2003 Certificates will be issued on a parity with the Certificates of Participation (UI-Integrate Project) Series 2001. This action also requires the renewal of the Installment Purchase Contract through April 1, 2016.

The average annual payments to the certificate holders are estimated to approximate \$4.0 million over the 12-year life of the Series 2003 Certificates. The Series 2003 Certificates are subject to redemption at such times and at such redemption prices as the comptroller determines are necessary or helpful in marketing the Series 2003 Certificates.

The Series 2003 Certificates will be fully registered and the obligation to make the installment payments will constitute a current operating expense of the board and neither the Installment Purchase Contract nor the Series 2003 Certificates will constitute an indebtedness of the State of Illinois. The board will pledge to the payment of the installment payments such moneys as may be lawfully appropriated by the General Assembly for such purposes and legally available non-appropriated funds on an annual basis, e.g., tuition and indirect cost recoveries.

All legal matters incidental to the authorization and issuance of the Series 2003 Certificates, the forms of Preliminary and Final Official Statements, the First Supplemental Indenture of Trust and Assignment of Purchase Contract (the "First Supplemental Indenture"), the Certificate Purchase Agreement, the First Amendment to Installment Purchase Contract, and the Continuing Disclosure Agreement have been approved by Chapman and Cutler LLP, special counsel, Chicago, Illinois.

The vice president for administration recommends:

1. Approval of the Preliminary Official Statement and approval of the Final Official Statement with the addition of the final terms of the Series 2003 Certificates.¹
2. Approval of the form of the Certificate Purchase Agreement³ with UBS Financial Services Inc., as underwriter, wherein the underwriter agrees to purchase from the board not less than all of the Series 2003 Certificates in an aggregate original principal amount not exceeding \$40.0 million. The price at which the Series 2003 Certificates will be purchased from the board by the underwriter, exclusive of original issue discount, will not be less than 98 percent of the par amount thereof and the true interest cost of borrowing for the Series 2003 Certificates will not exceed 5.0 percent.

¹A copy is filed with the secretary of the board for record and the appropriate officers of the board are hereby authorized and directed to execute the same in the name of and on behalf of the board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the board executing the same, his/her or their execution thereof to constitute conclusive evidence of the board's approval of all changes from the form thereof presented to this meeting; provided, however, that if any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the executive committee of the board to which authority for such approval is delegated by the board.

3. Approval of the form of the First Amendment to Installment Purchase Contract.³
4. Approval of the form of the First Supplemental Indenture.³
5. Approval of the form of the Continuing Disclosure Agreement by the board with respect to the Series 2003 Certificates.³
6. Ratification and confirmation of all actions taken or to be taken by the officers and members of the board in connection with the sale and delivery of the Series 2003 Certificates to the underwriter.
7. The comptroller and other authorized officers of the board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the First Supplemental Indenture, the Certificate Purchase Agreement, the First Amendment to Installment Purchase Contract, the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The president of the University concurs.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Contract for Consulting and Interim Management of the UIC Medical Center's Material Management, Chicago

(17) The chancellor at Chicago recommends that the comptroller be authorized to execute a contract for consulting and interim management services with BD Healthcare Consulting and Services.

The UIC Medical Center has identified a need to improve the operations of the Material Management unit. In order to provide for the rapid redesign of the supply chain and other logistical services within Material Management, the services of a consultant with expertise in these areas are required.

The services include providing interim management personnel, updating job descriptions and requirements for front-line managers and staff, assisting in recruitment of key management personnel, developing staff training and competency assessment tools, redesigning and implementing a new supply chain model, identifying performance metrics to drive change and monitor service levels, centralizing Medical Center procurement, expanding EDI utilization, evaluating the consolidation of central sterilization services, enhancing Material Management Information Systems to support new supply chain efficiencies, implementing a point of use inventory control system, and automating patient transportation call dispatching and tracking.

Pursuant to a Request for Proposal, the Medical Center reviewed responses from 12 firms. Based on a review of written proposals, six firms were selected for in-depth interviews with the evaluation committee.¹ The selected firm, BD Healthcare Consulting and Services, was determined to be best qualified to provide the required services at a reasonable and acceptable price.

¹David Loffing, assistant hospital director of operations; Michael Fitzgerald, assistant director of material management for purchasing and contracts; Chad Turner, management methods analyst; Robb Micek, director of planning and decision support; Aaron Simon, associate director of business planning, and Niha Babu, administrative fellow.

The initial period of the contract will be December 1, 2003, through November 30, 2004, at a cost of \$1,200,000. The contract has options to renew for four additional three-month periods at the same prices, terms, and conditions subject to satisfactory performance, continuing need, and availability of funds with the comptroller authorized to exercise such options.

Funds are available from the Health Services Facilities System Fiscal Year 2004 operating budget.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

Contract for a Review of the University's Commodities Purchases

(18) The vice president for administration with the concurrence of appropriate University officers recommends approval of a contract with Accenture LLP for a maximum amount of \$380,000 to provide a detailed review of the University's commodities purchases, to devise strategies to realize savings, and to formulate a comprehensive action plan to implement recommended strategies.

In response to a Board of Trustees resolution at the March 13, 2002, meeting, university staff has been conducting a detailed review of administrative and academic support services to identify opportunities for cost reductions and service improvements. One aspect of the discovery phase of this project was compilation of a list of University commodity purchases that offer potential cost savings. On the basis of this compilation, it was determined that the volume of the University's purchases justify a detailed analysis to confirm the estimated cost savings.

The University issued a Request for Proposal (RFP) for consulting services to review the data collected in the discovery phase, collect any additional data necessary to substantiate information in the discovery phase report, and conduct a detailed analysis of the University's commodities purchases in order to identify opportunities and strategies for savings in these purchases. Accenture LLP was selected by a Commodities Procurement Steering Committee based on a review of written proposals from five firms.

Accenture LLP will review and refine the list of target commodities and the savings estimates identified in the discovery phase as well as review suppliers, contracts spending, industry trends, and procurement policies. In addition to this detailed assessment and analysis of procurements, the scope of activities will include recommendations to the University regarding procurement strategies (including any policy and/or legislative implications) to achieve savings, creation of a business case and plan for implementation of these strategies, advice concerning methods to gain stakeholder acceptance of recommended and implemented changes, and preparation of reports to University administrators and the Board of Trustees.

A task force of University personnel will oversee the coordination of Accenture LLP's detailed analysis of commodities purchases with BD Healthcare Consulting and Services related to the redesign of the supply chain and other logistical services within the UIC Medical Center's Material Management unit.

Funds for this contract are available from the Fiscal Year 2004 Institutional Funds Operating Budget of the University Administration.

The vice president for administration recommends approval.

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Increase Project Budget for Central Chilled Water System, Chicago

(19) In November 2001, the board approved the \$10.0 million Central Chilled Water System Project for the west side of the Chicago campus. In March 2002, the board subsequently approved a project increase to \$12.0 million to include the new College of Medicine building in the central plant concept. As part of the development of the central plant concept, planning for expansion was incorporated to accommodate future loads as opportunities were presented.

During the past several months, the Campus Auxiliary Services (CAS) unit at Chicago has been reviewing facility needs. As part of this review, CAS initially contemplated replacing its existing regional chilled water plant that provides air conditioning service to the west side residence halls, student union, and recreation facility. Upon further review, CAS determined that the most cost-effective solution would be to utilize the central campus chilled water system now under construction and purchase capacity in the Central Refrigeration Plant. As part of this expanded project, the chilled water distribution extension would be routed so that the future conversion of currently separate chilled water systems of the College of Nursing building, the Goldberg building, and the Associated Health Professions building might be accommodated in future phases.

In order to proceed with this solution, the vice president for administration with concurrence of the appropriate University officers recommends that the project budget be increased from \$12.0 million to \$14.0 million.¹

Funds to achieve the increased scope are available from the Institutional Funds Operating Budget of the Chicago campus and Campus Auxiliary Service Operating Funds Budget.

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Intergovernmental Agreement with County of DuPage, Illinois, and DuPage Airport Authority

(20) The Illinois General Assembly has appropriated \$34,000,000 to the DuPage Airport Authority for the purpose of promoting development of the DuPage County Technology Park. The funds are being provided through a grant by the Illinois Department of Commerce and Community Affairs (now the Department of Commerce and Economic Opportunity). A condition of the grant is that an intergovernmental agreement providing for mutual cooperation be negotiated between DuPage County, DuPage Airport

¹As part of this increase, the professional services agreement with Henneman Raufeisen & Associates, Inc., Chicago, would be amended to incorporate a fixed fee increase of \$67,000 for design and bidding services for the additional scope and an accommodation of reimbursable expenses and hourly construction management fees not to exceed \$23,960.

Authority, and the Board of Trustees of the University of Illinois. A not-for-profit corporation, DuPage County Technology Park, N.F.P, has been formed to develop and manage the DuPage County Technology Park. The tech park is located on a portion of the Airport Authority's land in DuPage County.

The Board of Managers of the University of Illinois Research Park, LLC, and the vice president for technology and economic development recommend the board approve and authorize the comptroller and secretary to execute the final intergovernmental agreement, which will be in a form substantially similar to the attached draft agreement (copy filed with the secretary).

The president of the University concurs.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

License of Technology to PRZM Corporation, and Conflict of Interest Management Plans for Founders of PRZM Corporation

(21) University employees in the Office of Capital Programs have developed software (commonly referred to as "PRZM") to facilitate information sharing and efficient management of the University's construction projects. Since the software was written by University employees within the scope of their employment, the University is the owner of the software with the exclusive right to use, assign, or license the software. The University employees who developed the software disclosed this invention to the Urbana-Champaign campus Office of Technology Management to ensure intellectual property protection, and formed a start-up company named PRZM Corporation ("PRZM Corp."). This was accomplished with the assistance of Illinois VENTURES, LLC, working with the Office of Technology Management. PRZM Corp. has negotiated with the Urbana-Champaign campus Office of Technology Management the terms of a proposed license agreement from the University to use the software and to license it to other companies.

Ordinarily, proposed licenses with companies which are owned by University employees are reviewed in accordance with University's policy, subject to final approval by the president. In this case, however, PRZM Corp. is considering hiring Paul Stukel as president and chief executive officer (CEO) of the company. Paul Stukel is the son of James J. Stukel, president of the University. At its meeting on September 11, 2003, the Board of Trustees approved a resolution requiring the Board of Trustees to review and approve licenses and/or conflict management plans for University employees involving companies or transactions when it is necessary for the president to recuse himself/herself from approving the transaction and the plan based on an interest held by the president or his/her immediate family. The potential conflict of interest posed by Paul Stukel's position as the CEO of PRZM Corp., and the potential conflicts posed by the ownership interests of University employees in PRZM Corp., have been reviewed by the university counsel as well as outside counsel. Pursuant to the resolution approved at the September 11, 2003, Board of Trustees' meeting, the university counsel has concluded that the licensing agreement and conflict of interest management plans meet all relevant legal requirements and may be approved by the board.

Article II 4(d) of the University's *The General Rules Concerning University Organization and Procedure* permits a contract to be "awarded to any business entity, including those in which a university officer or employee (or members of their immediate families) serve as major officers or primary employees thereof or hold a significant equity interest therein, if such contract is deemed in the best interests of the University" (emphasis added). The director

of the Urbana-Champaign campus Office of Technology Management, Michael Fritz, has concluded that the terms of the license are consistent with the standard licenses granted to companies to commercialize University technologies, represent a fair and reasonable return to the University, and will facilitate the successful commercialization of the technology. He recommends approval of the license.

The associate vice president for facility planning and programming, in consultation with an *ad hoc* conflict management committee, will be responsible for monitoring compliance of University employees and founders of PRZM Corp. with the University's *Policy on Conflicts of Interest and Commitment*. The time that University employees with ownership interests in PRZM Corp. devote to its matters will be monitored, reviewed, and approved to ensure the employees' performance of their University-related duties do not suffer.

Finally, John Banta, CEO/managing director of IllinoisVENTURES, LLC, presented the founders of PRZM Corp. with three candidates, including Paul Stukel, as likely candidates for its CEO. The founders of PRZM Corp. interviewed each candidate and selected Mr. Stukel on the basis of his extensive qualifications and experiences. IllinoisVENTURES, LLC, and CEO John Banta support the proposed licensing agreement with PRZM Corp. and think the proposed licensing agreement will optimize the successful transfer and commercialization of the technology, and, therefore, with respect to the commercial issues, would be in the best interests of the University.

The vice president for technology and economic development recommends approval of the license to the PRZM Corp. and approval of the related conflict of interest management plans of the University employees and founders of PRZM Corp.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, Mr. Bruce; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Purchases

(22) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for administration.

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$8,321,559.

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

Mr. Shah made a motion to amend this recommendation by changing the third entry in the list of purchases recommended: "Full service maintenance and parts agreement for diagnostic imaging equipment for the period beginning September 1, 2003, through June 20, 2008," to a one-year contract rather than a five-year contract. Further, he asked that the administration negotiate a new contract for the additional four years with General Electric, and try to get a reduction to the current recommendation. He then suggested that the result of the additional negotiations be brought to the Executive Committee for approval prior to the next scheduled meeting of the board, January 15, 2004.

Mr. Shah's motion to amend this item was approved thus reducing the total amount of purchases from institutional funds to \$2,534,560.

On motion of Mr. Sperling, the purchases recommended and as amended were authorized by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Disclose Executive Session Minutes Under Open Meetings Act

(23) Under an amendment to the Open Meetings Act passed by the General Assembly, effective July 1, 1989, public bodies subject to the Act which conduct business under exemptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exemption.

Attached are items from October 1999 through March 2003 that have been heretofore unreleased and are recommended for release at this time. Those sections of minutes that deal with items considered in executive session for which continuing confidential status is recommended in order to protect the public interest or the privacy of an individual are indicated. When the need for confidentiality has passed, they will be released. (Attached materials are filed with the secretary of the board for record.)

The university counsel and the secretary of the board, having consulted with appropriate University officers, recommend that the indicated items retain confidential status at this time. It is further recommended that the matters considered in executive session for the same period and marked as "release" be made available to the public at this time.

The president of the University concurs.

On motion of Mr. Sperling, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Authorization for Settlement

(24) The University Counsel recommends that the board approve settlement of *Williams v. Penn, et al.* in the amount of \$1,400,000. The plaintiff, Danielle Williams, alleges that the failure of the defendants to properly monitor the condition of 10-week-old Isaac Williams and recognize signs of respiratory distress following hernia surgery resulted in his death.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Sperling, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich. (Mr. Bruce asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

President's Report on Action of the Senate

(25) The president presented the following report:

Eliminate the Continuing Curricular Option Pathway to the Doctor of Pharmacy Degree, College of Pharmacy, Chicago

The Chicago Senate with the recommendation of the Graduate College and the College of Pharmacy approved a proposal to eliminate the Continuing Curricular Option (CCO) pathway to the Doctor of Pharmacy (PharmD) degree.

The CCO program was established in the mid-1980s as a professional educational offering for licensed pharmacists with a baccalaureate degree in pharmacy, earned from an American Council on Pharmaceutical Education accredited institution, who wished to earn the Doctor of Pharmacy degree. The program required successful completion of 44 semester hours distributed between didactic coursework and clinical clerkships in order to achieve equivalencies in expected competencies.

The number of students enrolled in the CCO program has steadily declined in recent years, despite a major marketing campaign to attract more students to the program. In addition, various changes were made to the CCO program to make it more sensitive to the needs of working adults.

In light of declining enrollments and after many discussions, the College of Pharmacy faculty voted to dissolve the CCO pathway program. The closing of the program will allow College of Pharmacy faculty to focus their energies on the entry-level PharmD curriculum.

This report was received for record.

**Report of Human Resource Services,
University of Illinois Medical Center at Chicago,
November 2003**

(26) The vice chancellor for health affairs presented this report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

**Report on Safety Program,
University of Illinois Medical Center at Chicago,
November 2003**

(27) The vice chancellor for health affairs presented this report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

**Report of Master and Subordinate Affiliation Agreements Between
Outside Health Care Institutions and the Board of Trustees
of the University of Illinois, Chicago**

(28) On July 20, 2000, the board delegated authority to approve all master and subordinate affiliation agreements between the Board of Trustees of the University of Illinois, on behalf of the UIC health sciences colleges, and outside health care entities, to the chancellor at Chicago. At that time, the board stipulated that the vice chancellor for health affairs give an annual report on all master and subordinate affiliation agreements approved by the chancellor at Chicago.

In compliance with the board's policy, the vice chancellor for health affairs reports that the following agreement was approved by the chancellor at Chicago between November 2002 and October 2003:

<i>Affiliate</i>	<i>Type of Agreement</i>
St. Francis of Evanston	Master

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and terminations. A copy of the report is filed with the secretary.

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on October 15, 2003.

Summary

Degrees Conferred October 15, 2003

Graduate Degrees

Doctor of Education	3
Doctor of Musical Arts	13
Doctor of Philosophy	222
<i>Total, Doctors</i>	<i>(238)</i>
Master of Architecture	4
Master of Arts	11
Master of Computer Science	2
Master of Education	3
Master of Fine Arts	3
Master of Landscape Architecture	2
Master of Music	2
Master of Music Education	1
Master of Science	69
Master of Social Work	1
Master of Urban Planning	3
<i>Total, Masters</i>	<i>(101)</i>
<i>Total, Graduate Degrees</i>	<i>339</i>

Undergraduate Degrees

College of Communications	
Bachelor of Science	1
<i>Total, Undergraduate Degrees</i>	<i>1</i>
<i>Total, Degrees Conferred October 15, 2003</i>	<i>340</i>

OLD BUSINESS

Dr. Schmidt reported on a recent meeting of the Board of Managers of the University of Illinois Research Park, Urbana, noting that this would be the last report to the board of a meeting of this board of managers because the structure of the board of managers has changed. He summarized the developments that have taken place in the research park since its inception a few years ago. He stated that 314,000 square feet of construction had been

completed, and that there were 34 tenants in the park now employing 652 employees and 123 interns. He also said that there were now 19 companies in the incubator building that opened in April 2003. He described the new board of managers as consisting of five members with the two vice chancellors for research at Chicago and Urbana as members, along with two representatives from the private sector, and the chair of the Technology and Economic Development Committee of the Board of Trustees. He said that the two vice chancellors for research would be responsible for the research parks in Urbana and in Chicago. He added that new advisory groups would be formed and that some members of the former board of managers would participate in these, particularly to assist with marketing the parks.

Next, Dr. Schmidt reported on a meeting he and Mrs. Sodemann attended with the Senate Executive Committee at Urbana and stated that that group had suggested that the chair of the University Senates Conference serve as an *ex officio* member of the Academic Affairs Committee of the board. He also stated that the Senate Executive Committee discussed three cases of pending litigation it is watching. These included: the case of *Crue v. Aiken* for which the Urbana chapter of the American Association of University Professors entered an amicus brief; a matter concerning parking fees on campus; and a case involving a web site operated by a faculty member on the University's electronic backbone.

Mr. Hollingsead spoke next and thanked his colleagues for their support of the fee for the student recreation center at Springfield.

Dr. Carroll asked if her resolution concerning Chief Illiniwek, which she withdrew earlier in the day announcing that she would bring it forth again for the July 2004 board meeting, might be considered by the board in March 2004, since the students will be gone from campus in July. Mr. Allen concurred. Discussion followed about how individual trustees may place items on the agenda for a meeting, and Mr. Bearrows stated that it has been a matter of custom and practice for the board to accept items for the agenda when requested to do so by a colleague.

Lastly, all three student trustees thanked staff at their campuses involved in explaining the tuition recommendation to them, and providing copious amounts of information at their request.

NEW BUSINESS

Dr. Schmidt reported to the board that, at the request of the chair of the board, he met with a group of students opposed to Chief Illiniwek who had asked to speak to a trustee earlier that day. He indicated that he agreed to meet with the group again in the near future, and he said that he asked them to try to help devise a plan to honor the heritage of the Plains Indians.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: January 15, 2004, Chicago; March 11, Urbana; April 15, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

LAWRENCE C. EPPLEY

Chair

ANNUAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

January 15, 2004



This annual meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, January 15, 2004, beginning at 8:45 a.m.

Chair Lawrence C. Eppley called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Frances G. Carroll, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah,¹ Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey.² Governor Rod Blagojevich was absent. Mr. Nate H. Allen, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingsead, Springfield campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen

¹Mr. Shah joined the meeting at 9:00 a.m.

²Mr. Vickrey participated in the meeting telephonically.

K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

President Stukel recognized and introduced observers from the campus senates and from the University Senates Conference.¹

PUBLIC COMMENT

Mr. Eppley announced that three individuals had requested time to address the board according to the board's procedures and had been approved to do so. He then invited Mr. Demian Kogan to begin his comments. Mr. Kogan stated that he was a senior at the Urbana campus and a member of the Progressive Resource Action Cooperative. He urged the board to vote at the March 11, 2004, board meeting to discontinue Chief Illiniwek as the mascot of the athletic teams at Urbana. He stated that the board could make a powerful statement in doing so because social justice is the issue in this controversy. He indicated that he found the national attention paid to the controversy at Urbana to be an embarrassment. He also noted that there was a demonstration against the Chief at a game in St. Louis and that today the Native American community in Chicago was demonstrating against the Chief. He stated Chief Illiniwek was a race-based mascot and as such was inappropriate. He also said that the Progressive Resource Action Cooperative calls for the elimination of the name "Fighting Illini" for the athletic teams at Urbana, and asks for an apology to Native Americans for making a profit from a mascot based on Native Americans. He asked another individual to join him at the end of his comments. This person stated that his son had died in the U.S. military and that the representation of Chief Illiniwek dishonors his son.

Next Mr. Eppley called on Ms. Tracy Walsh to make her comments. Ms. Walsh thanked the board for giving her the opportunity to speak. She admonished the board to pass the resolution regarding proposed retirement of Chief Illiniwek that had been withdrawn from the agenda of the board meeting, November 13, 2003. She stated that continuing Chief Illiniwek was neither an honor to Native Americans nor respectful to their traditions. She said Native Americans find the mascot offensive. She then made reference to several institutions that had discontinued use of mascots that featured representations of Native Americans and she reminded the board that several academic departments at Urbana had called on the board to eliminate the use of Chief Illiniwek. She stated that Chief Illiniwek is a rac-

¹University Senates Conference: William G. Jones, assistant university librarian and associate professor, University Library, Chicago; Chicago Senate: Gerald S. Strom, professor of political science, and secretary of the UIC Senate, and Elliot Kaufman, professor of biochemistry and molecular genetics; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate: Joseph E. Finnerty, professor of finance.

ist mascot and that this overshadows the quality of the campus. Ms. Walsh concluded by praising Chancellor Cantor for her emphasis on the importance of diverse cultures on the campus, and asked the board to vote to retire Chief Illiniwek at their meeting on March 11, 2004.

Mr. Eppley then invited Mr. Joseph Podlasek to speak. Mr. Podlasek introduced himself as the executive director of the American Indian Center of Chicago and said the objectives of this center are to foster education about and respect for the culture of Native Americans. He said that the Native American community in Illinois numbers 73,000. Then he described the work the American Indian Center has engaged in with various faculty at the Urbana campus and particularly the role of the American Indian Center with the Native American House at Urbana. He stated that the American Indian Center seeks to counsel and assist students in enrolling at the Urbana campus. He also said that the center seeks to counteract inaccurate teachings about Native Americans and to assist teachers in preparing materials that are more credible than what is normally presented. He stated that Native American students are not attracted to the Urbana campus because once they become known as Native Americans they are targeted and others only want to discuss Chief Illiniwek with them, which they find difficult. He said that the enrollment of Native American students at UIC is growing and it should grow at Urbana. He noted the partnerships the American Indian Center has with institutions such as the Chicago Field Museum of Natural History and the Smithsonian and other educational institutions in assisting with research on Native American culture and history.

In closing he asked the board to look to the future and to change their policy on Chief Illiniwek. He urged them to consider how they would feel if someone chose one of their grandparents to play a role like Chief Illiniwek and did not consult them. He said he thought they would be offended. Mr. Podlasek then referred to interviews with former students who had portrayed Chief Illiniwek and said that each said he had changed the dance somewhat, which he considered further evidence of disrespect to Native Americans.

SPECIAL ORDER OF BUSINESS

Election of Officers

Chair of the Board

Mr. Eppley announced that the next order of business would be the election of a chair of the Board of Trustees to serve for one year. He asked the secretary to read Section I of the Special Order of Business, after which he asked for nominations.

Mr. Bruce nominated Mr. Eppley.

There were no further nominations and Mr. Eppley asked for a motion to close nominations. On motion of Mr. Shah nominations were closed.

Mr. Eppley then called for a vote on the nomination. Mr. Eppley was elected chair of the board to serve until the next annual meeting of the board or until his successor shall have been elected.

Executive Committee

Mr. Eppley announced that he would present his nominations for appointment to the Executive Committee of the board at the next regular meeting of the board, March 11, 2004.

Secretary, Comptroller, and University Counsel of the Board

In accord with the bylaws of the board, the president of the University had conveyed his advice to the board that the three incumbents be reelected: Stephen K. Rugg, comptroller of the board; Thomas R. Bearrows, university counsel; and Michele M. Thompson, secretary.

Mr. Eppley asked for a motion for the approval of the election of these three officers of the board.

On motion of Dr. Gindorf, the incumbents—Mr. Rugg, Mr. Bearrows, and Ms. Thompson—were elected comptroller, university counsel, and secretary, respectively, to serve until the next annual meeting of the board or until their successors have been elected.

Delegation of Signatures

On motion of Dr. Carroll, the following resolution was unanimously adopted:

Resolved that the chair of the Board of Trustees is authorized to delegate to such individuals as he/she may designate from time to time authority to sign his/her name as chair of the Board of Trustees to vouchers presented to the state comptroller and authority to sign his/her name to warrants on the University treasurer covering vouchers approved in accordance with regulations approved by the board; and

Resolved further that the secretary of the Board of Trustees is authorized to delegate to such individuals as she may designate from time to time authority to sign her name as secretary of the Board of Trustees to vouchers presented to the state comptroller and to warrants on the university treasurer covering vouchers approved in accordance with regulations of the board. And be it further

Resolved that the state comptroller is hereby authorized and directed to honor vouchers bearing facsimile signatures of the chair and secretary of the Board of Trustees of the University of Illinois if such facsimile signatures resemble the facsimile specimens duly certified to or filed with the state comptroller by the secretary.

These authorizations are to continue in effect until the state comptroller has been supplied with specimen signatures of succeeding officers of this board.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that the items on the agenda for today's meeting would be presented and discussed. He called first on Trustee Bruce to present agenda item no. 1, "Resolution to Recognize University of Illinois Students, Faculty, and Staff Serving on Active Military Duty." Mr. Bruce stated that he presented this resolution to honor those individuals who had left jobs, studies, and families on behalf of all in this country. He said that he especially wanted to recognize Lt. Brian Slavenas, a 2002 graduate of the Urbana campus, who was a casualty of combat in Iraq.

Next, Mr. Eppley asked Chancellor Cantor to present items she recommended.

The chancellor then spoke to agenda item no. 3, "Establish M.S. in Bioinformatics with an Option in Chemical and Biomolecular Engineering, and an Option in Computer Science, Urbana." She said that this program provides evidence that the Urbana campus is taking a leadership role in this new field. On agenda item no. 4, "Discontinue B.S. in Economics, College of Business, Urbana," she said that the degree program would be transferred to the College of Liberal Arts and Sciences but that students currently enrolled would be permitted to complete the degree under the current arrangement. For agenda item no. 5, "Discontinue B.S. in the Teaching of Computer Science, College of Liberal Arts and Sciences, Urbana," Chancellor Cantor explained that this was necessary because the program no longer meets the Illinois requirement for teacher certification and that other programs in the College of Education do.

Mr. Eppley asked for an explanation of bioinformatics and the chancellor stated that this approach provides a way to handle massive amounts of information coming from genomic research. Dr. Carroll commended Chancellor Cantor and the College of Education for the curriculum change mentioned earlier (agenda item no. 5) and for staying current with contemporary educational requirements.

Mr. Eppley then called on Chancellor Manning who provided background information on agenda item no. 6, "Revocation of Baccalaureate Degree, Chicago," explaining that this was necessitated because of the discovery that grades had been falsely recorded for a student and had been the basis for award of a degree. Dr. Carroll thanked the chancellor for complete and helpful information on this subject.

Next, Mr. Eppley asked Vice President Gardner to present agenda item no. 7, "Delegate Authority for Changes in Enrollment Deposits." Dr. Gardner stated that the deposits are a down payment on tuition for particular programs and are necessary for enrollment management. He explained that refunds are made if a student notifies the academic unit involved of intent not to attend by a reasonable time.

Vice President Rugg was then asked to present agenda item no. 8, "Award Contracts for West Campus Recreation Center, Chicago." Mr. Rugg

described the project as part of a larger program at the campus that was approved by the board at an earlier time, and indicated that these contracts are for \$5.9 million for this part of the total \$9.8 million project.

Mr. Rugg also presented agenda item no. 9, "Award Contract for Job Order Contracting (JOC) System, Urbana," and stated that this recommendation for a \$14.0 million contract for a period of three and one-half years presents a way for the campus to deal efficiently and economically with emergency repairs and minor remodeling through contracting for multiple construction tasks based on nationally recognized prices for each piece of work for this period of time. He added that this is within the guidelines of the State Purchasing Act. Mr. Shah asked for the upper limit of jobs to be performed under this contract and Mr. Rugg responded that this was \$250,000.

Next, Mr. Rugg asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to present agenda item no. 10, "Purchases." Mr. Provenzano reported that he had met prior to the board meeting with Mr. Shah to discuss the purchases to be presented and that he would plan to continue this consultation process, suggested by Chair Eppley. Mr. Provenzano proceeded to describe the purchase of services for repair of radiology equipment at the Medical Center at Chicago and explained that the contract with General Electric had been discussed thoroughly, that this was the best offer that the contractor would give the University, and that this was discounted. There was discussion and Mr. Sperling asked if the contractor would offer a "favored nation clause." Mr. Provenzano stated that this had been discussed and was not possible. However, he said that the University could always renegotiate if the contractor offers a deeper discount to another client later.

The other purchase item Mr. Provenzano presented involved purchase of equipment to be shared by 130 faculty members in several departments.

ANNUAL REPORT—UNIVERSITY SENATES CONFERENCE

Mr. Eppley recognized Professor Gerald S. Strom, immediate past chair of the University Senates Conference, for a report of the activities of this group for the past year. Professor Strom stated that the University's budget was the most important issue for discussion by the conference last year.

ANNUAL REPORT—CHICAGO SENATE

Professor Strom also made this report. He noted that the senate had approved a constitution in the last year that was later approved by the Board of Trustees. Also, he said that the senate had approved a position on conducting classified research and concluded that this was not appropriate on campus, but that it was all right off campus. He said that the members were concerned about involving graduate students in such research because they would not be able to use the research for their dissertations. He also reported that the practice of having a reading day immediately prior to the beginning of final exams had been suspended. In addition, he reported that the policy providing for sanctions less than dismissal that the

Board of Trustees approved last year was now being implemented at the campus by the provost.

ANNUAL REPORT—UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION

Mr. Eppley asked Mr. Bruce to introduce Mr. Loren R. Taylor, president and chief executive officer of the Alumni Association. Mr. Bruce noted Mr. Taylor's titles, and added that Mr. Taylor was the president-elect of the National Council of Alumni Association Directors. Mr. Taylor then described the Association's programs, including the on-line directory of members that receives about 4,000 inquiries each month, from alumni, students, academic units, and others; the alumni web site that is used by many alumni and was particularly helpful to those seeking information about associates after the attack of September 11, 2001; the veterans web site for those alumni who died in service to our country that is a virtual memorial; and the Alumni Career Center that serves thousands of alumni and students. He also mentioned the travel programs arranged by the Alumni Association that are very well received; the campus Alumni Associations that serve student needs such as the development of student lounges known as the Oasis at UIC and the Taste of UIS at Springfield. In addition, he told the board that the continuing education programs at Urbana, called Allerton Weekends, were very important to alumni. And, he reported that there are now 90 regional and international alumni clubs. In closing he announced that a groundbreaking ceremony for the Alice Campbell Alumni Center at Urbana would be held during the weekend of Commencement.

ANNUAL REPORT—UNIVERSITY OF ILLINOIS FOUNDATION

Dr. Sidney S. Micek, president of the University of Illinois Foundation, reported on the activities of the Foundation for Fiscal Year 2003 (material on file with the secretary). He noted that the Foundation was chartered as an independent, nonprofit, membership organization in 1935 for the purpose of receiving private gifts for the benefit of the University. He stated that the Foundation's primary goal is the development of relationships with individuals, corporations, and foundations to secure support for the University, and its supporting objective is to provide effective stewardship including timely acknowledgment of gifts, recognition and adherence to donor intent, prudent investment, administration of major pledges, coordination of donor matching gifts, and honorary memorial notification as requested. He stated that private giving has never been as vitally important as now, and the growing involvement of alumni and friends of the University is very important in maintaining the University's outstanding reputation.

In reporting on gifts received in FY 2003, Dr. Micek told the board that new commitments, including new gifts, pledges, grants, and bequests for this year totaled \$187.0 million, and that just over \$138.0 million was in outright gifts and grants, and nearly \$49.0 million in deferred gifts. He stated that over \$62.0 million was attributable to corporate giving, the second best

year ever. He also said that Foundation giving for this year was nearly \$35.0 million, the best year ever.

Further, he said that the cash flow for FY 2003 was \$168.0 million in combined actual gift support, from pledge payments, new outright gifts, and realized deferred gifts. He noted that of this amount, over 35 percent came from individuals. He said that in this year the number of gifts received totaled 119,275, and that \$20.7 million was recorded for the Annual Fund gifts. He said that these two numbers represent the highest totals ever recorded for the Annual Fund on behalf of the University and the Foundation. Dr. Micek stated that while the Foundation is pleased with this there is concern about the ongoing effect of the difficult economic climate in the State and the nation.

Next, he reported on the endowment for the University and the Foundation and told the board that the active and deferred total endowment was \$1.397.0 billion in FY 2003, more than three times what it was ten years ago, with a market value of \$904.4 million. He added that of this amount, \$652.8 million is managed by the Foundation, and \$251.6 million is administered by the University. Also, he stated that the total endowment growth over the past decade was 12 percent, which makes the Foundation highly ranked for investment performance of its endowment pool in comparison with its peers.

Dr. Micek then reviewed examples of how the endowment support has increased over the last decade. He stated that support for endowed professorships has increased from about \$22.0 million to over \$53.0 million; endowed chairs from just over \$14.0 million to \$98.0 million; graduate fellowships from \$15.0 million to more than \$52.0 million; undergraduate scholarships and student aid from \$30.0 million to almost \$103.0 million; and the library's endowment has risen from \$10.2 million in 1993 to \$22.0 million in 2003. Among other accomplishments he reported that the Presidents Council, established in 1964, and representing the highest level of donor recognition had 8,9875 members at the end of FY 2003, an increase of almost 500 in the past year. Also, he told the board that the Foundation would increase its presence in the Chicago area because over 60 percent of the University's alumni reside in the northern part of the State near Chicago. He described the creation of special opportunities to engage alumni that are planned and of more donor-prospect events. In addition, he said that the UIC College of Medicine and the Medical Center would have a separate development office in future to enhance fundraising from alumni, patients, and others associated with the College of Medicine and the Medical Center. Further, he told the board that there would be a new targeted \$30.0 million campaign to benefit the libraries at the Urbana campus.

In closing he announced that the Foundation would launch a major campaign and that this was now in the planning stage. He said that this campaign would be directed to the special characteristics of each campus, and would emphasize increasing the endowment, broadening the donor base, strengthening engagement with the University for alumni and friends, enhancing faculty involvement, establishing a volunteer structure

to support the objectives, educating stakeholders about the importance of private giving for the University, and articulating the significance of “one great University—three distinct campuses.”

Discussion followed during which Mr. Sperling asked the value of an endowed chair and was told that it is \$1.5 million. Dr. Carroll asked for information about restricted and unrestricted gifts, and Dr. Micek stated that only 2 percent of the Foundation’s gifts are unrestricted. There was more discussion about the needs of the University and the critical role of private giving to maintain excellence.

BOARD MEETING RECESSED FOR COMMITTEE MEETING

The board recessed for a meeting of the Legal Affairs Committee.

MEETING OF THE LEGAL AFFAIRS COMMITTEE

Mr. Bruce convened this meeting and asked Mr. Bearrows to present information on new amendments to the Illinois Ethics Act.

Mr. Bearrows indicated that he would discuss the highlights of the new, very complex, amendments to the Ethics Act and would then send a more detailed memorandum to board members later. He then reviewed the legislative history of the two amendments to the Act that the governor had signed in recent months (material on file with the secretary).

He stated that the key changes made by this legislation are the creation of external entities and procedures to provide guidance and enforcement of requirements of the Ethics Act. Also, he stated that the amendments to the Ethics Act strengthen the Gift Ban Act provisions by reducing the number of exceptions. He told the board that for the purposes of this legislation, the University is considered a State agency, and both board members and University employees are considered State employees. Further, he noted that the Act now requires implementation of procedures to increase ethics awareness, oversight, and enforcement, including annual training in ethics by all agencies, and that the State has made training available via a web site to all State employees. He said that it is the responsibility of the Board of Trustees to implement training in ethics for University employees. Related to this he mentioned that the university ethics officer was updating an on-line course in ethics training. He said that a State Ethics Commission and several inspectors general are created for oversight of compliance with the Ethics Act.

In noting specific provisions, Mr. Bearrows commented that the Illinois Board of Higher Education is required to adopt and implement personnel policies for employees of Illinois public institutions of higher learning by February 1, 2004, to apply 30 days after adoption. These must include policies documenting work time, travel reimbursement, compensation, and earning/accrual of State benefits. These records are to be filed with the Executive Ethics Commission.

Further, he stated that a University employee, the employee’s spouse, and any immediate family member living with the employee would be prohibited from working with an outside vendor for one year after leaving the

University if he or she had participated personally and substantially in the decision to award contracts with a cumulative value of over \$25,000 to that vendor. He said this prohibition may be waived by the newly created Executive Ethics Commission once it meets, and in the interim the Board of Trustees has authority to waive the prohibition. In the area of prohibited political activities, he told the board that the Act now curtailed any kind of political activity for State employees during compensated time, other than vacation, personal, or compensatory time off, prohibited the misappropriation of State property or resources in prohibited political activity, and prohibits State employees from requiring other persons to participate in prohibited political activities. He explained that prohibited political activities do not include activities related to lobbying or collective bargaining.

Dr. Gindorf asked if the prohibition on employment provision applied with respect to student trustees, particularly the student trustee with official vote, after graduation. Mr. Bearrows agreed to research this matter.

Mr. Bearrows also reported that the Act limited late term gubernatorial appointments that require Senate confirmation to a period of 60 days into the next (succeeding) governor's term of office. He also described the new disclosure requirements for board members that include disclosure of State contracts the board member or an immediate family member might have and State contracts in which the board member or a family member has a majority interest. He said that these disclosures are public records under the Illinois Freedom of Information Act. He also stated that members of State boards and commissions and their spouses or immediate family members living with them were barred from a direct pecuniary interest in a University-related contract during the time of service on the board and for one year after leaving the board. In addition, he explained that a person or spouse or immediate family member living with the person is ineligible to serve on a board authorized by State law if that person is entitled to receive more than 7.5 percent of the total distributable income under a State contract other than an employment contract, or the aggregate of the total distributable income for the family with respect to any State contract exceeding 15 percent.

He also referred to the prohibition of lobbyists, those required to register under the Lobbyist Registration Act, serving on State boards, as well as their spouses, and members of their immediate family living with them.

Next, he explained the whistle blower protection of the Act, stating that this prohibits retaliatory action by or against any State employee because that employee disclosed legal violations or assisted in enforcement of this statute. He added that the statute would be violated if the State employee engaged in protected activity and that was a contributing factor for alleged retaliatory action, but that the statute would not be violated if the employer demonstrated by clear and convincing evidence that the same unfavorable personnel action would have occurred without the protected activity. He also described the remedies. Mr. Bearrows then stressed the importance of maintaining well-documented personnel files for employees.

He also explained the structure of the Executive Ethics Commission and executive inspectors general and stated that for the University the relevant entities are the Executive Ethics Commission and the executive inspector general appointed by the governor. He also described the composition of the commission and the role of the inspector general.

He informed the board that the required statements of economic interest that board members and certain University staff must file each year with the Illinois Secretary of State will be available via the secretary's website, whereas these were formerly available only upon written request with notice to the person whose statement was requested.

He stated that the amendments to the Ethics Act now required each agency to have an ethics officer which was earlier required under the Gift Ban Act and that the University's executive director of audits, Dr. Richard Traver, fills that role.

In closing, Mr. Bearrows reviewed future actions required under the Act for the Illinois Board of Higher Education, the Board of Trustees, the University administration, and the attorney general to comply with this statute. He indicated that the board and all employees of the University are required to undergo ethics training in 2004.

BOARD MEETING RECONVENED

At this time, the board reconvened in regular session. Mrs. Sodemann left the meeting at 11:00 a.m. and returned at 11:15 a.m. She then departed at 12 noon.

MINUTES APPROVED

(1) The secretary presented for approval the press proof of the minutes of the Board of Trustees meeting of July 16-17, 2003, and the following correction to the minutes of the Board of Trustees meeting of June 12, 2001, copies of which had previously been sent to the board.

On motion of Dr. Carroll, these minutes and the correction were approved.

Correction to Minutes of July 12, 2001

A motion and vote were inadvertently omitted from the minutes of the Committee on Buildings and Grounds meeting on July 12, 2001, following presentation of the master plan for the south campus at Urbana. Approval is sought to amend these minutes. (New material is in italics.)

Mr. Todd then introduced the representative of the SmithGroup JJR to provide information on the master plan for the south campus at Urbana (materials are filed with the secretary). The planner indicated that additional parcels of land are to be added to the plan and proceeded to describe the land use plan that includes a golf course and an expansion to the research park. There was also discussion about possibly locating an alumni center in this area. (This would be an alternative to the location proposed earlier at Lincoln Avenue and Illinois Street in Urbana.) There was discussion of stress on local streets from the traffic to be expected from the planned development, and a new entrance to the interstate highway was discussed as a possibility to relieve this. Dr. Schmidt noted that the Board of Managers of the Research Park at Urbana had

endorsed this plan. Dr. Bazzani commented that this plan calls for a major acquisition of land for the campus that should be sufficient for expansion of the campus for another five decades, and probably longer, since the campus has been adding new square feet of facilities at the rate of one million square feet per decade for the past several decades.

On motion of Dr. Gindorf, this plan was approved unanimously.

COMMENTS FROM TRUSTEES

Dr. Gindorf spoke in support of the appointments of Dr. Charles A. Owens and Dr. Richard V. Benya, both appointments are in the agenda for approval at this meeting.

Mr. Hollingsead thanked the board for approving the student fee for the recreation center at Springfield at the board meeting November 13, 2003.

Mr. Sperling commended Chancellor Cantor and Mr. Ronald Guenther, director of athletics, Urbana, for their handling of recent problems concerning student athletes who have received considerable media coverage. He stated that the chancellor and Mr. Guenther faced the problems and that the students have learned from their unfortunate experiences, and have matured as a result.

AGENDA

The board considered the following reports and recommendations from the president of the University.

Mr. Shah asked for clarification on agenda item no. 10, "Award Contract for Job Order Contracting (JOC) System, Urbana." Specifically, he asked if all contracts eligible for payment from the fund this item recommends that were for \$250,000 or greater would be bid. Mr. Rugg assured him such contracts would be bid.

Resolution to Recognize University of Illinois Students, Faculty, and Staff Serving on Active Military Duty

(2) The Board of Trustees wishes to recognize those members of the University of Illinois family who have responded to the call to active duty with the military from fall 2002 to the present. These individuals have served at home and abroad in aid of security for our country and protection of others in these extremely threatening times. They have participated in Operation Iraqi Freedom; Operation Enduring Freedom (in Afghanistan); and Operation Noble Eagle (in our country).

Since fall 2002, 191 students, faculty, and staff from the University have been called to active duty. In addition, many alumni have been called to military service as well. The Board of Trustees wishes to express its deep regret at the loss of an alumnus of the University, Brian Donatus Slavenas, of Genoa, Illinois, who gave his life for our country in Iraq.

It is with pride that we take this opportunity to praise the courage and valor of these outstanding men and women of our extended University family. We send a heartfelt message of gratitude to them for all they have sacrificed in order to protect the lives of those in other parts of the world, and to provide security for our country. We also send words of comfort to the families of these students, faculty, staff, and alumni currently serving in the military away from home and family.

The Board of Trustees directs that this resolution be incorporated in the minutes of today's meeting, to become a part of the official public record.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 3 through 8 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(3) Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

A—Indefinite tenure

B—Ten months' service paid over twelve months

K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term

N—Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

*RICHARD V. BENYA, associate professor of medicine, College of Medicine at Chicago, on 100 percent time, beginning November 17, 2003 (AY), at an annual salary of \$88,000. Dr. Benya will continue to serve as physician surgeon in medicine, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried), for a total salary of \$88,000.

RACHEL P. YUDKOWSKY, assistant professor of medical education, College of Medicine at Chicago, on 60 percent time, beginning October 17, 2003 (1), at an annual salary of \$78,000.

Emeriti Appointments

DAVID E. BOYCE, professor emeritus of civil and materials engineering, September 1, 2003

BRIAN HIGGINS, professor emeritus of English, January 1, 2004

RAJ V. KUMAR, associate professor emeritus of biochemistry, Department of Dermatology, College of Medicine at Chicago, October 1, 2003

GEORGE W. ORDAL, professor emeritus of biochemistry, Department of Basic Sciences, College of Medicine at Urbana-Champaign, August 1, 2003

JAYANT RADHAKRISHNAN, professor emeritus of surgery, College of Medicine at Chicago, September 1, 2000

WANDA L. SORGENTE, assistant professor emerita of Slavic and Baltic languages and literatures, January 1, 2004

STEPHEN SZEPE, associate professor emeritus of chemical engineering, May 21, 2003

Springfield

Emeriti Appointments

LARRY E. SHINER, professor emeritus, Philosophy Program, January 1, 2004

GARY A. STORM, associate professor emeritus, Teacher Education Program, January 1, 2004

Urbana-Champaign

TODD L. ALLEE, assistant professor of political science, on 100 percent time, beginning October 6, 2003 (1), at an annual salary of \$62,000.

JOANNA MARIA AUSTIN, assistant professor of aerospace engineering, on 100 percent time, beginning October 27, 2003 (N), at an annual salary of \$68,000.

KENNETH T. CHRISTENSEN, assistant professor of theoretical and applied mechanics, on 100 percent time, beginning January 1, 2004 (2), at an annual salary of \$72,000.

SHERRIE G. CLARK-DEENER, assistant professor of veterinary clinical medicine, on 100 percent time, beginning October 16, 2003 (NY), at an annual salary of \$80,000.

A. BRYAN ENDRES, assistant professor of agricultural and consumer economics, on 100 percent time, beginning November 16, 2003 (N), at an annual salary of \$75,000.

INDRANIL GUPTA, assistant professor of computer science, on 100 percent time, beginning September 19, 2003 (1), at an annual salary of \$77,000.

NANCY L. MCELWAIN, assistant professor of human and community development, on 100 percent time, beginning January 1, 2004 (N), at an annual salary of \$54,000.

KRISTINA C. MILER, assistant professor of political science, on 100 percent time, beginning October 6, 2003 (1), at an annual salary of \$62,000.

LEONARDO B. REZENDE, assistant professor of economics, on 100 percent time, beginning September 25, 2003 (1), at an annual salary of \$85,000.

Emeriti Appointments

JOSEPH E. GREENE, professor emeritus of materials science and engineering, December 1, 2003

JAMES L. WARDROP, associate professor emeritus of educational psychology, September 1, 2003

MITSUKO WILLIAMS, associate professor emerita of library administration, University Library, January 1, 2004

Administrative/Professional Staff

RICHARD J. ANZALONE, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$99,840. Dr. Anzalone was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Anzalone will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$99,840.

ANN T. ASSAM, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$102,720. Dr. Assam was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Assam will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$102,720.

ELABBAS BENMAMOUN, head of the Department of Linguistics, College of Liberal Arts and Sciences, Urbana-Champaign, on an academic year service basis with an administrative increment of \$5,500, beginning February 16, 2004 (K). Dr. Benmamoun will continue to hold the rank of associate professor of linguistics, on indefinite tenure on an academic year service basis, on 100 percent time, effective February 16, 2004 (A100), at an annual salary of \$68,088, for a total salary of \$73,588.

RICHARD RUSSELL BETTS, vice provost for planning and programs, Office of the Provost and Vice Chancellor for Academic Affairs, Chicago, on an academic year service

basis, on 100 percent time, beginning January 16, 2004 (N), at an annual salary of \$130,143. He will receive an amount equal to 20 percent of three-ninths of his total annual salary for three months' service during each summer of his appointment as vice provost for planning and programs (\$8,676 for 2003-04). Dr. Betts was appointed to serve as interim vice provost for planning and programs under the same conditions and salary arrangement beginning December 15, 2003. He will continue to hold the rank of professor of physics, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$130,143.

MARGARET HAE YOUNG BYUN, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 16, 2004 (NY), at an annual salary of \$99,840. Dr. Byun was appointed to serve as visiting assistant director under the same conditions and salary arrangement beginning October 1, 2003. Dr. Byun will continue to hold the rank of clinical assistant professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$99,840.

DEBORAH A. CASE, associate director of athletics-business affairs, Division of Intercollegiate Athletics, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$125,000. Ms. Case was appointed to serve as acting associate director of athletics-business affairs, under the same conditions and salary arrangement beginning December 1, 2003.

WILLIAM H. CHAMBERLIN, chief medical officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 88 percent time, beginning February 12, 2004 (NY88), at an annual salary of \$215,356. Dr. Chamberlin will continue to serve as associate dean for medical center affairs, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 12 percent time, effective February 12, 2004 (NY12), at an annual salary of \$30,140. He will continue to hold the rank of associate professor of medicine, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); associate professor of anesthesiology, College of Medicine at Chicago, on zero percent time (non-tenured and non-salaried); and physician surgeon in medicine, College of Medicine at Chicago, on zero percent time (N;N;NY), for a total salary of \$245,496.

CASWELL EVANS, associate dean for prevention and public health sciences, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$20,000, beginning August 1, 2004 (NY). In addition, he will be appointed to serve as director of the Center for Prevention and Public Health Sciences, College of Dentistry, on a twelve-month service basis, on zero percent time (non-tenured and non-salaried). Dr. Evans will also be appointed to the rank of clinical professor of pediatric dentistry, College of Dentistry, on a twelve-month service basis, on 100 percent time, beginning August 1, 2004 (NY100), at an annual salary of \$160,000, for a total salary of \$180,000.

M. RYAN GANTES, chief ambulatory officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$157,000.

YVONNE HARRIS, special assistant to the head, Department of Neurology and Rehabilitation Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning January 19, 2004 (NY), at an annual salary of \$100,000. Ms. Harris was appointed to serve as visiting special assistant to the head under the same conditions and salary arrangement beginning December 8, 2003.

DIANE L. HODGES, director of community relations, Office of the Vice Chancellor for External Affairs, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$120,000. Dr. Hodges was appointed to serve as interim director of community relations under the same conditions and salary arrangement beginning December 1, 2003.

RICHARD JOSEPH JUREVIC, director of oral medicine and radiology graduate studies, Department of Oral Medicine and Diagnostic Sciences, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$10,000,

beginning January 16, 2004 (NY). Dr. Jurevic was appointed to serve as visiting director under the same conditions and salary arrangement beginning January 1, 2004. He was also appointed to the rank of associate professor of oral medicine and diagnostic sciences, on a twelve-month service basis, on 100 percent time, January 1, 2004-August 15, 2007 (QY100), at an annual salary of \$115,900, for a total salary of \$125,900.

ROSE ANN LAURETO, chief information officer, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), with an annual salary of \$250,000. Ms. Laureto was appointed to serve as visiting chief information officer under the same conditions and salary arrangement beginning January 5, 2004.

VALERIE LINDGREN, director of Cytogenetics Laboratory, Department of Pathology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 71 percent time, beginning January 16, 2004 (NY71), at an annual salary of \$91,800. Dr. Lindgren was appointed to the rank of associate professor of pathology, College of Medicine at Chicago, on a twelve-month service basis, on 29 percent time, September 1, 2003-August 15, 2006 (QY29), at an annual salary of \$36,000, for a total salary of \$127,800.

DAVID H. LOFFING, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.

*CHARLES A. OWENS, chief of section, Peripheral Vascular and Interventional Radiology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 15 percent time, beginning February 15, 2004 (NY15), at an annual salary of \$50,000. In addition, Dr. Owens will be appointed to the rank of associate professor of radiology, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$90,000; and physician surgeon in radiology, College of Medicine at Chicago, on a twelve-month service basis, on 34 percent time, at an annual salary of \$160,000, effective February 15, 2004 (AY51;NY34), for a total salary of \$300,000.

DARRYL D. PENDLETON, associate dean for student and multicultural affairs, College of Dentistry, Chicago, on a twelve-month service basis with an administrative increment of \$34,000, beginning May 21, 2004 (NY). Dr. Pendleton was appointed to serve as visiting associate dean for student and multicultural affairs under the same conditions and salary arrangement beginning December 16, 2003. He will continue to hold the rank of clinical assistant professor, Urban Health Program, College of Dentistry, on a twelve-month service basis, on 100 percent time, effective May 21, 2004 (NY100), at an annual salary of \$101,000, for a total salary of \$135,000.

STEVEN GLENN PUEPPKE, director, National Soybean Research Laboratory, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis with an administrative increment of \$6,000, beginning January 16, 2004 (NY). Dr. Pueppke was appointed to serve as interim director under the same conditions and salary arrangement beginning November 1, 2003. He will continue to serve as associate dean for research, College of Agricultural, Consumer and Environmental Sciences on a twelve-month service basis, on 100 percent time, effective January 16, 2004 (NY100), at an annual salary of \$169,500, with an administrative increment of \$6,000. In addition, he will continue to hold the rank of professor of crop sciences, on indefinite tenure on an academic year service basis, on zero percent time (non-salaried), for a total salary of \$181,500.

THOMAS M. RACHUBINSKI, special assistant to the head, Department of Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 18 percent time, beginning January 16, 2004 (NY18), at an annual salary of \$20,000. Mr. Rachubinski was appointed to serve as visiting special assistant to the head under the same conditions and salary arrangement beginning October 1, 2003. He will continue to serve as assistant to the director of general surgery, Department of Surgery, College of Medicine at Chicago, on a twelve-month service basis, on 82 percent time, effective January 16, 2004 (NY82), at an annual salary of \$89,890, for a total salary of \$109,890.

- ANDREW J. REID, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- JOHN W. RICHARDSON, chief of police, Office of the Vice Chancellor for External Affairs, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$125,000. Mr. Richardson was appointed to serve as visiting chief of police under the same conditions and salary arrangement beginning January 5, 2004.
- IAN MCLEAN ROBERTSON, head of the Department of Materials Science and Engineering, College of Engineering, Urbana-Champaign, on an academic year service basis with an administrative increment of \$3,500, beginning January 16, 2004 (K). He will receive an amount equal to one-ninth of his academic year total salary for one month's service during each summer of his appointment as head (\$16,889 for 2003-04). Dr. Robertson was appointed to serve as interim head under the same conditions and salary arrangement beginning March 21, 2003. He will continue to hold the rank of professor of materials science and engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, effective January 16, 2004 (A100), at an annual salary of \$148,500, for a total salary of \$152,000.
- ALISON BECKER SCHMULBACH, executive assistant dean for administration and finance, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY100), at an annual salary of \$115,000. Ms. Schmulbach was appointed to serve as interim executive assistant dean for administration and finance, on a twelve-month service basis, on zero percent time, with an administrative increment of \$18,600, beginning December 1, 2003 (NY).
- STEVEN M. SCOTT, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- EDWARD M. SLAZINIK, director, Illini Union, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$105,676.
- JANET MARIE SPUNT, associate hospital director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$135,000.
- ARTHUR NICHOLAS STRAUB, director, Clinical Practice and Business Development, Department of Medicine, College of Medicine at Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$105,000. Mr. Straub was appointed to serve as visiting director, clinical practice and business development, under the same conditions and salary arrangement beginning November 16, 2003.
- MARGARET A. STROBEL, director, Jane Addams Hull House Museum, College of Architecture and the Arts, Chicago, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY100), at an annual salary of \$106,836. In addition, for service as director, Dr. Strobel will receive an administrative increment of \$15,000, on a twelve-month service basis (NY). She will continue to hold the rank of professor, Gender and Women's Studies Program, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on zero percent time (A) (non-salaried), and professor of history, College of Liberal Arts and Sciences, on zero percent time (non-tenured and non-salaried), for a total salary of \$121,836.
- CAROL D. WAKEFIELD, director of budget and resource planning, College of Liberal Arts and Sciences, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$107,500. Ms. Wakefield was appointed to serve as visiting director of budget and resource planning under the same conditions and salary arrangement beginning December 16, 2003.
- SUSAN R. WINKLER, assistant director, Ambulatory Pharmacy Services, College of Pharmacy, Chicago, on a twelve-month service basis, on 100 percent time, beginning July 16, 2004 (NY), at an annual salary of \$98,000. Dr. Winkler was appointed to serve as

visiting assistant director under the same conditions and salary arrangement beginning November 3, 2003. Dr. Winkler will continue to hold the rank of clinical associate professor of pharmacy practice, College of Pharmacy, on zero percent time (non-tenured and non-salaried), for a total salary of \$98,000.

CHIEN HENG WU, associate head for undergraduate studies, Department of Civil and Materials Engineering, College of Engineering, Chicago, on an academic year service basis, with an administrative stipend of \$12,455, beginning April 16, 2004 (N). Dr. Wu was appointed to serve as visiting associate head for undergraduate studies under the same conditions and salary arrangement beginning August 15, 2003. He will continue to hold the rank of professor of mechanical engineering, Department of Civil and Materials Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, effective April 16, 2004 (A100), at an annual salary of \$112,097, for a total salary of \$124,552.

[Also, the chair of the Board of Trustees, after consultation with the president of the University, and in accord with Section 7, Article VI of the *Bylaws of the Board of Trustees*, reports the appointment of Douglas E. Beckmann, as deputy comptroller of the Board of Trustees, effective May 1, 2004.]

DOUGLAS E. BECKMANN, senior associate vice president for business and finance, University Administration, on a twelve-month service basis, on 100 percent time, and deputy comptroller, on zero percent time, beginning May 1, 2004 (NY100;NY), at an annual salary of \$195,000.

TINA A. HOWARD, assistant dean for development, College of Business, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$98,000.

JENNIFER M. QUIRK, associate director for research and external affairs, Institute for Genomic Biology, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning January 16, 2004 (NY), at an annual salary of \$136,000. Dr. Quirk was appointed to serve as interim associate director under the same conditions and salary arrangement beginning January 5, 2004.

On motion of Dr. Schmidt, these appointments were confirmed.

Establish M.S. in Bioinformineering, and an Option in Computer Science, Urbana

(4) The chancellor at Urbana with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Graduate College to create an M.S. in Bioinformatics with an option in chemical and biomolecular engineering and an option in computer science.

Rapid advances in genomics have led to the need for a new breed of scientist and engineer that can process the massive amounts of data produced by new techniques such as gene sequencing. Bioinformatics—a rapidly evolving discipline at the interfaces of biological, chemical, computer, engineering, and medical sciences—provides students with the knowledge and training in informatic tools to work successfully with these massive biomolecular data sets. Given the broad application of bioinformatics to fields in engineering, science, and medicine, Urbana proposes a campus-wide M.S. in Bioinformatics with options in a variety of fields with bioinformatic applications. The M.S. in Bioinformatics was developed jointly by the Colleges of Liberal Arts and Sciences, Engineering, Veterinary Medicine, and the College of Agricultural, Consumer and Environmental Sciences, under the auspices of the Graduate College. Departments in each of these units may submit proposals for a bioinformatics option that reflects the particular focus of their departments and the skills needed by their students.

The M.S. in Bioinformatics requires eight units for the thesis option and nine units for the non-thesis option. For either option, at least three units must be at the 400-level and a minimum of one course must be taken in each of the three core bioinformatics areas. The remaining courses will be approved by the student's advisor based on the student's particular educational and occupational interests.

Two departments have proposed options within the M.S. in Bioinformatics. The Department of Computer Science proposes a computer science option with a focus on techniques, such as combinatorial search techniques for sequence matching and optimization techniques for structure determination. The computer science option will require nine units including two required computer science courses, three additional computer science courses from an approved list, one core biological science course, one core statistics course, one core bioinformatics course, and one elective.

The Department of Chemical and Biomolecular Engineering proposes a chemical and biomolecular engineering option with a focus on metabolic engineering. The chemical and biomolecular engineering option will require nine units including five and one-half units of core courses and three and one-half units of elective/concentration area courses.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Discontinue B.S. in Economics, College of Business, Urbana

(5) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the Department of Economics in the College of Business to discontinue the B.S. in Economics.

Urbana currently offers both a B.S. in Economics through the College of Business and a B.A. in Economics through the College of Liberal Arts and Sciences. The discontinuation of the B.S. in Economics is the first step in a larger reorganization of the Department of Economics and its eventual transfer to the College of Liberal Arts and Sciences. Currently, more than 90 percent of students pursuing an economics degree choose to pursue the B.A. in Economics through liberal arts and sciences. Eliminating the B.S. in Economics in the College of Business will have minimal impact on students, will be more consistent with student interests, and will reflect the ongoing shift of economics to the College of Liberal Arts and Sciences. No additional funds will be needed and there will be no impact on faculty.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Discontinue B.S. in the Teaching of Computer Science, College of Liberal Arts and Sciences, Urbana

(6) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Liberal Arts and Sciences to discontinue the B.S. in the Teaching of Computer Science.

The B.S. in the Teaching of Computer Science (historically referred to as the curriculum preparatory to the teaching of computer science) no longer meets the Illinois State Board of Education requirements for teacher education certification. As such, no students have pursued this degree for several years and we propose its discontinuation. There is no impact on students since students wishing to pursue certification in the teaching of computer science may enroll in the teacher education minor in computer science.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Revocation of Baccalaureate Degree, Chicago

(7) The College of Liberal Arts and Sciences on the Chicago campus has conducted a thorough review of a matter concerning conduct by a former student who had received a Bachelor of Science degree in Mathematics and Computer Science. The college provided the former student with appropriate due process rights, including notice, and the right to a hearing and appeal. The former student chose not to participate in the process. The dean of the College of Liberal Arts and Sciences reviewed the matter and recommended to the chancellor at Chicago that the degree be revoked. The chancellor concurs that the degree be revoked.

The president of the University recommends approval.

On motion of Dr. Schmidt, this recommendation was approved.

Delegate Authority for Changes in Enrollment Deposits

(8) As an enrollment management tool, the board has approved enrollment deposits for selected programs at all three campuses. An enrollment deposit is not an additional fee and is not intended to generate additional revenue, but is a small down payment on the tuition that a student would eventually pay. Although enrollment deposits are generally a small percentage of the total tuition, they provide the academic unit with better measurements of student intent and enrollment projections. In stringent budget times with many units experiencing limited capacities to meet instructional demands, enrollment deposits are especially useful in assisting those units in planning their instructional workload.

All three campuses of the University have had Board approved Enrollment Deposits for selected programs for use as an enrollment management tool. All three campuses have experienced strong enrollment demands, especially in selected fields of study. Some examples of these programs include pharmacy at the Chicago campus, the Capital Scholars Program at the Springfield campus, and law at the Urbana-Champaign campus.

Periodically the administration has requested the board approve small changes in the enrollment deposit. As enrollment demands change among individual programs, often quite rapidly, and as enrollment pressures continue to intensify across many programs at all campuses, University officers desire additional flexibility to adjust enrollment deposits periodically for high demand programs.

The management of enrollment deposits has been reviewed by the Academic Affairs Management Team and it is recommended that authority be delegated to the vice president for academic affairs to establish, modify, or rescind enrollment deposit requirements.

The president of the University concurs.

On motion of Dr. Schmidt, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 9 through 13 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Award contract for West Campus Recreation Center, Chicago

(9) At its meeting September 12, 2002, the board approved the campus recreation expansion and renovation project. In a student referendum on this project, February 2002, 81 percent of the students voting approved of a \$70 per semester fee increase to pay for the improvements and new construction. In accordance with Illinois Statutes, the Illinois Board of Higher Education approved this non-instructional capital improvement.

The project consists of a renovation of parts of the existing facility and an addition of approximately 21,000 square feet to include a new weight training and cardiovascular equipment area, new fitness/martial arts equipment area, and new fitness/martial arts studios.

The president of the University with the concurrence of the appropriate University officers recommends that the following construction contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus the acceptance of the indicated bid alternates.¹

Division I—General Work

FHP Tectonics/F. H. Paschen, Chicago	Base Bid	\$3,740,000
	Alt. G-1	210,000
	Alt. G-2	55,000
	Alt. G-3	32,000
	Alt. G-4	21,000
	Alt. G-5	31,000
	Alt. G-6	29,000
	Alt. G-7	13,000
	Alt. G-9	59,000
	Alt. G-10	16,000
		<u>\$4,206,000</u>

Total All Divisions of Work \$5,902,915²

Funds for the project are available from Auxiliary Facilities System Revenue Bonds.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mr. Shah, this contract was awarded by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

Award Contract for Job Order Contracting (JOC) System, Urbana

(10) The Job Order Contracting (JOC) System enhances the contracting operations for repairs, minor remodeling, and new construction at the Urbana campus. Budgets will be developed on an individual project basis in connection with specific job orders.³ Based on past records of the campus' existing contracts for repairs, minor remodeling, and new construction, it is anticipated that the Urbana campus will order an estimated \$14.0 million in construction work under the JOC System over the designated three and one-half year contract period.

The president of the University with the concurrence of the appropriate University officers recommends that the following Job Order Contracting System contract be awarded to T. A. Brinkoetter and Sons, Inc., Decatur. Competitive bidding procedures in

¹Description of Alternates: G-1—Track mezzanine; G-2—existing track renovation; G-3—window replacement; G-4—racquetball court renovation; G-5—gymnasium curtain divider and backstops; G-6—natatorium ceiling grid replacement; G-7—lower level multi-purpose room B037 finishes; G-9—B62 and B63 locker rooms replacement; and G-10—fitness room 2210 upgrade from carpet to rubber.

²Contracts for other bid packages were awarded that were within the delegated approval levels (Plumbing: Mecon Industries, Inc., Lansing—\$265,000; Heating, Piping, Refrigeration & Temperature Control: Monaco Mechanical, Inc., Westmont—\$447,000; Ventilation & Air Distribution: Qu-Bar, Inc., Oak Forest—\$589,215 [includes Alt. V-1 adds ductwork to be extended below the new track—\$20,100 and Alt. V-7 adds ductwork, grilles, and other ventilation and apparatuses associated with the fit-out of multi-purpose room B037—\$1,115]; Electrical: Loyola Electric Construction, Chicago—\$395,700 [includes Alt. E-1 adds electrical work associated with the fit-out of multi-purpose room B037—\$5,200, Alt. E-5 provides electrical work associated with installation of new backstop and curtain divider in existing gymnasium—\$3,300, and Alt. E-8 adds lighting below track—\$3,200]) making a total award of \$5,902,915.

³An individual project cost will be determined by the quantities of work required to complete the project, multiplied by the unit prices published in the industry unit price book for the Champaign-Urbana area, multiplied by the applicable price adjustment factor (one of four that was competitively bid by the job order contractor).

accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of the lowest combined adjustment factor as described below:

<i>Division I—General</i>	<i>Combined Adjustment Factor</i>
T. A. Brinkoetter and Sons, Inc., Decatur	.8259
F. H. Paschen, Chicago	.9898
Broeren Russo Construction, Champaign	1.2746

Funds will be identified on a project-by-project basis and may include State appropriated, institutional, or restricted funds available in the campus operating budget during each fiscal year.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

Purchases

(11) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for administration.

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$6,465,529.

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mr. Shah, the purchases recommended were authorized by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

Authorization for Settlement

(12) The university counsel recommends that the board approve payment of \$3,000,000 as its contribution to the settlement of *Samuels v. Jackson, et al.* This amount represents the University's self-insured retention for the relevant policy year. St. Paul Insurance, as the excess insurance provider, was the lead negotiator and reached a settlement with the plaintiff that is subject to a confidentiality agreement. The plaintiff alleges improper handling of her labor and the delivery of the infant, Abbigail Samuels, resulting in profound permanent neurological injury to the child due to cerebral hypoxia suffered during her birth.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann. (Mr. Bruce asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Authorization for Settlement

(13) The university counsel recommends that the board approve settlement of *Coney v. Yoo, et al.* in the amount of \$575,000. The plaintiff, Sharon Coney, alleges that the delay by the defendants in properly diagnosing and treating Maurice Coney for diabetic ketoacidosis as well as the delay in resuscitation resulted in his death.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann. (Mr. Bruce asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

President's Report on Actions of the Senate

(14) The president presented the following report:

Establishment of a Bachelor of Arts/Master of Urban Planning 4+1 Program in Urban and Regional Planning

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a Bachelor of Arts/Master of Urban Planning (MUP) 4+1 Program in Urban and Regional Planning. Students in the joint program would take the 400-level M.U.P. core courses in the senior year of their B.A. program. They are then admitted to the M.U.P. program for one year, where they take the courses that a M.U.P. student would normally take in their second year. The 4+1 joint program would help to attract talented undergraduate students to the urban and regional planning program and encourage them to stay at the University of Illinois for graduate school rather than attend another institution.

Establishment of the Minor in Environmental Economics and Law in the Department of Agricultural and Consumer Economics

The Urbana-Champaign Senate has approved a proposal from the College of Agricultural, Consumer and Environmental Sciences to offer a new minor in environmental economics and law. This minor will provide undergraduate students with basic skills in economics and legal analysis, and will teach them how to apply those tools to environmental problems. Completion of the minor requires 18 or 19 credit hours. Students are required to take a first course in microeconomic theory and in law, two courses in environmental and natural resource economics, and a course in environmental law. They complete the minor by taking one additional course from a list of options that applies law and/or economics to issues such as environmental protection, land use, and sustainability.

**Establishment of a Study Abroad Option for the Ph.D.
in Chemical Engineering**

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a study abroad option for the Ph.D. in Chemical Engineering. Students will complete 24 units of graduate credit, spending approximately equal proportions of their degree programs at Urbana and the National University at Singapore (NUS). The Ph.D. joint program will build upon the success of the M.S. study abroad option in chemical engineering between Urbana and NUS, and will allow students the opportunity to think and function globally within the field of chemical engineering by providing a truly international graduate experience.

This report was received for record.

**Comptroller's Financial Report
Quarter Ended September 30, 2003**

(15) The comptroller presented his quarterly report as of September 30, 2003. A copy has been filed with the secretary of the board.

This report was received for record.

**Report, Vice Chancellor for Health Affairs
January 1 to December 9, 2003**

(16) The vice chancellor for health affairs presented a report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations of all medical staff appointments and resignations for 2003. A copy has been filed with the secretary of the board.

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and terminations. A copy of the report is filed with the secretary.

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on December 22, 2003.

Summary

Graduate Degrees

Doctor of Musical Arts	5
Doctor of Philosophy	110
<i>Total, Doctors</i>	<i>(115)</i>
Master of Accounting Science	6
Master of Architecture	13
Master of Arts	33
Master of Business Administration	10
Master of Computer Science	10
Master of Education	24
Master of Fine Arts	1
Master of Human Resources and Industrial Relations	60
Master of Landscape Architecture	2
Master of Music	4

Master of Science	383
Master of Social Work	47
Master of Urban Planning	7
<i>Total, Masters</i>	(600)
Advanced Certificate in Education	3
<i>Total, Graduate Degrees</i>	718
<i>Professional Degrees</i>	
College of Law	
Juris Doctor	11
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	100
College of Applied Life Studies	
Bachelor of Science	59
College of Business	
Bachelor of Science	175
College of Communications	
Bachelor of Science	33
College of Education	
Bachelor of Science	9
College of Engineering	
Bachelor of Science	286
College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	8
Bachelor of Fine Arts	26
Bachelor of Landscape Architecture	1
Bachelor of Music	10
Bachelor of Music Education	12
Bachelor of Science	19
<i>Total, College of Fine and Applied Arts</i>	(76)
College of Liberal Arts and Sciences	
Bachelor of Arts	294
Bachelor of Science	227
<i>Total, College of Liberal Arts and Sciences</i>	(521)
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	6
<i>Total, Undergraduate Degrees</i>	1,265
<i>Total, Degrees Conferred December 22, 2003</i>	1,994

CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES AWARDED

The secretary presented for record the following list of certified public accountant (CPA) certificates awarded to candidates on the dates indicated. (Awards are made to candidates who have fulfilled all legal requirements based upon sections in the Illinois Public Accounting Act of 1994.)

Summary

<i>Certificates Awarded January 17, 2003</i>	
By Reciprocity	22
By Transfer of Examination Credit	<u>11</u>
<i>Total, Certificates Awarded January 17, 2003</i>	33

<i>Certificates Awarded January 22, 2003</i>	
By Passing Written Examination on November 6-7, 2002, in Illinois	657
<i>Certificates Awarded February 7, 2003</i>	
By Reciprocity	14
By Transfer of Examination Credit	<u>8</u>
<i>Total, Certificates Awarded February 7, 2003</i>	22
<i>Certificates Awarded March 7, 2003</i>	
By Reciprocity	31
By Transfer of Examination Credit	<u>11</u>
<i>Total, Certificates Awarded March 7, 2003</i>	42
<i>Certificates Awarded April 11, 2003</i>	
By Reciprocity	63
By Transfer of Examination Credit	<u>18</u>
<i>Total, Certificates Awarded April 11, 2003</i>	81
<i>Certificates Awarded May 9, 2003</i>	
By Reciprocity	64
By Transfer of Examination Credit	<u>7</u>
<i>Total, Certificates Awarded May 9, 2003</i>	71
<i>Certificates Awarded June 13, 2003</i>	
By Reciprocity	46
By Transfer of Examination Credit	<u>17</u>
<i>Total, Certificates Awarded June 13, 2003</i>	63
<i>Certificates Awarded July 11, 2003</i>	
By Reciprocity	45
By Transfer of Examination Credit	<u>10</u>
<i>Total, Certificates Awarded July 11, 2003</i>	55
<i>Certificates Awarded July 30, 2003</i>	
By Passing Written Examination on May 7-8, 2003, in Illinois	704
<i>Certificates Awarded August 8, 2003</i>	
By Reciprocity	24
By Transfer of Examination Credit	<u>6</u>
<i>Total, Certificates Awarded August 8, 2003</i>	30
<i>Certificates Awarded September 12, 2003</i>	
By Reciprocity	79
By Transfer of Examination Credit	<u>11</u>
<i>Total, Certificates Awarded September 12, 2003</i>	90
<i>Certificates Awarded October 10, 2003</i>	
By Reciprocity	17
By Transfer of Examination Credit	<u>7</u>
<i>Total, Certificates Awarded October 10, 2003</i>	24
<i>Certificates Awarded November 21, 2003</i>	
By Reciprocity	51
By Transfer of Examination Credit	<u>20</u>
<i>Total, Certificates Awarded November 21, 2003</i>	71
<i>Certificates Awarded December 5, 2003</i>	
By Reciprocity	10
By Transfer of Examination Credit	<u>7</u>
<i>Total, Certificates Awarded December 5, 2003</i>	17

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider the following subjects: pending, probable, or imminent litigation against, affecting, or on behalf of the University."

The motion was made by Mr. Sperling and approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mrs. Sodemann.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

At this time, Mr. Bruce was excused due to the nature of the material to be discussed in order to eliminate the potential for any conflict of interest.

EXECUTIVE SESSION

Mr. Eppley reminded his colleagues that this would be the first time that the executive session would be taped and a verbatim transcription prepared.

Mr. Bearrows then presented the Alford case that involved a fourteen-year-old girl who died due to strep pneumonia. He described the facts of the case, beginning with the girl's appearance in the emergency room at the University Hospital with a cough producing some blood, and a pain on her right side, reporting that she had been in this condition for several days when she was seen at Cook County Hospital a few days earlier. He reported that the patient had had the symptoms for approximately six days when she was first seen at the University Hospital. He said that Cook County Hospital had diagnosed her condition as flu, and he added that she was also asthmatic. He then stated that the patient's temperature upon arrival at the emergency room at the University Hospital was 101.6 degrees, and that she was given an asthma treatment approximately one hour after she arrived and again about two and one-half hours later, then given a chortical steroid, prednisone. Mr. Bearrows said that a Dr. Marcinak, the only defendant in the case and a University Hospital attending physician specializing in pediatric infections disease, examined the patient, noting some troubled breathing, and did a pulse oximetry test that showed that the oxygen in the hemoglobin looked fairly good, and her lungs sounded good; therefore, since the patient was feeling better after the asthma treatments and the medication he sent her home after diagnosing her condition as asthma with flu. Mr. Bearrows then explained that the patient returned to the emergency room two days later still coughing up blood. He said tests revealed that she had group A strep pneumonia and her condition deteriorated over the next two days. He said a CT scan revealed that her lungs

were involved and she was scheduled for surgery, 11 days after she first appeared in the emergency room, and expired in surgery.

Mr. Bearrows discussed the views of outside experts that indicate that the patient presented classic symptoms of pneumonia. He reported one stated that he would have prescribed antibiotics upon first seeing the patient, and another suggested that the prednisone might have suppressed the immune system and made things worse. Mr. Bearrows reported that the University's attending physician claims that he was told that an x-ray he ordered shortly after the patient first appeared was normal. However, Mr. Bearrows said that this is not helpful because the diagnosis was incorrect and the x-ray taken a few days later clearly showed the patient's condition. Discussion with the trustees followed. Mr. Bearrows concluded the presentation telling the trustees that settlement in the \$2.5 to \$3.0 million range would be advised in this case, because the facts are bad and the experts' reviews were unsupportive.

RECESS FOR LUNCHEON AND COMMITTEE MEETINGS

There being no further business, the executive session was adjourned and the board meeting was recessed for a luncheon¹ followed by committee meetings.

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE

In Mr. Shah's absence, Mr. Sperling chaired this committee and asked Mr. Lyle D. Wachtel, associate vice president for facilities planning and programs, to introduce the representatives of Teng & Associates, Inc., for a design presentation for the Micro and Nanotechnology Laboratory addition and remodeling at Urbana. Mr. Wachtel introduced Mr. Jerry Cibulka, vice president, and Mr. Tom Hoepf, design architect.

Mr. Hoepf described the design of the building referring to illustrations of the design and said that the goal was to create more space in the Microelectronics Laboratory by adding 28,000 square feet to the current 95,000 square foot building. He said that the addition would provide space for laboratories and office space and that a new façade would be added. He indicated that the building materials would include brick, glass, and limestone for accents.

Mr. Wachtel then described the process by which the campus is involved in the design process and explained that since this is a project of the Capital Development Board (CDB), the campus representatives work with an architect chosen by the CDB within the bounds of the budget. He said construction would begin one year from now with a completion target date of October 2006. Mr. Eppley asked when faculty and researchers would get involved in planning the new addition and Chancellor Cantor stated that they have been intensely involved in this signature building in terms of the research to be done within the building and in the design. The chancellor also said that the campus plans to be a leader in nanotechnology as the

¹Guests of the board at luncheon included members of the Chicago Senate.

trend now is to move to ever-smaller technology. She said that the campus' plan is to combine research in nanotechnology and microtechnology, and for this the clean rooms in this facility would be very important. She added that the potential for technology transfer is tremendous in these areas.

In response to a question from Dr. Schmidt about future expansion of the facility the architect described that the modular design for building the laboratories made it possible to add successive modules.

On motion of Dr. Schmidt, this design was approved.

Mr. Wachtel announced that a new master plan for the Urbana campus would be presented to the board in late spring 2004.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE¹

Dr. Gindorf, chair of this committee, convened the meeting and asked Mr. Rugg to comment and to introduce the presenters. Mr. Rugg told the board that representatives of Moody's Investors Service had been invited to brief the board on their evaluation of the University's financial status with regard to debt. He noted that it had been some time since the board had been presented a picture of the University's debt and that it was important to apprise them of the amount of debt the University had and considerations for handling that and gauging the amount of additional debt prudent for the University. He then introduced Diane F. Viacava, vice president/senior credit officer, and Susan Fitzgerald, senior vice president, of Moody's. Ms. Viacava made the presentation to provide an independent view of the University's debt capacity (materials on file with the secretary). She described the concepts used by Moody's in evaluating investments, and explained the rating scale. She told the board that Moody's rates 90 percent of the public colleges and universities in the country, and stated that public universities are generally highly rated. She discussed the factors considered that include: the quality of students, the ratio of admissions to enrollments, and research funding and stated that these are strengths for the University. Also, the quality of the faculty, with two recent Nobel winners, was considered a strength, and the University's commitment to economic development in partnership with the State was seen as a strength. As a weakness, she mentioned the health care enterprise, because health care is volatile in every setting. She also said that the ability to increase tuition was a strength and that with the introduction of the guaranteed tuition program in fall 2004, that that is now an unknown factor. She indicated that the rating for the State of Illinois had been downgraded, and that this was having an effect on higher education because of attendant budget cuts. She added that the State of Illinois is rated weaker than neighboring states now. She also noted that the ability of the University to raise private funds through the Foundation was a strength. She told the board that the University still had debt capacity sufficient to fund some key projects that might be forthcoming in a few years.

¹Mr. Sperling left the meeting at 2:00 p.m.

She also briefly discussed the draft of a debt policy for the University and stated that this was quite important and that the format varied tremendously among institutions. She suggested that the board adopt a debt policy in order to have guidelines in place for considering debt. Mr. Douglas E. Beckmann, senior associate vice president for business and finance, commented that a debt policy would provide a toolkit for managing debt.

There was discussion of when it is prudent for the University to accept greater debt for a short time period in order to improve the University's resources in the long run. Mr. Eppley commented that the value of debt for the University is often well beyond the numbers, if it means the University will be significantly improved.

MEETING OF THE ACADEMIC AFFAIRS COMMITTEE

Dr. Schmidt, chair of this committee, convened the meeting. Dr. Schmidt stated that the faculty was the greatest asset to the University and announced that the committee would receive presentations from two outstanding faculty members at Chicago. He then turned to Chancellor Manning to introduce Professor Hayat Onyuksel, professor of pharmaceuticals and bioengineering in the Department of Biopharmaceutical Sciences. Dr. Manning commented on Professor Onyuksel's record for mentoring students and providing research experiences to students. The chancellor noted that among her many tributes, Professor Onyuksel had been named Woman of the Year for the Chicago campus recently and also named Inventor of the Year, the first woman to receive this honor. Professor Onyuksel then told the board that her research is in the area of drug delivery for treatment of breast cancer and rheumatoid arthritis, and expounded on this. She stressed that she seeks drug therapies that have low toxicity.

Chancellor Manning then introduced Professor Peter B. Hales, professor of art history in the Department of Art History, stating that his current research was on post-war American landscapes. She also recalled for the board that Professor Hales had provided excellent service to the campus in assisting in the selection of a design for the approach to University Hall a few years ago.¹

Professor Hales added that he is currently working on a study of the freeways of the United States, as dominant creations of the culture as evidenced by the ways they changed the environment.

His presentation to the board was a review of Levittown, Long Island, one of the first American suburbs that developed soon after World War II. He emphasized ways in which this "built environment" was developed, indicating that the creation of Levittown evoked a new sense of community and an enhancing of optimism for Americans. He also gave information about how he contacted early residents of Levittown via a website and the kind of written history and photographic history that he was able to study from contacts made by way of the Internet.

¹Dr. Carroll left the meeting at 2:40 p.m.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: March 11, Urbana; April 15, Chicago; June 17, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

SPECIAL MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

February 19, 2004



This special meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, February 19, 2004, beginning at 1:35 p.m., pursuant to a call by the chair of the board. The secretary of the board gave notice of the meeting as prescribed by the bylaws and by Illinois statute.

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,¹ Dr. Frances G. Carroll, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling. The following members of the board were absent: Governor Rod Blagojevich, Mr. Robert F. Vickrey. Mr. Nate H. Allen, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingsead, Springfield campus.

Also present were President James J. Stukel; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, Uni-

¹Mr. Bruce joined the meeting at 1:45 p.m.

versity of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

President Stukel recognized and introduced observers from the campus senates and from the University Senates Conference.¹

Next, Mr. Eppley stated that for this very special meeting of the board to discuss the search for a new president to succeed President James J. Stukel, he would introduce several guests attending the meeting to brief the board on various aspects of the task of selecting a new president. He then introduced Dr. Stanley O. Ikenberry, president emeritus; Mr. Thomas R. Lamont, a former trustee who chaired the last presidential search; Dr. Patricia A. Langley, professor of women's studies and legal studies, Springfield; Dr. Michael Grossman, professor of genetics in the Department of Animal Sciences, Urbana; and Dr. Gerald S. Strom, professor of political science, Chicago. Mr. Eppley explained that each of these three faculty members are leaders of their campus senates and members of the University Senates Conference that Dr. Langley chairs. He particularly thanked these three for their assistance in helping with the composition of the Consultative Committee to Assist in the Selection of a President. He then introduced Dr. Richard H. Herman, provost and vice chancellor for academic affairs, Urbana, and said Dr. Herman would address the board on the subject of the role of search firms assisting in searches for university administrators, based on his experience in recruiting several deans for the Urbana campus. Next, Mr. Eppley introduced Dr. Vera Mainz, chair of the University Professional Personnel Advisory Committee that represents the academic professional staff at the University, and said that she would comment on what the academic professional staff believes the board should consider in their search for a president. He then introduced Mr. Dan Sarhage, chair of the Employees Advisory Committee, representing the civil service staff of the three campuses, and said that he would bring the board views from that group. Next, Mr. Eppley introduced Mr. Mark Filip, Mr. Thomas Livingston, and Mr. Kenneth Viste, Jr., who were present representing the University of Illinois Alumni Association Board of Directors and said that they would share views of that group. He then introduced Mr. David J. Downey and Mr. Steven Miller, representing the University of Illinois Foundation Board of Directors, and stated that they would bring comments from that group. Mr. Eppley indicated that some of these individuals would be addressing the board later in the meeting.

¹University Senates Conference: Ann E. Weller, professor of library science, Chicago; Chicago Senate: Elliot Kaufman, professor of biochemistry and molecular genetics; Springfield Senate: Nancy L. Ford, professor of legal studies in the Institute for Legal, Administrative and Policy Studies; Urbana-Champaign Senate: Michael Grossman, professor of genetics in the Department of Animal Sciences.

REMARKS FROM CHAIR OF THE BOARD

Mr. Eppley stated that he wanted to underscore the significance of the task at hand, to search for a new president for our University and said that he meant “our” in the broadest context, and said that the contributions and efforts of all would prove invaluable to the future of the institution.

He said that the board begins this task from a position of strength; that the national reputation of the University is excellent, due largely to the attention and efforts of the countless contributors who have come before. He also stated that, “the excellence of our faculty is evident, our student population is growing as it strengthens, our role as a vital contributor to the local, State, regional, and national economies has seldom been more crucial, and our devotion to our four missions leads us to further success.”

Mr. Eppley stated that the board would commit itself to finding and recruiting the very best person to lead the University to the next level. He said that it has been good fortune to have Jim Stukel fill that role for the last nine years, and that the board would have to work hard to find an individual worthy of taking on the leadership for this institution and helping it to grow and prosper.

He said that while the board accepts its responsibility as the ultimate decision maker, the board embraces the opportunity to collaborate with the broad community of the University and he stressed the importance of input from faculty, alumni, staff, students, and others in the University of Illinois family. He concluded by stating that the board’s commitment to the effort is reflected in the advisory committee composition and in the charge to the committee, and added that it is also reflected in the meeting today, where the board will have the benefit of others’ experiences and insights.

INTRODUCTION OF PRESIDENT EMERITUS IKENBERRY

Mr. Eppley then introduced President Emeritus Stanley O. Ikenberry and invited him to share observations on the nature of the University presidency in institutions like the University of Illinois.

Remarks by President Emeritus Stanley O. Ikenberry

President Ikenberry commented that the task of searching for a president was indeed a very important one for the board and said it was fortunate that the boards of the University had had to engage in this just twice in the last 25 years. He told the board that they would be judged collectively on the decision and that if they were successful they would leave a legacy beyond their individual tenures on the board. He said that what the board does in selecting the next president is important in many ways, including the future of the State, as there is probably no single strategic resource more important to the State than the University. He emphasized that the presidency was about leadership—gaining and grasping a vision, and said that though candidates will not have this in the beginning, their own individual vision would need to equip them to learn from the board, the faculty, and the environment and synthesize all of the thinking of these groups and the

information available into a cohesive message to describe the University's vision. He stressed the need for abundant communication and said that a president needs to be in constant communication and in substantive discussions with a wide range of constituencies—from groups inside the University to external groups including the legislature, editorial boards, alumni, and professional societies. He said that the challenge of the presidency is to integrate the life and functioning of the University with the broader outside world, and to lead both to change in constructive ways.

Next, he spoke to the nature of the university and how intangible and thoroughly unique many aspects of any university are. He stressed the fact that a university is a community with many members living together constantly. He also noted the large number of stakeholders in a university like the University of Illinois and the need for a leader to understand all of them and to manage linkages.

Next, he addressed the specific characteristics of the University of Illinois and pointed out how important it would be for the Consultative Committee to Assist in the Selection of a President and the board to be able to define the individual traits of the University at this time. He explained that this would include knowing what was on the agenda for the University for the next five to ten years, how the University really functions now, and what challenges lie ahead in this time frame of five to ten years. He stressed the importance of knowing these things in order to present the University externally and to inform the candidates for the presidency. He suggested the following as important things for candidates to know immediately: the outstanding academic programs on the three campuses; the strengths and weaknesses in these areas and others; the strategic issues for each campus; and finally, a definition of a land-grant institution in the 21st century. He opined that there was a crisis in higher education regarding the role of land-grant institutions and that redefinition was in the offing. He also suggested that having a plan for balancing income and resources in the long run was needed.

President Ikenberry then commented on the nature of the University in terms of whether it was a university or a university system, and said that the limited number of campuses made it more of a hybrid, which makes it very important to be able to describe the relationships among leaders within the University. Adding to this he said that he thought it important for a president to develop roots within the university and to know the internal operations intimately, because these are the basis for making beneficial decisions for the future of the institution, and to interpret it to the outside world.

As for personal characteristics in a president he said that a president must be one who can mobilize plans and build consensus, as well as build teams. He also observed that presidents tend to fail because of personal weaknesses, and that it would be important for the board to identify someone who could move from one situation to another instantaneously and maintain personal equilibrium, even in the face of intensely emotional situ-

ations. He added that the person must be comfortable living in a highly visible position as well. He stated that trust, confidence, and integrity were essential.

In concluding his remarks, President Ikenberry stressed the importance of thinking long-term and being pro-active in seeking out candidates, noting that the best candidates will have to be sought out. He also emphasized the need for confidentiality to optimize the candidate pool, and he cautioned against damaging an individual by a breach of confidentiality. He also assured the board that the position of president of the University of Illinois is an incredible opportunity and will be one of the prime higher education leadership posts available.

COMMENTS FROM MR. THOMAS R. LAMONT

Mr. Eppley introduced Thomas R. Lamont as a former colleague on the Board of Trustees and noted that Mr. Lamont was the chair of the board at the time of the last presidential search. He asked Mr. Lamont to share his recollections and observations about that process.

Mr. Lamont described the task of the search for a president as a daunting one and noted that at the time of the last presidential search it had been 16 years since the board had searched for a president and that no sitting member of the board at that time had any experience with such a responsibility. He observed that prior experience in interviewing candidates for the position of chancellor helped then and would help in this search. He advised the board to discuss fully the criteria against which they will measure candidates. He particularly emphasized the need to have clear expectations about what characteristics and experiences candidates should possess.

He said that the assistance of a search firm was helpful to the board during the last search and indicated that the services of such a firm would help in finding candidates who are not obvious, and would ensure an ample pool of prospective candidates. He also noted that the work of the consultative committee, done in a relatively separate fashion from the interviewing of candidates by the board was helpful. Mr. Lamont described the interactions with the committee and the search firm in the periodic reviews of prospects as becoming ever more intense as the pool of prospective candidates was winnowed. He also commented on the interactions with the search firm and the committee in determining the final list of candidates, and the fact that the board took over the assessment process at this point.

He advised the board to pay particular attention to references of candidates and to observe strict confidentiality with all information. In terms of interviewing candidates, he urged the board to come to consensus on expectations for the future development of the University before discussing these with candidates for their views. He also counseled the board to take care in reporting on the deliberations of the board with anyone outside the board, and to be ready to handle occasional pressure from external groups that will be awkward. He hastened to give reassurance that this was all man-

ageable if the board is prepared. He also suggested a fairly structured approach to interviewing candidates for consistency in evaluation.

In closing, he said that the entire experience was very satisfying and enlightening.

COMMENTS FROM PROFESSOR PATRICIA A. LANGLEY

Mr. Eppley introduced Professor Langley and asked her to share thoughts with the board from the perspective of the custom of shared governance within the University. Professor Langley stressed the importance of sharing responsibility with the faculty for the search for a president, and referred to the 1966 statement of several higher education associations that attempted to clarify the roles and responsibilities among various constituencies of an academic institution. She stated that this statement recognized the importance of joint effort in the selection of a new president mainly because the president must be the main communication link between the board and the faculty. She indicated that the faculty is concerned that a president must understand the core academic values of the institution and to be able to comment on these to many audiences.

Professor Langley then referred to the tradition at the University of recognizing the primacy of the faculty in representation on committees to search for major administrative officers at the University, and referenced a board document from 1991 that the board reaffirmed in 2000 containing recommendations for search procedures. She then announced the composition of the Consultative Committee to Assist in the Selection of a President as follows: eight faculty members, three students, one academic professional, one civil service staff member, one administrator, three members selected from the Alumni Association and University of Illinois Foundation, and one alumnus at large. She said that each constituent group would nominate several individuals as potential committee members. Further she noted that the faculty nominations would come from the campus senates and be forwarded to the University Senates Conference, and then to the chair of the Board of Trustees.

Next, Professor Langley stated that one of the committee's first tasks would be the development of a white paper to guide the search and set forth expectations. She also described the cooperation between the committee and the search firm and said that the search firm would be important in developing a pool of prospective candidates for the committee members to review. She described this process as the heart of the committee's work, and said that it would involve reviewing hundreds of dossiers of prospects and determining which were best qualified. She also reported that concurrently the search firm would be checking background information about the prospects. She then described the process of checking references by the search firm and by some of the committee members. Professor Langley described the work of the consultative committee as basically complete once the list of candidates is given the board, and that at that point, the board's work in interviewing and assessing would begin. She observed that this two-tiered process of assigning a committee the work of reviewing

prospects and turning over a list of a few qualified individuals seems to be favored by most peer institutions. She concluded by stating that the size of the consultative committee is comparable in number to other Big Ten institutions.

COMMENTS FROM PROVOST RICHARD H. HERMAN

Mr. Eppley thanked Professor Langley for her comments and introduced Dr. Richard H. Herman, provost and vice chancellor for academic affairs, Urbana, and stated that Dr. Herman would comment on his experiences in utilizing search firms to assist in selections of individuals for various administrative positions.

Dr. Herman thanked Mr. Eppley, President Stukel, and members of the board for the opportunity to address them at this important moment in the history of the University. He stated that when he came to the University of Illinois he brought a newcomer's desire to understand the institution and learn how it came to achieve its stature and excellence that attracted so many to its ranks. He said that he discovered that the shape, aspirations, and future possibilities of the University were determined by the skillful advocacy and critical decisions made by a succession of great presidents. He stated he was pleased to support the trustees in the process of selecting a new leader, as there was no more important decision for a board.

He said he had been asked to speak about the use of search firms, but first acknowledged that many with the board today have had considerable experience in recruiting for leadership positions. He went on to state that all present appreciated that the measure of one's stewardship of the institution was to a significant extent based on ability to recruit and select leaders of uncommon vision and ability.

Provost Herman also stated that one of the most demanding and consequential duties he had as a provost was the selection and support of the executive officers appointed to lead the colleges, schools, institutes, and the library at Urbana, as their skill and talent would significantly shape the excellence of the University. He reported that he had conducted 11 searches for such positions and had been able to fill the positions with people of exceptional ability, sometimes with the aid of a search firm and sometimes not.

He noted that using search firms was common in presidential and chancellorial searches, and then commented on the advantages of using a good search firm. First, he said that such a firm's most valuable asset is the ability to collect information that can be critical to decision-making, and otherwise difficult to obtain. He said that this information-gathering ability often comes in part from the firm's experience with other searches. He observed that a firm's accumulated knowledge of candidates, their strengths, their weaknesses, and their potential to fit a particular kind of institution is extremely valuable, and difficult to come by otherwise. He also said that relations between key individuals in different search firms can expand the pool of relevant knowledge about individual candidates; again stating that this is not easily gotten otherwise. He cited an example of how a

search firm had been able to advise him about a candidate and provided information he would not have been able to get without the aid of the search firm.

Second, he cited the ability of a search firm to ensure greater confidentiality, pointing out that if the search committee chair were to call to inquire about a potential candidate the institution would be identified immediately whereas anonymity is preserved if a search firm makes the inquiries.

He cited these two important reasons for the growth in the use of search firms in selecting major academic administrators, and then focused his comments on the best utilization of a search firm and the importance of choosing a search firm that will work well with a search committee and the trustees. He stressed that it is important to know who within the search firm will direct the firm's efforts in behalf of the University, what that person's experience has been, if searches have been completed in a timely fashion, and if other institutions have been pleased with the potential candidates identified by the search firm. He advised employing a search firm that would pledge to work on no other major university presidential search until the University of Illinois search was complete. He also emphasized that it was important to define the role of the search firm in the search process; for example, should the committee assign the search firm the role of receiving and evaluating nominations. He noted that the search process cannot be ceded to the search firm. He stated that the trustees would be the ones to define the experience and the kind of leader that the institution needs today.

Dr. Herman lauded the experience that search firms possess and said a search firm would be very helpful in identifying potential candidates. He also said that the committee members must be the ones to review the nominations and related materials. He added that managing the relationships among the search committee, the board, and the representative of the search firm is often the key to concluding a search successfully. Based on this, he emphasized that it was very important to focus on the individual at the firm that would be working on the search for the University of Illinois. He suggested that the performance of the firm's representative assigned to work with the consultative committee should be carefully evaluated. He suggested asking questions such as: were other searches completed within the timeframe set out; did the client get the candidate desired; and has the representative attended meetings with the other committees assigned to work on searches. He also urged the board to ask how many other presidential searches a firm was engaged in simultaneously, and suggested that having a search firm devoted to one search at a time was preferable.

Next, Dr. Herman told the board it was important to define the scope of work it wished a search firm to carry out. He stressed that neither the committee nor the board should cede control of the search process to the search firm. He advised that a search firm might be very helpful in evaluating nominations and recruiting potential candidates and in making inquiries about the backgrounds of prospects. However, he noted that the

consultative committee must be responsible for screening dossiers. He also stated that some highly qualified nominees or potential nominees might wish to speak with board members before deciding to be considered.

Next he remarked on the importance of choosing a committee chair capable of keeping communications flowing among the search firm, the committee, and the board. He also reminded the board that the search firm was one source of nominees, and that faculty and administrators at the University ought to be encouraged to urge qualified individuals to agree to be considered.

In summing up, he said that the elements of a successful search involve finding the right person at the right search firm; defining the firm's task carefully; managing the process as it progresses with timely communication and exchange among the search firm, the search committee, and the trustees; and providing enough information about the process to the campus community to engender trust and confidence in the process.

COMMENTS FROM THE UNIVERSITY COMMUNITY

Following a brief break, Mr. Eppley introduced the next set of speakers and stated that they were representatives of constituent groups in the University family who would bring comments from the perspective of these groups. He then asked Mr. Steven Miller, representing the University of Illinois Foundation Board of Directors, for brief remarks.

Remarks from Mr. Steven Miller

Mr. Miller spoke as a member of the University of Illinois Foundation Board of Directors and from the experience of having chaired the search for a president of Rice University. He also noted that he had participated in several executive transitions in major corporations.

Mr. Miller advised the board to step back to assess the University and then decide where it wanted the University to be in the next few years. He spoke from the experience of the search for a president at Rice University and suggested that the greatest help to that process was a white paper that was prepared by the search committee very early in the process. He commended Mr. Eppley for including this assignment in the charge to the consultative committee. He stated that, in his experience, this document specified the vision for the institution and helped to define the qualities desired in the next president. He observed that knowing what a university is to become helps define the role of the president. He urged that expectations for the next president be clearly stated in the white paper. He said it took the search committee for Rice's president about two and one-half months to complete this document, and he informed the board that it was available on the Web. Next, he urged that the committee talk with as many people as possible and seek out sources for information about what the vision for the University ought to be.

Also, he told the board that the best candidates are going to need coaxing to be considered, and that they ought not to expect candidates to apply. He gave praise for the document sent to the board and others participating

in the board meeting that had been prepared by Michael Thomas Kelly, Ed.D., and urged a close reading of that for a thorough understanding of the process for such a search.

He referred to the two-step process described earlier for the search and suggested that the board be involved in the description of the vision for the University and that the board be certain it supported the white paper. He described queries the search committee at Rice University received from candidates about the white paper that indicated the candidates had studied it diligently and wanted to be certain the board was committed to it.

Mr. Miller commented on the need for confidentiality in the entire process and said that this could not be stressed enough. He cautioned about use of email in reference to candidates, and warned that breaches of confidentiality cause candidates to withdraw from consideration. He also said that the search committee at Rice University tried not to use names of candidates, but codes.

With regard to seeking nominations, he suggested seeking opinions widely and talking to everybody from the head of the National Collegiate Athletic Association to the head of the American Association of Universities, and heads of other leading universities. He said many national leaders will want to be involved in making nominations for the president of the University of Illinois. He also noted that it is very important to let everyone who does help with nominations know that his/her suggestion was valued and was considered by the committee. He reminded the board of President Ikenberry's comment that this process is about reputations and that whatever the outcome, the University would need to have all involved think well of the process.

Mr. Miller acknowledged that the work of finding a new president can be daunting, and urged the trustees to be vigilant, stating that if the selection is right, the next ten years would herald a presidency that would build on the great success of the University of Illinois. He observed that the great strength of the nation in the 20th century and the element that differentiated the U.S. from other nations was the success of the major public universities to provide high quality education to a broad number of people across this country.

He predicted a realignment in the importance of the public universities and in their future roles in society. He advised that the University of Illinois has a chance with its past successes and with continuing strong leadership to transform this University into a model of what public higher education is about in the 21st century. He said he regarded the time the board would spend on selecting the next president of the University as the best gift they could give the citizens of Illinois and the United States.

Remarks from Mr. David J. Downey

Next, Mr. Eppley introduced Mr. David J. Downey, a member of the University of Illinois Foundation Board of Directors, to bring remarks from that organization. Mr. Downey began his remarks by stating that the new president of the University should understand the growing significance of pri-

vate support in a public institution. He added a new president must be adept at working with all external parties, the governor, the legislature, and everyone who's involved in funding for the University of Illinois and to help them recognize how private monies do make for the margin of excellence difference that Jim Stukel has so eloquently spoken of in recent years. He commented that the University needed to be able to count on the State for support, but also be able to build extra support from the private sector.

He stated that the Foundation Board believes the new president should be actively involved in working with the Foundation leadership to plan and execute strategies to significantly increase private giving to the University. He stated that this involvement would not only include participation in the next major campaign, but be an important part of the next person's job as president. He said this would include active cultivation and solicitation of gifts from major contributors to the University, and also follow-up with those major contributors to make them feel that their money had been well spent.

Mr. Downey observed that in the past the Foundation has asked the president for assistance in closing some gifts, and that now they would be asking the next president to be a salesperson as well as a great academic leader. He said that this should be clear from the beginning of the search process; that it is expected that the next president will be heavily and personally involved in raising private monies for the University.

In closing, he stated that the Foundation Board expects the president to be the chief spokesperson for this great university and the chief salesperson for the University, and, therefore, very much involved with the Foundation and obviously the Foundation very much involved with the president. In short, he said that we need someone with the experience and the aptitude to make what is a truly great institution even greater, and that the Foundation Board looked forward to being a major part of that process.

COMMENT FROM MR. EPPLEY

At the conclusion of Mr. Downey's remarks, Mr. Eppley stated that both the University of Illinois Foundation and the Alumni Association would have representatives on the consultative committee because both organizations are so important to the University and the president works closely with both. He added that there will be three seats on the committee for the two organizations and that the organizations would work together to recommend three individuals.

Remarks from Mr. Mark Filip

Mr. Mark Filip, a member of the Alumni Association Board of Directors, noted that there are more than 500,000 living graduates of the University and that the majority live in Illinois. He said that the alumni care deeply about the University and about the search for a president.

He stated that in his view the alumni are looking for certain attributes in the next president that include that the person be a deeply respected academician, that the next president demonstrate leadership in times of

financial adversity, and that the next president must be able to coalesce support externally for the University. He added that the alumni want the president to be able to generate and solidify support for the University, to be good at administration, alumni relations, fund raising, and legislative relations. Further, he indicated that alumni want the next president to be a statesperson, that has confidence in the University and can defend it and lead others to support it.

More specifically, Mr. Filip stated that the alumni want the new president to respect the independent voice of the alumni registered through the Alumni Association and to respect the opinions of alumni from all walks of life.

In closing, he said the Alumni Association and the University of Illinois Foundation would each select one member for the consultative committee, then work together to select a third member—all to be recommended to the board.

COMMENTS FROM STUDENT TRUSTEES

Each student trustee then addressed the board concerning the process by which he/she consulted with students at each campus and solicited student opinion regarding what the students considered important in their relations with the president.

Ms. Natalie A. Garcia, Student Trustee, University of Illinois at Chicago

Ms. Garcia reported to the board that she had consulted all the student groups at the Chicago campus and asked for their opinions of what they considered important for a new president to know or be prepared to do. She stated that students at the Chicago campus want the president to recognize the differences of that campus, especially the diversity of the students, and to appreciate the needs of students at Chicago, especially when it comes to financial aid needs and the fear that access to higher education for these students will be limited if financial aid is decreased.

She also said that students want to know more from the president about legislative relations and legislative issues that would impact students and to know what they might do to help the University in this regard. In addition, she said the students would like more access to the president. In conclusion, she said the most important responsibility of the president from the students' perspective was maintenance of the quality of education at the University.

Mr. Andrew M. Hollingsead, Student Trustee, University of Illinois at Springfield

Mr. Hollingsead stated he was speaking on behalf of the students at the Springfield campus that the new president must know the needs of a small, liberal arts institution such as the Springfield campus, and further, the pres-

ident should work with the chancellor to recruit more freshmen students for Springfield.

He also said that for the academic health of the Springfield campus, the president should work to make more courses available, and when the budget rebounds, courses that have been canceled ought to be restored.

He also noted that a task for the new president would be to study pay equity for the faculty and staff at Springfield.

In closing, Mr. Hollingsead stated that the University needs a president who is politically adroit and can work with the governor and the legislature to advance the University. More specifically, he stated that he hoped the new president would work to involve the Springfield campus with the governor and legislature in governmental relations.

**Mr. Nate H. Allen, Student Trustee,
University of Illinois at Urbana-Champaign**

Mr. Allen told the board that he spoke with various student groups at the Urbana campus to glean a listing of the interests of students concerning the next president of the University. He reported that students opined that the next president should be a leader in the area of tuition policy, supporting a separate policy for each campus and seeking student involvement in determining the appropriate amount for each campus.

Next, he said that students at Urbana are concerned about the availability of financial aid and wanted the next president to demonstrate a track record on advocacy for financial aid. He also said that the students wanted a president with abilities to lobby for the appropriation from the State. He also stated that students wanted more interaction with the president.

Further, he said that students are concerned about the reduction in the number of teaching assistants, particularly those who work with the large-enrollment classes. He also said that the residence halls and other student housing on campus need attention from the president.

In addition, Mr. Allen said students hoped the current emphasis on diversity at Urbana would be continued and fostered by a new president. He gave credit to the achievements in increasing diversity on campus, stating that integrating cultures was stressed at Urbana through academic programs and other means. He also said that there is a need to recruit more minorities for administrative positions. He cited Chief Illiniwek as a problem for making the campus more diverse and stated that the board's indecisiveness regarding Chief Illiniwek would have an impact on the success in recruiting a new president and a new chancellor at Urbana.

In closing, he asked the consultative committee to talk with students as a part of the committee's work.

COMMENTS FROM THE FACULTY

Mr. Eppley stated that the next comments would be offered by representatives of the faculty from the three campuses. He indicated that all of the faculty commentators represented that campus and its campus senate.

**Professor Gerald S. Strom,
University of Illinois at Chicago**

Professor Strom spoke to the defining characteristics of the Chicago campus, stating that it is among the top 50 research institutions nationally; a major health sciences center, providing professional education and health care; and an urban university with a strong urban commitment. In addition, he observed that the campus is diverse economically and in terms of the representation of minorities on the faculty and among the students. He stated that the students come from all economic strata, and that this creates opportunities and also difficulties that must be dealt with on campus.

In conclusion, he said that the next president would need to appreciate and be able to understand the many characteristics of the Chicago campus. He stated that the faculty and students liked President Stukel because he had spent so many years at the campus and knew it well. He noted that he hoped the board would take these features into account in selecting a new president.

**Professor Nancy L. Ford,
University of Illinois at Springfield**

Professor Ford told the board that the appointment of a new president is critical to the Springfield campus, particularly in light of the remarkable changes the campus has undergone since becoming part of the University of Illinois and the threats presented by recent budget cuts.

She stated that first and foremost, the campus seeks a president who has the vision, determination, and leadership ability to ensure that the campus is successful in achieving its distinctive mission and vision. She said that the campus' vision was to become the best public liberal arts university in the region, and to grow in size to 6,000 students, attaining strong academic quality within a diverse campus community. Further, she indicated that the Springfield campus hoped to rebuild and to continue its commitment to public affairs and to maintain its place as a national leader in on-line education.

She said that most assumed that the next president would be familiar with the environment of a Research One university and that, in order to help the Springfield campus achieve its goals, the next president will need thorough experience or awareness or an appreciation of the distinctive contributions and challenges of a small liberal arts campus like UIS. Professor Ford told the board that she hoped the new president would appreciate that at the Springfield campus, a budget reduction that might not have a great impact in a larger setting might have dire consequences for a campus the size of UIS.

She also stated that a new president should realize the advantage of location presented by the Springfield campus and use that to the benefit of the University, while also being able to maintain independence in the political environment in Springfield. She added that a new president ought to

be able to garner support from sources other than the State in order to make up for declining State support. In addition, she stressed that a new president must be an academic leader, capable of addressing academic issues on all three campuses, respectful of academic freedom, and committed to shared governance.

**Professor Michael Grossman,
University of Illinois at Urbana-Champaign**

Professor Grossman noted that several other speakers have referred to the search for a new president as the single most important responsibility of the board, and added that it is perhaps awesome. He observed that the president of the University would have an enormous impact on people on campus, among alumni, and also a far-reaching influence in the State, nation, and the world. He noted the significant role of the president in seeking resources to replace State support. He also stated that a new president must be able to work with public policymakers to seek increased appropriations to support, among other things, faculty salaries in order to recruit and retain outstanding faculty.

He stated that the new president must be competent in raising funds from individuals, corporations, and foundations. In addition, he emphasized the need for a president who is an academic leader who would foster an environment in which the faculty would also be able to attract external support. He also indicated that the new president must be an advocate for higher education and a champion for the University. Professor Grossman stated that the new president should have a broad appreciation of a complex, multi-campus, public land-grant institution.

In closing, he told the board that the Urbana-Champaign Senate Executive Committee and the Urbana-Champaign Senate believe that the controversy over Chief Illiniwek must be resolved before a new president is recruited. He said that a resolution approved by the Urbana-Champaign Senate Executive Committee, the Urbana-Champaign Senate, and by the Springfield Senate seeks to retire the Chief. He thanked the board for its attention.

COMMENTS FROM OTHER CONSTITUENCIES' REPRESENTATIVES

**Dr. Vera Mainz, Chair,
University Professional Personnel Advisory Committee**

Dr. Mainz briefly described the role of the University Professional Advisory Committee (UPPAC) as the group that represents the professional staff on the campuses and advises the president with regard to interests of this group. She explained that UPPAC represents 6,200 professional staff and, since this group is not proportionally represented in the campus senates, it looks to the president to represent their concerns to the board. Thus, she indicated that a new president should be one who can continue the representation of the professional staff to the board and make clear the differen-

tiation between this group of employees and the faculty and civil service staff. She gave examples of academic professional employees as managers of technology systems, providers of student support services and of research support, and a variety of other functions in the University. She stressed that the president must understand the contributions of this group in the changing environment of the University and be willing to foster professional development and ongoing training for the group.

Also, she stated that the academic professionals seek a president who is first and foremost a scholar, and said that a scholar can fully articulate the mission of the University to those outside and sometimes to those inside the University. She added that the academic professions seek a president who understands the importance of public service and outreach, exemplified by the University of Illinois Extension. In addition, she said that the group seeks a president with innovative ideas about the role of the University and the goals of the marketplace. As an example, she noted that on-line education is changing the traditional notion of the marketplace and the University must continue to play a leadership role in this new frontier.

**Mr. Daniel Sarhage, Chair,
Employees Advisory Committee**

Mr. Sarhage described his role as chair of the Employees Advisory Committee, which represents the civil service employees at the University. He added that he is also a member of the State Universities Civil Service System Advisory Committee, which represents all civil service employees in the public universities in the State. In his comments, he said that the greatest concern of the civil service staff is the privatization of work long performed by civil service staff at the University. He told the board that he and his co-workers very much like working for the University, and they hope that the president will be supportive of the civil service positions within the University. He said that the civil service system at public universities was 50 years old and that he and many others hoped it lasted another 50 years.

Mr. Sarhage went on to tell the board that privatizing work now within the province of the civil service classifications at the University affects employee morale and that in turn affects performance of employees. He also spoke of new programs to make hiring employees less complicated and other changes in the civil service system to make it more responsive to the needs of the universities. In closing, he said that the civil service employees are committed to the University.

COMMENTS FROM MR. EPPLEY

Mr. Eppley thanked all of the speakers for their remarks and asked if anyone else in attendance would like to comment. Then he asked the board if any member had comments or questions to pose. There were no requests to comment and no questions.

REVIEW OF MILESTONES IN THE SELECTION OF A PRESIDENT

Following a brief break, Mr. Eppley reviewed with the board the milestones in the process of searching for a new president. He indicated that these illustrate the complexity of the search process. He then enumerated the tasks that must be accomplished to complete the search for a president:

1. Discussion of the search procedure—Mr. Eppley stated that this occurred at this meeting.
2. Board of Trustees approves composition of Consultative Committee to Assist in Selection of a President—he indicated that there was an item on the agenda for today's meeting to approve that.
3. Board approves charge to committee—he stated that there was also an item on the agenda for today's meeting for the board to approve that.
4. Board appoints committee—he stated that he planned for this to occur at the next regular board meeting scheduled for March 11, 2004.
5. Special committee of board reviews search firms and makes recommendation to board—he indicated that he would recommend the appointment of a board committee today with the assignment of reviewing search firms to assist in the search.
6. Board approves a specific search firm to aid in the search process—Mr. Eppley said that he hoped the board could approve the engagement of a search firm at the board's next meeting, March 11, 2004.
7. Consultative committee and search firm disseminate information about the search for a president and receive and review dossiers of nominees, and later interview a group of nominees—he stated that this would be a lengthy process consuming the spring and summer of 2004, and maybe beyond.
8. Committee reports to board at each board meeting until review process is concluded—he said that the board would receive regular reports on the progress of the search from the chair of the consultative committee.
9. Committee recommends to the board five to ten potential candidates—he said that this would be expected in the fall 2004.
10. Board reviews and decides which individuals to interview and consider for the position of president—Mr. Eppley explained that the board would carefully review the candidates referred by the consultative committee and then conduct interviews of some or all of the candidates.
11. Board of Trustees announces the selection of next president—he said he thought this would be toward the end of 2004.
12. Board votes formally on election of president at a board meeting.

Dr. Gindorf asked if the milestones would be parallel in some cases and Mr. Eppley acknowledged that some would be. Dr. Gindorf also reminded all that there are several peer institutions also seeking presidents at this time, and that moving with alacrity in the search process would be prudent.

Following this review, Mr. Eppley expressed appreciation on behalf of the board to all the speakers who shared experiences and counsel with the board in this special meeting.

He then announced the appointment of the committee to review search firms and recommend one to the board, stating that Mr. Vickrey would serve as chair of the committee, joined by Dr. Carroll and Mr. Bruce as members. Further, he invited all other board members to join meetings of this committee and announced that any decision on hiring a search firm would be the decision of the entire board at a future board meeting.

Mr. Sperling opined that if the recommendation of the committee is ready before the next board meeting that he would suggest the Executive Committee meet to approve the recommendation in the interest of advancing the search process as soon as possible.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley asked Chancellor Cantor to present information regarding agenda item no. 5, "Contract for Revenue Guaranty with Delta Air Lines, Urbana." Chancellor Cantor stated that this contract was recommended as a means for increasing traffic at Willard Airport and to aid the University and community by providing more transportation through Willard. She thanked Vice Chancellor Steven F. Schomberg for his work in negotiating this contract. Mrs. Sodemann supported this item and said that the availability of additional flights at Willard would help those wishing to travel through Willard, and that these additional flights would assist in revitalizing the airport.

Next, Mr. Eppley asked Chancellor Manning to present agenda item no. 4, "University Librarian, Chicago." Chancellor Manning described the candidate's background in library management and experience in managing budgets for libraries. She also thanked Professor Nancy R. John, acting university librarian, for her service since the untimely death of Professor Sharon Hogan, former university librarian at Chicago.

Mr. Eppley then asked Vice President Rugg to present agenda item no. 6, "Contract for a Review of the University's Human Resources Functions and Organization." Mr. Rugg stated that this recommendation is for a consulting contract with Mercer Human Resources Consulting to review the organization of the human resources function at the University now that there is new leadership in that area. He said that the recommendation was for a contract not to exceed \$393,420; with an opportunity to withhold 25 percent pending completion and that the planned timetable for the review was March through July 2004.

Mr. Shah requested a progress report of the work prior to completion, and after 75 percent of the project was complete.

AGENDA

The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 4 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Recommendation to Employ a Search Consultant to Assist in the Selection of a President, 2004

(1) The Board of Trustees has initiated a search process to identify candidates for president of the University. The chair of the board recommends the employment of a professional search consulting firm to aid the Consultative Committee to Assist in the Selection of a President. This firm would be expected to provide advice and expertise in the identification and recruitment of potential candidates for review by the Board of Trustees. Consideration will be given to search consulting firms with special expertise in aiding presidential searches of large public universities.

In order to identify such consultants capable of providing the services required, the purchasing division has begun a request for proposal process for search consulting firms throughout the country.

Once proposals are received and reviewed, a committee of the board will interview representatives of some of the search firms submitting proposals and recommend one to the board.

On motion of Mr. Shah, this recommendation was approved.

Composition of the Consultative Committee to Assist in the Selection of a President, 2004

(2) By State statute, the Board of Trustees is directed to "...elect a regent who shall be charged with the general supervision of the educational facilities and interest of the University. Said regent shall be known as president of the University and his term of office shall be at the pleasure of the board of trustees."¹

In fulfilling this responsibility, the trustees wish to have assistance from essential constituent groups of the University. To provide this assistance, the board hereby establishes a Consultative Committee to Assist in the Selection of a President, to include the following members:

1. Eight faculty members from the broad, diverse, and engaged faculties of the University's three campuses—Chicago, Springfield, and Urbana—These members shall be selected by the board from candidates suggested by the respective campus senates, and referred by the University Senates Conference.
2. Three students, one from each of the University's three campuses—These members shall be selected by the board from candidates suggested by the coordinated efforts of the student government organizations of the respective campuses, in consultation with the student trustees. Consideration shall be given to undergraduate, graduate, and professional student involvement.
3. One member of the academic professional staff—The Professional Advisory Committee at each campus will be asked to submit names of nominees to the University Professional Personnel Advisory Committee (UPPAC), who shall forward candidates for consideration and designation by the board.

¹ 110 ILCS 305/4, University of Illinois Act.

4. One member of the civil service staff—The Staff Advisory Council at each campus will be asked to make nominations to the Employee Advisory Committee who shall forward candidates for consideration and designation by the board.
5. One administrative officer, who shall be selected by the board after consultation with the president and chancellors.
6. Three members from the University Alumni Association and the University of Illinois Foundation—These members shall be selected by the board from candidates suggested jointly by both organizations.
7. One alumnus at large to be selected by the Board of Trustees.

On motion of Mr. Shah, this recommendation was approved.

**Charge to the Consultative Committee to Assist
in the Selection of a President, 2004**

(3) The Board of Trustees has authorized and composed a consultative committee to assist in the search for a president. This resolution specifies the charge of the committee and the general procedures within which it will operate.

Several broad constituencies of the University are reflected in the committee's composition, but no member should regard herself or himself as a "representative" or "delegate" of any single interest group. Rather, each member shall exercise his or her own best judgment as to what will be in the best interest of the University of Illinois as a whole. Diligence, thoughtfulness, and thoroughness, not speed, shall be the driving forces. The committee shall conduct a pro-active search and identify and recruit the person best able to fulfill the mandate.

The committee shall be managed by a chair and a vice-chair, who shall be appointed by the Board of Trustees. The chair and the vice-chair of the consultative committee and the chair of the board will confer as often as necessary throughout the duration of the committee's work. Periodic meetings shall be held to review the status of the prospect pool and available background data. Also at regular meetings of the Board of Trustees, these representatives of the committee shall report on its progress.

The search shall be broad in scope, using all available resources to identify potential candidates for the position of president of the University of Illinois. The several constituencies of the University, including faculty, students, staff, trustees, alumni, supporters, and friends of the University shall be encouraged to suggest suitable candidates. The committee shall not be constrained from considering candidates from all appropriate sources, including other institutions of higher learning, government, and elsewhere. The Board of Trustees will maintain a continuing interest in the identification of outstanding potential candidates, and will receive periodic reports from the committee on the development of the pool of prospects.

The committee's first task will be to develop a white paper that will serve as the cornerstone of the search. This white paper shall delineate the job description of and the expectations for the next president as well as the expected qualities and criteria crucial to the position.

The expected qualities and criteria to be used as the basis for evaluating potential candidates shall be organized around several key expectations for the candidates. Among these are:

- a record of effective leadership including evidence of strategic vision and ability to be an effective change agent;
- a commitment to institutional excellence in teaching, research, service, and economic development as mandated by the State, and to support the University's excellent faculty;
- the ability and willingness to initiate, foster, and cultivate relationships with the public and private sectors, including donors, businesses, civic groups, and local, State, and Federal governments and agencies, to represent and advocate for the University;

- an understanding of the changing nature of public higher education and its vital role in local, State, regional, and national economies;
- the ability to adapt to changing fiscal environments;
- the ability to work within a complex administrative structure and to add rationality to that structure.

This white paper may also set forth procedures and milestones (including time estimates) to be followed and reached to carry out the search process. It shall include the input of the search firm that is retained, and shall be submitted to the Board of Trustees for review and approval. The white paper shall guide the work of the committee throughout the process.

The committee shall devise a method for conducting preliminary screening designed to identify those judged to be the most promising prospective candidates. Detailed information should be secured concerning these candidates, initially from public records such as professional directories and bibliographic sources and, in a second stage, the chair and vice-chair should make calls to individuals who know and can assess the qualities and potential of the prospective candidate. In some cases a delegation of this responsibility may be made to other committee members. In such informal inquiries, it should be made clear that the search is in a preliminary stage and that no approach has yet been made to any candidate, and that strict confidentiality is necessary.

The committee shall identify the most outstanding and qualified potential candidates. The committee shall submit a broad list of candidates, which may be ranked or categorized, before a list of finalists is presented. The list of finalists shall be between five and ten individuals.

The board and the committee will consult and discuss the procedures to be followed in approaching finalists. Consensus will be important, but the board is statutorily charged with the responsibility of making the final decision.

The secretary of the board will serve as staff to the consultative committee, and assist in sustaining strong lines of communication and coordination between the committee and the board. The secretary of the board shall also be the board's agent in the procedural and liaison tasks involved in the search process.

The search process shall adhere to University affirmative action policies, and the committee shall affirmatively seek candidates representing diverse backgrounds and perspectives. The university director of equal opportunity shall brief the committee about the pertinent policies and guidelines. Also, university counsel shall assist and advise the committee on legal matters.

The committee is advised to consider the use of the Internet to assist in the search process. The white paper and other information may be posted on a dedicated site.

The Board of Trustees emphasizes the importance of careful coordination and channeling of all committee communications concerning candidates through the chair and vice-chair of the committee, who are charged with the responsibility of keeping the board fully informed. The board also emphasizes that discretion and confidentiality are required of all committee members. Public communications, including those with the media, shall be channeled through the secretary of the board, who shall consult with the Office of University Relations.

The secretary of the board and the comptroller of the board are directed to prepare an estimate of anticipated expenses to be incurred in the search process and to present that estimate for review and approval at the March 11, 2004, meeting of the board.

On motion of Mr. Shah, this resolution was adopted.

University Librarian, Chicago

(4) The chancellor at Chicago has recommended the appointment of Mary Margaret Case, currently director, Office of Scholarly Communication, Association of Research Libraries, Washington, D.C., as university librarian, beginning July 1, 2004, on a twelve-month service basis, at an annual salary of \$115,000 with an administrative increment of \$45,000, for a total salary of \$160,000. Ms. Case will also hold the rank of professor, Uni-

versity Library, on indefinite tenure on a twelve-month service basis, on zero percent time, effective July 1, 2004.

Ms. Case will succeed Nancy R. John, who served as acting university librarian from March 18, 2002, through May 19, 2002, and then as interim university librarian from May 20, 2002, through June 30, 2004. Ms. John will return to her position as assistant university librarian and associate professor, University Library.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Mr. Shah, this appointment was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 5 and 6. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Contract for Revenue Guaranty with Delta Air Lines, Urbana

(5) The Urbana campus, in partnership with the local community through the Champaign County Economic Development Corporation (EDC), desires Delta Air Lines (Delta) to provide scheduled air service between Cincinnati, Ohio, and Champaign, Illinois. In order to partner with Delta to facilitate providing service to Willard Airport, the University of Illinois will enter into an agreement with Delta to provide a revenue guaranty. The guaranty is a way for the University and Delta to share the financial risk during the initial two years of service as Delta develops its presence in the local Champaign-Urbana market. A projection of local market share by an independent consultant indicates that the market share is achievable within the two-year period and likely will be achieved sooner as traveler loyalty returns to Willard Airport (now more than 50 percent of the local air travelers depart from other airports).

The chancellor at Urbana recommends that the University enter into a revenue guaranty with Delta based upon passenger revenues. The guaranty is capped at \$850,000 for year 1, and at \$500,000 for year 2. The funds will be placed in an escrow account to be drawn upon if the required annual minimum passenger revenues are not achieved. To support the community-wide effort to bring Delta regional jet service to the Champaign-Urbana area, EDC will also participate in the revenue guaranty. Various community programs have pledged, through EDC, to contribute funding in support of the guaranty in the amounts of \$100,000 for Year 1 and \$25,000 for Year 2, and may pledge additional funding for this purpose in subsequent months. In addition, local businesses, units of government, and individuals have pledged to deposit funds in a ticket trust at one of two local banks. These funds are to be used exclusively to purchase Delta Air Lines' tickets. In the event that revenues are less than the guaranty, any unspent funds in the ticket trust will be drawn upon by the EDC to contribute to the guaranty.

The president of the University with the concurrence of the appropriate University officers recommends that the Delta revenue guaranty contract be approved.

¹Susan C. Scrimshaw, professor, Division of Community Health Sciences, and dean, School of Public Health, *chair*; Farhad Ansari, professor of civil engineering and head, Department of Civil and Materials Engineering, College of Engineering; Joan Betty Fiscella, bibliographer for professional studies and associate professor, University Library; Sharon P. Holland, associate professor of English, College of Liberal Arts and Sciences; William G. Jones, assistant university librarian and associate professor, University Library; Hannelore T. Loevy, professor of clinical pediatric dentistry, Department of Pediatric Dentistry and in the Dental Clinics, College of Dentistry; Robert G. Mrtek, professor of pharmacy administration, College of Pharmacy, and adjunct professor and head, City Based Program, Department of Medical Education, College of Medicine at Chicago; Hayat Onyuksek, professor of pharmaceuticals and assistant head, Department of Biopharmaceutical Sciences, College of Pharmacy; Victoria Pifalo, health sciences librarian and associate professor, University Library; Antonio Amador Vasquez, predoctoral fellow, Graduate College

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Contract for a Review of the University's Human Resources Functions and Organization

(6) The vice president for administration with the concurrence of appropriate University officers, recommends approval of a contract with Mercer Human Resource Consulting for an amount not to exceed \$393,420 to provide a detailed review of the University's human resources (HR) functions and organization, and to develop recommendations for new strategies, service delivery models, structure and organization.

In response to a Board of Trustees resolution at the March 13, 2003, meeting, University staff has been conducting a detailed review of administrative and academic support services to identify opportunities for cost reductions and service improvements. One aspect of this review identified the need to enhance the value of the University's HR operations by improving the effectiveness and efficiency of human resource management activities and the HR organizations dedicated to supporting them.

The University issued a request for proposal for consulting services to conduct a seven-part assessment of current HR operations. Mercer Human Resource Consulting was selected by an evaluation committee based on a review of written proposals from ten firms, personal interviews followed by best-and-final submissions from the four firms receiving the highest technical ratings, and a second round of best-and-final negotiations with two finalists. Mercer will conduct in-depth reviews and assessments and provide written recommendations for each of the following seven phases of the project: HR activity analysis and activity based costing; qualitative and quantitative assessment of customer satisfaction; identification of benchmarks and best practices; program and process assessment of 19 specific areas within HR; alternative sourcing opportunities and vendor management practices; post-Banner information systems strategy; and overall strategy and organizational structure.

A task force of HR personnel will be directly involved with and oversee the coordination of assessment activities.

Funds for this contract are available from the Fiscal Year 2004 Institutional Funds Operating Budget of University Administration.

The vice president for administration recommends approval.

The president of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider pending, probable, or imminent litigation against, affecting, or on behalf of the University."

The motion was made by Dr. Schmidt and approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

March 11, 2004



This meeting of the Board of Trustees of the University of Illinois was held in Illini Rooms A, B, and C, Illini Union, Urbana, Illinois, on Thursday, March 11, 2004, beginning at 8:40 a.m.

Chair Lawrence C. Eppley called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Frances G. Carroll, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah,¹ Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Nate H. Allen, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingsead, Springfield campus.

Mr. Eppley welcomed all in attendance to the meeting of the board and stated that President Stukel would introduce the University officers and the senate observers in a few minutes, but before that he wished to outline the structure for the meeting. He said that in anticipation of a larger than usual audience, the board had relocated its meeting to this larger room in order to accommodate as many people as possible. He added that he and his colleagues extended a warm welcome to all who had taken time to attend the

¹Mr. Shah joined the meeting at 9:25 a.m.

meeting today. He then stated that the first order of business for the board would be the public comment session, and that he judged from the t-shirts, signs, hats, and other expressions of free speech that many in the audience had an opinion about Chief Illiniwek. Mr. Eppley then said that six individuals had been approved to address the Board of Trustees for five minutes each on the subject of Chief Illiniwek. He noted that the audience was probably aware that the Chief was not on today's agenda. He continued, stating that the guidelines for the public comment session are governed by State statute and the board's procedures. He asked the speakers and the audience to respect each other and to adhere to the time limit so that all scheduled speakers might be heard during their remarks. Mr. Eppley added that public comment session would move without break from one commentator to the next and that extended comments or audience reaction would take away time from the speakers that followed. He stated that constructive and meaningful dialogue among members of the University community—alumni and students, community leaders, and others—is important. He commented that while the Board of Trustees is where any decision on the issue resides, public opinion and debate are where the issue lives. Mr. Eppley then encouraged the audience to listen respectfully to the views and opinions expressed, and upon leaving to approach others with opposing views not with anger and mistrust, but with mutual respect. He asked that the audience consider and learn other viewpoints and the reasons for those, to seek common ground, and to have constructive dialogue.

After these remarks, Mr. Eppley told the audience that following the public comment session, the board would move immediately into executive session in an adjacent room. He then stated that at the conclusion of the executive session, the board would spend the rest of the day working on University business, ranging from committee business to the agenda for the day.

Next, Mr. Eppley introduced President James J. Stukel and asked him to introduce the University officers and the senate observers.¹

President Stukel proceeded to introduce Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Nancy Cantor, chancellor, University of Illinois at Urbana-Champaign; Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Richard M. Schoell, executive director for governmental relations; Mr. Thomas P. Hardy, executive director for university

¹University Senates Conference: Barclay G. Jones, professor of nuclear, plasma, and radiological engineering, and professor of mechanical engineering, Urbana; Chicago Senate: Gerald S. Strom, professor of political science and secretary of the UIC Senate; Springfield Senate: Patricia A. Langley, professor of women's studies and legal studies; Urbana-Champaign Senate: R Linn Belford, professor of chemistry

relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary.

PUBLIC COMMENT

Mr. Eppley announced the public comment session, stated that there were numerous requests to address the board today and that the document, *Procedures Governing Appearances Before the Board of Trustees*, provided for six speakers at each meeting. He then introduced the first speaker, Dr. Debbie A. Reese.

Dr. Reese introduced herself as a Nambé Pueblo and said she had lived in Champaign-Urbana for 10 years. She indicated that she is a post-doctoral student in educational policy studies in the College of Education at Urbana. She noted that she had addressed the board before and had presented findings from her research on perceptions of Native Americans in children's books. Related to this, she commented that it is difficult to find true characterizations of Native Americans in children's books and that most images are of animals dressed like Native Americans or white boys dressed as such. She also stated that she knew of only four times that many Native Americans had been on the Urbana campus, one was for a pow-wow and another was for the Dialogue on Chief Illiniwek when Judge Louis Garippo conducted an intake session to collect views on the Chief. She said she does not support the continuation of the Chief or the idea of using Native American images in any form at the University. She called for the retirement of Chief Illiniwek and the name "Fighting Illini" as the name of the athletic teams at Urbana. In concluding her remarks, she noted that this may take a long time, but that Native Americans will persevere.

Mr. Eppley then invited Mr. Durango Mendoza to speak. Mr. Mendoza told the board he had lived and worked in the Champaign-Urbana community for 10 years and that his daughter and wife were graduates of the Urbana campus. He indicated that he was from the Muscogee Creek Nation of Oklahoma. Mr. Mendoza then related a series of incidents involving his daughter at the Urbana campus where she felt insulted as a Native American, and other incidents involving his son while in grade school in which the teachers were misinformed about Native Americans. He also said that his son had a difficult experience in high school because the teachers advocated continuing Chief Illiniwek, which his son and his family consider an affront to Native Americans. He urged the board to retire Chief Illiniwek and the name "Fighting Illini."

Next, Mr. Eppley invited Mr. Roger Huddleston to address the board. Mr. Huddleston said that people of good will had fueled his interest in honoring the Chief. He referred to Mr. Eppley's comments in November 2003 in which he spoke of the great divide between those in favor of continuing the Chief and those in favor of retiring the Chief and asked people to end the polarized debate on the subject. He also referred to Trustee Carroll's call for consensus. He urged consideration of consensus and compromise and suggested that mutual respect would result. He opined that the Chief is not a blatant symbol of the misuse of Native Americans, but that Chief Ill-

iniwek is a unique representation of an idea and a constant at the University. He said that the role of the Chief is to symbolize the high ideals of the University.

Following this, Mr. Eppley invited Mr. Adam P. Chaddock to address the board. Mr. Chaddock stated that he supports continuing Chief Illiniwek and referred to an article in *Sports Illustrated* that reported results of a poll showing the majority of Native Americans do not want to abolish symbols such as Chief Illiniwek. He said that certain activists oppose the Chief, but not Native Americans in general. He then referred to another poll conducted by a group known as Indian Country in which the results showed that Native Americans do not support the continuation of Chief Illiniwek, and stated that study was not scientifically conducted. He said that the population of students at Urbana-Champaign mirrors the population of the nation and that the views of students ought to be seriously considered. Further, he stated the presence of Chief Illiniwek does not discourage Native American students from enrolling at the Urbana campus. In addition, he said that Chancellor Cantor believes that the retirement of the Chief will quash the activities of the supporters of the Chief and that he disagrees.

Mr. Eppley then invited Ms. Victoria R. Wade to address the board. Ms. Wade greeted the board and stated that she was of Seneca descent. She indicated that she was a student in the College of Education at Urbana and that she advocated retirement of Chief Illiniwek, the mascot for the athletic teams. She added that for the last 15 years students, faculty, and Native Americans have asked to have the Chief retired, yet the board has been unresponsive. She maintained that Native American students do not wish to attend the Urbana campus because of Chief Illiniwek, and that those who do attend often feel intimidated by those that support the Chief. She said that for many years, Native Americans were not allowed to practice their culture, especially their religious customs, and that they see the Chief as a mockery of Native American religious beliefs. She asked the board to remove the Chief and all related imagery.

The last person Mr. Eppley invited to speak was Ms. Kara Huffman. Ms. Huffman introduced herself as a senior majoring in aerospace engineering and a member of the Marching Illini. She stated that the Chief was an integral part of her experience at the Urbana campus, that the Chief is not a racist symbol, and that the ugly characterization of the Chief as such must end. She said she saw the Chief as the head of the family, not a mockery, and referred to the authenticity of the Chief's regalia, stating that the Chief's dance does not have ceremonial or religious ties as some opponents suggest. She added that she would like to see the Chief perform on television in the short presentations about the University. She also noted that it seemed appropriate to borrow from other cultures and that this was an important part of ethnic diversity, and that she considered the Chief a representation of support for all cultures. Also, she said that she believed most of the students at Urbana support retention of the Chief, and that next week there will be a student referendum to determine that.

MOTION FOR EXECUTIVE SESSION

Chair Eppley, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider pending, probable, or imminent litigation against, affecting, or on behalf of the University."

The motion was made by Dr. Gindorf and approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

EXECUTIVE SESSION

The board met in the South Lounge of the Illini Union in executive session. Mr. Bruce was excused due to the nature of the material discussed, in order to eliminate the potential for any conflict of interest.

Mr. Eppley asked Mr. Bearrows to present information on two cases. Dr. Charles L. Rice, vice chancellor for health affairs, Chicago, joined the board for these discussions.

Pending, Probable, or Imminent Litigation Against, Affecting, or on Behalf of the University

Mr. Bearrows began by stating that the cases that he and Dr. Rice would discuss are both from Rockford, and in both cases he would recommend settlement. He then discussed the case of *Erickson v. Wedel, et al.*, that involved failure to diagnose skin cancer on a woman's ankle. Mr. Bearrows described the patient as a 63-year-old woman (Pat Erickson) who was treated by Dr. Paul Wedel, a member of the family practice group at Rockford. Ms. Erickson first saw Dr. Wedel in July 1999, requesting removal of a mole on her ankle that she said she had put off tending to for years. Mr. Bearrows said that Ms. Erickson had other moles burned off without incident. He said that Ms. Erickson stated in her deposition that the mole had changed in color and texture shortly before her visit to Dr. Wedel. Mr. Bearrows said that Dr. Wedel does not recall that statement, and that it is not in the physician's notes. Mr. Bearrows said that Dr. Wedel wrote in his notes that he examined an oval shaped lesion and he diagnosed it as a seborrheic keratosis, an non-invasive benign tumor that might be removed without causing a problem, and that there would be no need for a biopsy or for requesting a pathology test on a specimen. Mr. Bearrows reported that Dr. Wedel gave Ms. Erickson several treatment options and she chose to have the mole cauterized. He said that approximately one year later Ms. Erickson returned to see Dr. Wedel with a lump in the same leg, in her right thigh, about one inch by one inch and that Dr. Wedel removed the lump and had a biopsy performed that showed that it was a lymph node that was stage three metastatic malignant melanoma. Mr. Bearrows said that Ms. Erickson was then referred to an oncologist who examined the tissue near her ankle and

found it malignant. After this the oncologist excised the initial site and performed a skin graft. Mr. Bearrows reported that the pathology reports indicated that the original lesion was also a melanoma, strongly suggesting that it had spread from her ankle. He said that Ms. Erickson underwent four weeks of chemotherapy, and is now considered cancer-free. However, her right leg continues to be very swollen below the knee.

Mr. Bearrows said that Ms. Erickson's attorney, David Schwartz, argues that a biopsy should have been ordered for the mole that was removed initially and that melanoma would have been diagnosed. Mr. Bearrows said that Mr. Schwartz alleges Ms. Erickson suffers from problems with her leg due to damage to the lymph system and also a reduced life expectancy.

Mr. Bearrows told the board that the University's attorney is Lou Varchetto, a Rockford attorney, who has consulted with two family practice physicians and a surgical oncologist. He stated that all physicians opined that a biopsy should have been ordered initially when the first lesion was removed, and the oncologist stated that the delay in diagnosis that allowed the cancer to spread to the lymph system probably reduced the patient's life by 25 to 27 percent.

Mr. Bearrows told the board that the plaintiff's demand for a settlement of the case is \$1.65 million, and that the University's counsel states that the range probably extends to \$1.0 million. Mr. Bearrows said that he and Dr. Rice have discussed this case and agree that it is not defensible. Thus, a settlement in the range of \$400,000 and \$900,000 is recommended.

Discussion followed regarding how one would estimate the probability of a reduced life expectancy. Dr. Gindorf commented that the only way melanoma is essentially cured is if it is treated at an early stage, and that depends on how quickly or how deep it has invaded the skin. He opined that the lesion should never have been burned off. Dr. Schmidt noted that melanoma is an extremely progressive malignancy, and that a biopsy should have been ordered. There was no objection to the range suggested for a settlement.

<p>A CONTINUING NEED FOR CONFIDENTIALITY EXISTS FOR THIS SECTION.</p>

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

Other Reports from Mr. Bearrows

Mr. Bearrows reported on two cases the board had authorized for settlement at an earlier meeting. First, he noted that the settlement offer in the range of \$2.5 to \$3.0 million was not accepted in the case of *Alford v. Marcinak* that involved the death of a 14-year-old girl, Taadhameika Alford, due to an alleged failure to properly diagnose and treat group A strep pneumonia. He said the plaintiff is still demanding \$6.25 million, and that he might be back to discuss another settlement amount with the board.

In addition, he reported on the case, *Levert v. Board of Trustees of the University of Illinois*, that involved tickets to the Sugar Bowl game. He reviewed the case stating that there were two parts; in the first part, an injunction, plaintiffs demanded thousands of tickets be made available and the University settled for 53 tickets. This was based on statements that plaintiffs had relied on the University's web site to order tickets with the expectation that they would receive tickets ordered. Mr. Bearrows stated that these people

then ordered airline tickets and reserved hotel rooms based on this assumption. The second part he described as a lawsuit the plaintiffs filed in Louisiana and, as he reported to the board earlier, the Louisiana Appellate Court stated that the individuals should sue in Illinois. Mr. Bearrows reported that the Louisiana Supreme Court declined to hear the case, and that given the context of the suit, he believes the University does not have a problem.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned and the board reconvened in regular session.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that the items on the agenda for this meeting would now be presented and time allowed for discussion. He then stated that he wished to present two items. On agenda item no. 9, "Amend Composition of the Consultative Committee to Assist in the Selection of a President, 2004," he thanked the constituent groups for sending the names of nominees to the board and the student trustees for coordinating efforts to obtain nominees for the student positions on the committee. He described the membership of the consultative committee and referred to a letter he sent trustees last week listing the members of the committee. He then noted that when he approached Dean Avijit Ghosh about chairing the consultative committee, Dean Ghosh, in addition to confirming that he would be honored to do so, inquired about whether there would be opportunity for him to have input on the selection or recommendation of committee members. Mr. Eppley stated that that was a meritorious idea that would certainly enhance the prospects of a successful search, since so much responsibility would fall on the shoulders of the committee chair; however, because so much care was taken to develop a collaborative committee selection process, it was apparent that the best way to accommodate Dean Ghosh's request was to add to the committee one person to be recommended by the

committee chair for subsequent approval by the board. Accordingly, he stated that the board was amending the consultative committee composition to add Mr. Ayy H. Stein. Mr. Eppley then read the names of members of the committee. Mr. Sperling commented; stating that he had known Mr. Stein for many years and that he was confident that Mr. Stein would bring a valuable perspective to the committee's work.

Next, Mr. Eppley stated that with regard to agenda item no. 10, "Membership of the Consultative Committee to Assist in the Selection of a President, 2004," that he would have comments to make later when the agenda is considered and at that time he would introduce the chair of the committee.

Mr. Eppley then asked Chancellor Cantor to present agenda items concerning her campus. She said that agenda item no. 3, "Appoint Fellows to the Center for Advanced Study, Urbana," and agenda item no. 4, "Appoint Associates to the Center for Advanced Study, Urbana," both concerned appointments of outstanding faculty to positions in this distinguished center for interdisciplinary research on the Urbana campus. Dr. Cantor described the appointments as very significant. For agenda item no. 8, "Eliminate the Undergraduate Major in Consumer and Textile Marketing, Urbana," she explained that there is no longer faculty to support this major, and that plans had been made to permit students now enrolled to have time to complete their degrees.

Next, Mr. Eppley asked Chancellor Manning to present items concerning the Chicago campus. On agenda item no. 1, "Appoint Faculty Fellows to the Institute for the Humanities, Chicago," Dr. Manning said that these are all internal appointments. On agenda item no. 2, "Reappoint Members to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Office of the Vice Chancellor for Health Affairs, Chicago," she explained that these appointments are made annually and are reappointments of people currently serving on the board. On agenda item no. 7, "Reorganize Department of Biomedical and Therapeutic Sciences, University of Illinois at Chicago College of Medicine, Peoria," she explained that this represents the change, by vote of the faculty, from a chair as the leader of the department to a head of the department. Dr. Schmidt asked for explanation of the distinction between the two titles and Dr. Manning explained that a head has more independent authority than a chair, and that there are very few departments lead by chairs.

Following this, Mr. Eppley asked Vice President Gardner to comment on an item. Dr. Gardner commented on agenda item no. 6, "Sabbatical Leaves of Absence, 2004-05," stating that the University of Illinois *Statutes* provide for faculty to be granted sabbatical leaves for research and study with pay. He stated that the objective of this is to increase the faculty member's usefulness to the University. He also explained the differential amounts of leave available to faculty and noted the rigorous review process, and indicated that fewer than 40 percent of the faculty members eligible for a sabbatical are granted such a leave.

Mr. Eppley then asked Vice President Rugg to comment on several items. Mr. Rugg began by stating that two items on his list would be discussed in the meeting of the Finance and Investment Committee and proceeded to describe the purpose of agenda item no. 11, "Employ Professional Services Consultant for Fire and Life Safety Code Audit of University Facilities." He told the board that this contract, totaling \$560,000, was to hire the same firm that audited the University's facilities and produced the facility condition audit that led to the deferred maintenance program. He said that this contract would include the requirement of a report of the safety of the facilities, especially with regard to fire safety. He then spoke to agenda item no. 12, "Employ Architect/Engineer for Lincoln Hall, Urbana (Capital Development Board Project)," and said that this recommendation presented a milestone for bringing this project forward. He said this recommendation would be sent to the Capital Development Board, once approved by the Board of Trustees, and the employment of the firm would be made by the Capital Development Board. He noted the \$2.0 million that had been provided for planning for this project and said the work by the architect and engineer would provide the basis for the next steps in remodeling this facility, which is at the top of the University's list for remodeling projects for Fiscal Year 2005, and has a good ranking for funding from the Illinois Board of Higher Education. He stated that it remains to be seen what the General Assembly and governor will do regarding the project in the FY 2005 budget. On agenda item no. 15, "Award Contract for East Campus Utilities, Urbana," he said that this recommendation concerns the infrastructure for two projects, Doris Kelley Christopher Hall and the East Campus Commercial Center. Mr. Rugg said that the low bidder is recommended for this project. Mr. Shah advised care in distributing contracts to architecture and engineering firms in order to make participation by the greatest number of firms possible. He also suggested that Illinois firms be awarded contracts whenever possible. Dr. Gindorf said he agreed with Mr. Shah but that he thought that State law required the low bidder to receive the contract. Mr. Shah said that the criteria for selection were an issue and that this matter could be addressed. Mr. Rugg said that he would review the procedures for selecting firms and would work to spread the word about opportunity for contracts with the University. Mr. Rugg then asked Mr. Michael B. Provenzano, senior associate vice president for business and financial services, to comment on agenda item no. 13, "Purchases." Mr. Provenzano described the purchase of a contract with a radiology group at Rush-Presbyterian-St. Luke's Medical Center to provide services in radiology, explaining that this was necessary due to the resignation of a radiologist at the University of Illinois Hospital. He said that this service was recommended from this point until a new faculty member can be appointed. He said that the cost was based on the number and types of procedures provided. Next, he told the trustees of a recommendation to purchase a mass spectrometer for use by the Department of Geology at Urbana. He said that this instrument would increase the functions possible in research, and would increase the volume of samples that may be tested.

Another item Mr. Provenzano discussed was a recommendation to provide electronic search capability and full-text retrieval for scientific and other scholarly publications. He said that this was to be a collective purchase by all the libraries at the University, and as such would allow for a discount of \$158,000. Dr. Gindorf asked if the hospital had lost an interventional radiologist that necessitated contracting with Rush-Presbyterian-St. Luke's Medical Center. Dr. Rice confirmed this, and stated that a new faculty member had been recruited who would begin in a few months. Mr. Shah congratulated the staff for efforts to obtain the best contracts possible for these purchases.

BOARD MEETING RECESSED

At this time, the board meeting recessed for committee meetings.

MEETING OF THE ACADEMIC AFFAIRS COMMITTEE

Dr. Schmidt, the chair of this committee, convened the meeting and asked Chancellor Cantor to introduce the faculty and students invited to participate in the presentations for the meeting. Chancellor Cantor stated that the presentations for today's committee meeting would be made by individuals from several of the fine arts disciplines on the campus. She stated that the arts are vital to a liberal education, and that faculty and students are transformed by good teaching and learning in these areas. Dr. Cantor then introduced the faculty to participate in the presentations: Ollie Watts Davis, associate professor in the School of Music, and her students Courtney Huffman and Casey Robards; and Robert Graves, professor and head of the Department of Theatre and his student Terry S. Flint. Dr. Cantor noted that Professor Davis has performed at Carnegie Hall, has several recordings, and travels widely to give concerts. Dr. Cantor commented that Professor Graves is a noted authority on Irish theatre and Asian theatre and is an authority on lighting and stage design, and sought after by theatres around the world.

Professor Graves spoke first and told the board that the curricula in theatre, music, and the other arts were professional programs designed to prepare students to pursue careers in the theatre, music, and other arts. He noted that admission to these programs is selective and that this factor contributes to the excellence of the programs. He said that auditions and interviews are competitive and this process ensures that the best students are recruited to the programs. Further, he noted that highly individualized teaching produces outstanding graduates.

Professor Davis then spoke and described the individual instruction provided students in the voice program. She said that students have special sessions of 90 minutes each and give recitals in their junior and senior years. Then she mentioned several graduates of the voice program who have gone on to become well-known opera singers. Professor Davis next introduced two students who each demonstrated the results of their education by singing for the board. The board was most appreciative.

Professor Graves introduced Ms. Flint who described the process of designing sets and staging a play.

Professor Graves summed up the session by saying that emotions, knowledge, and humor are essential to the training of such students.

MEETING OF THE FINANCE AND INVESTMENT COMMITTEE

Dr. Gindorf, chair of this committee, convened the meeting and asked Vice President Rugg for comments. Mr. Rugg outlined the plan for the meeting and introduced Mr. Steve Voss of Ennis Knupp + Associates, the University's financial advisers.

UI Investment Review for the Quarter Ended December 31, 2003

Mr. Voss presented the quarterly report of investments, including a report on the benchmarks and the performance of the managers. He noted that the work of Morgan Stanley had added value (materials on file with the secretary). He also told the board that the University has \$550.0 million in cash-like investments and that performance has been good even though interest rates are down. He then commented on performance of some of the managers, stating that Amervest, a firm that has \$50.0 million in operating funds, had doubled returns relative to the benchmark, and that Western Asset had performed well too.

He also reported that the category of private equity managers, a new addition to the investment strategy, was introduced to further diversify assets, and that the managers had been selected in response to a request for proposals.

Mr. Voss compared the University of Illinois to other Big Ten universities and noted that investment strategies seem similar, except that the University of Illinois has less invested in hedge funds, which pleases Ennis Knupp, as that firm advises against investing in hedge funds. Discussion followed about other institutions that do invest in hedge funds and why they do this. Mr. Voss told the board that the firm is now considering real estate as an asset class for University funds. He also stated that while results from investments with Morgan Stanley were good, Ennis Knupp advised issuing a request for proposals to consider other firms to manage this asset class because several key managers at Morgan Stanley who produced good results have left the firm. A discussion of investment allocation followed, and Mr. Beckmann observed that the University had been late to consider some investments. To this, Mr. Eppley responded that the mission of the institution was the basis for determining the allocation of investments and that these required constant review. Dr. Gindorf similarly advised that the University typically took more judicious risk in considering investments. Next, Mr. Vickrey asked how the University's investments performed relative to the benchmarks and was told that they tended to hug the benchmarks or perform slightly behind the benchmarks. President Stukel noted that the index funds seemed to be the best managed funds when the market is down, and in a rising market the index funds tend to reflect the mar-

ket, or stated differently, in a falling market the index funds do not outperform the market.

Presentation and Discussion of Agenda Items

Mr. Beckmann then turned to the financial items in the agenda and asked if there were any questions on agenda item no. 13, "Purchases." There were none. Next, he noted agenda item no. 16, "Policy for Issuance of Debt," and explained that this recommendation formalizes past good practices regarding debt. There was some discussion about refunding and whether the policy should include a statement about this. Mr. McKeever, treasurer of the board, stated that the guidelines developed to implement the policy should address that subject and Mr. Eppley reinforced this by stating that the goal was to have a policy for the University, and to have refunding guidelines that were responsive to the market rather than to a policy.

Overview of Annual Inventory Report for Year Ended December 31, 2003

Mr. Beckmann called attention to the fee disclosure on page nine of this report that lists all investment managers and all fees (copy filed with the secretary of the board). He reported that the University has low fees typically. Also, he noted that the University manages construction funds internally because there would be no savings in having these funds managed externally. In summary, he stated that the fund managers are of high quality and the fees are reasonable.

MEETING OF HUMAN RESOURCES COMMITTEE

Mrs. Sodemann, chair of this committee, began this meeting by stating that the complexity of the University requires a specialized and diverse workforce that enables the University to perform myriad tasks, and the workforce also affects the local economy in those locations where the University has a presence. She went on to state that in order for the board to understand this complexity, she had asked that the board receive a description of the University's workforce. She then introduced John Loya, associate vice president for human resources, and asked him to present this information.

Mr. Loya began his presentation stating that there are many methods for reporting the numbers of staff at the University. He stated that he would report total headcount for the year 2003, and that this would include temporary and casual employees. He referred the board to data in materials distributed at the table and noted that the University employed a total of 51,938 employees in fiscal year 2003 (materials on file with the secretary). Mr. Loya told the board that 19 percent of the employees at the University are represented by a union and he also reported the gender and ethnic characteristics of the employees.

Further, Mr. Loya stated that 64 percent of the University's budget is committed to human resources services and benefits. He then noted that among major employers in Illinois, the three campuses are significant

employers in their locations, with the Urbana campus ranking first among employers in numbers of employees.

In concluding his remarks, Mr. Loya listed several challenges for the University in the area of human resources. These included: the need to operate in multiple labor markets, including a volatile health care labor market; difficulties in competing for salary and benefits with other employers; diversity in the workforce and the need to increase it; changing skill sets that are required by every organization; and the need for the workforce to be more efficient and effective. He also told the board that he was involved in the review of all aspects of managing human resources within the University and planned a transformation of these activities in the near future.

Discussion followed and Mr. Eppley thanked Mr. Loya and stated that the board would like to learn more of the changes envisioned in the University's human resources management at future meetings.

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of this committee, called on Vice President Chicoine to report to the board. Dr. Chicoine presented the second quarterly report of the fiscal year on economic development activities (materials on file with the secretary). He added the goal of the University is to provide management for emerging technologies from inception in a laboratory to commercialization and drew attention to the metrics in the report on activities of the Offices of Technology Management. He stated that IllinoisVENTURES, LLC, is successfully engaged in supporting start-ups and working closely with the Offices of Technology Management. He praised the Board of Managers of IllinoisVENTURES, LLC, and noted how helpful those members had been to the development of the undertaking. He reported that IllinoisVENTURES had leveraged about \$6.00 in private investment for every \$1.00 invested in early stage start-ups.

Dr. Chicoine next reported on the research parks in Chicago and Urbana and on the incubators, stating that at Urbana, 52 percent of the jobs in the research park were related to start-up companies, and that 192 student interns were employed in this research park. He added that 77 percent of the space at Urbana was leased and that 75 percent of the space in the incubator facility was leased. He stated that at the Chicago Technology Park, the incubator was already fully leased. Dr. Chicoine also noted that John Parks, the first director of the research park at Urbana, had resigned recently to take a position as director of the research park at the University of Kentucky and he thanked him for his contributions to the research park at Urbana.

In closing, Mr. Eppley asked Dr. Chicoine to report on a recent survey. Dr. Chicoine told the board that in the 2002 survey by the Association of University Technology Managers, the University of Illinois was ranked among the top ten universities involved in the development of start-up companies.

RECESS FOR LUNCHEON

The board recessed for luncheon¹ and returned for more committee meetings.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley stated that this meeting was for the purpose of receiving a presentation on the sources of financial aid to students at the University, including the University's supplement to the State's Monetary Award Program (MAP) and the funding recommendation for this for Fiscal Year 2005. He invited Vice President Gardner to begin his presentation on this subject.

Dr. Gardner summarized the University's approach to providing financial aid to its students, stating that a principle of financial aid at the University of Illinois has been that no academically qualified student would be barred from attending the University for want of financial assistance. He also stated that the Illinois Student Assistance Commission (ISAC) had made recommendations for funding the MAP for FY 2005 (materials on file with the secretary). He said that the changes in the MAP would allow ISAC to make more awards in FY 2005. Dr. Gardner next explained to the board the practice known as "discounting" of tuition, that is a system of discounting the tuition for students with financial need, and noted that this began in the 1970s as a way to increase diversity among students enrolled at the nation's campuses. He said that in the beginning, 27 percent of colleges and universities followed this practice and that now 40 percent of the institutions in the country employ this approach to funding costs for students with financial need.

Dr. Gardner also described the initiation of the MAP awards and told the board that originally these were intended to pay the full tuition and fees at any Illinois university, but this full funding gradually changed to a shared funding for the University of Illinois when tuition and fees at the University were a few hundred dollars more than MAP. Dr. Gardner said that this changed in 2002 when tuition and fees at the University of Illinois were increased considerably and included a surcharge for the Chicago and Urbana campuses. He said that the University continued to fund the gap between the MAP award to students and the actual tuition and fees charged, which increased from \$2.2 million to \$14.0 million for FY 2003 and to \$16.2 million for FY 2004. He said that for FY 2004, 6.4 cents of every \$1.00 in tuition collected goes toward funding the gap, and that next year, the University's responsibility to fund the gap will increase to \$21.0 million, or \$0.07 of each \$1.00 collected in tuition. He contrasted this with Northwestern University's need to dedicate 25 percent of tuition collected to financial aid for students.

He then discussed the practice of discounting tuition and told the board that the practice has been increasing over the past few years and that the Lumina Foundation for Education had studied this (materials on file

¹Guests of the board at luncheon included members of the Urbana-Champaign Senate.

with the secretary) and concluded that discounting does not always achieve desired results. He added that if tuition is too high then nearly all students receive financial aid, and cited a case of an institution that had decided to reduce tuition because most tuition revenue was going toward scholarships. He reported that research findings have revealed that 81 percent of students in independent institutions receive a tuition discount. He also commented on merit scholarships and apprised the board that these awards reduce the opportunity for aiding students with financial need. He informed the board that the University of Illinois awards financial aid on the basis of need only.

Next, Dr. Gardner related information regarding sources of financial aid for University of Illinois students. He began by telling the board that the cost for a typical University of Illinois student would be \$18,000, including transportation and incidental costs, and he listed the sources of financial aid available to students (material on file with the secretary). After this, he stated that with all sources of financial aid considered, there would be an unmet need of \$6,518, which would be addressed by student and family contributions, student work-study aid, loans, and other scholarships. He also told the board that students are limited to a total of \$23,000 in loans if they are dependents of their parents and to \$46,000 for independent students. He stated that half of the full-time undergraduates at the University of Illinois pay less than the full price of tuition and fees and that 40 percent to 50 percent of students take loans to pay their expenses at the University. He noted that students at Chicago and Urbana have an average debt from loans that is lower than the national average.

Dr. Gardner recommended to the board that the University limit the supplement to the MAP to four years, with an additional one year provided on advice of the financial aid officer at the campus; that undergraduates with financial need be moved as far as is prudent away from University-funded grants to loans; that the financial aid officers on each campus develop campus policies for awarding MAP supplemental funds; and that in order to manage future increases in tuition and fees, the campus MAP Supplemental Financial Aid pools be increased by percentages that are fixed multipliers of the percent increases in total undergraduate tuition income. He recommended that the multipliers be 2 at Chicago, 1.5 at Springfield, and 1 at Urbana. He also recommended that the methodology be reviewed at least every three years to ensure adequate and appropriate funding for the MAP Supplemental Financial Aid at each campus. He then stated that the recommended funding for FY 2005 for the MAP supplement was \$12.9 million for Chicago, a 15.5 percent increase; \$51,000 at Springfield, an increase of 0.7 percent; and \$21.0 million at Urbana, an increase of 7 percent. Dr. Gardner explained that the board would be asked to act on these recommendations when they consider the operating budget in September 2004.

Discussion followed and Mr. Eppley commented on a concern some of the trustees had regarding the exponential growth pattern in the MAP sup-

plement and stated that a goal would be to eliminate the need to fund this supplement. Mr. Vickrey concurred and stated that he thought it important to replace the MAP supplement with other funds; otherwise, the MAP supplement would continue to grow with regularity. Further discussion ensued on the matter of loans to students, with Dr. Gindorf commenting that the MAP supplement might be capped and the remaining need provided by endowment income or loans to students. Both Dr. Carroll and Ms. Garcia expressed concern about requiring students to take more loans, and said they feared students would drop out of the University or not enroll at all if more reliance on loans became a necessity. Dr. Gindorf stressed that the board must ensure that the University is accessible and affordable and that qualified students not be turned away because of financial need.

Chancellor Manning then commented, stating that increasing tuition provides for both academic program development and for discounting tuition for students with financial need. In addition, she stated that the Lumina study was not applicable to public institutions where tuition is much lower than at private institutions.

Dr. Carroll asked how the University of Illinois compared to its peers in providing financial aid to students and Dr. Gardner provided data showing that the University was comparable to peer institutions in this regard.

In closing this meeting, Mr. Eppley thanked Mrs. Sodemann and Mr. Vickrey for serving on the tuition review committee chaired by Dr. Gardner that met during the previous year and developed the recommendations presented.

MEETING OF THE UNIVERSITY HOSPITAL COMMITTEE

Mr. Vickrey, chair of this committee, convened this meeting and asked Dr. Charles L. Rice, vice chancellor for health affairs, Chicago, to report on the financial status of the University Hospital.

Dr. Rice presented financial performance data for the hospital for the period July 2003 to January 2004 (material on file with the secretary). He highlighted some of the data for the board, noting that bad debt for the hospital was below the amount budgeted; that through January 2004 the hospital revenue was \$3.0 million above budget, noting that this is sensitive to changes in volume of patients in the hospital; and that the hospital was managing the use of agency nurses much better than other urban hospitals. He also reported that the cost of supplies was down, and that the cash collected was higher than in any previous year.

In addition, Dr. Rice told the board that Medicaid payments had increased five percent over the previous year; however, the hospital had not received this from the State and that the Federal payments had been reduced. He reported that the hospital had an exceptional expense this year of \$2.3 million related to settlement of the case brought by the U.S. Department of Justice concerning the controversial liver transplant case.

He also reported that the volume of patients in hospital was up for February 2004, and he predicted that the next financial report in September

2004 would show better performance and increased revenue. He also noted that actuarial studies are under way to determine a cost of medical malpractice insurance for the next year, and he expected this information by the end of April 2004.

MEETING OF THE BOARD RESUMED

When the board reconvened in regular session, all members and officers of the board and University officers noted as present earlier in the day were still in attendance.

OLD BUSINESS

Dr. Carroll reported on a meeting she attended as a guest of the University Senates Conference on February 20, 2004, and stated she found it to be very informative and helpful. She stated that one concern she learned of was the members' desire to have a faculty member present at the board table at board meetings. She said that the conference members did not expect that this faculty member would have a vote, but that this person would be available to comment at appropriate times.

She also reported that she and Mrs. Sodemann had attended a meeting of the State Universities Civil Service Merit Board, and that this group presented impressive research on issues related to civil service employees at the public universities in Illinois. Mrs. Sodemann added that the new director, Thomas Moreland, is impressive and that all seems to be going well in the State Universities Civil Service System.

Next, Dr. Schmidt reported on a meeting of the Board of Managers of the University of Illinois Research Park, LLC, at Urbana on February 3, 2004. He noted that this was the first meeting of the newly constituted board, and that a good discussion of economic development and the campus' involvement was held. He also reported that positive developments are occurring in the Chicago Technology Park and in the DuPage County Technology Park. He stated that a continuing challenge of specifying the issues for each of these operations exists. He also said that he sees defining Dr. Chicoine's role in the overall management of the parks to be important.

Mr. Sperling then spoke and congratulated the chancellors and the athletic directors at Chicago and at Urbana on the performance of the campuses' basketball teams and stated that all should be proud of the performance of the athletic departments, in that there has been little difficulty in intercollegiate athletics on the campuses and the teams had won championships. Mr. Eppley also commented and extended congratulations to all the athletic programs. He said he would like the good news spread widely.

NEW BUSINESS

Dr. Schmidt asked that he, as chair of the Academic Affairs Committee, be kept apprised of the development of the financial aid policy. He also asked if recent national statistics indicating a high drop-out rate for students entering doctoral programs were reflective of the experience at the Univer-

sity of Illinois. Chancellor Cantor responded, stating that the national statistics were much higher than the experience at Urbana.

REPORTS FROM STUDENT TRUSTEES

Mr. Allen addressed the subject of Chief Illiniwek and said he was saddened by the divide on campus regarding Chief Illiniwek. He stated that he saw minority students as opposed to the continuance of Chief Illiniwek and white students in favor of continuation of the symbol. He then announced that he would place the issue of continuing Chief Illiniwek on the agenda for the meeting of the board in April 2004. He apologized to his colleagues for putting them in a difficult position with regard to this, and stated that he thought it would be best for the University to try to settle this matter.

Ms. Garcia reported that there had been many successful events at the Chicago campus since the last board meeting, including the UIC Scholarship Show, International Night, and the men's basketball championship. She also noted the availability of financial aid is a concern for students at Chicago.

Mr. Hollingshead commented on the Model United Nations, an annual event in Springfield that had recently concluded. He also told the board that CNN Headline News had reported on a grant received for research in mathematics at Springfield.

COMMENTS FROM BOARD MEMBERS

Mr. Eppley responded to Mr. Allen's announcement about asking the board to vote on the issue of Chief Illiniwek at the April meeting and said it was a disrespectful act to his colleagues. He then invited Mr. Bruce to comment on a matter on which he was working.

Mr. Bruce stated that he thought a change to the *Bylaws* of the Board of Trustees was in order to clarify how items reach the agenda for the board's consideration at board meetings. He said that he would propose an amendment to the *Bylaws* calling for specification about how many trustees would be required to make a request to place a matter on the agenda for the board's consideration.

REPORT FROM CHAIR, CONSULTATIVE COMMITTEE TO ASSIST IN THE SELECTION OF A PRESIDENT

Mr. Eppley invited Dean Avijit Ghosh, College of Business, Urbana, and the nominee for chair of the above committee to comment.

Dean Ghosh thanked the board for the opportunity to serve the University in this way and said that he approached this task with pride and humility. He pledged to assist the board and to work closely with it during the process of seeking a new president. He also said the consultative committee represents several constituencies of the University and that it will conduct a proactive search for one of the most important leadership posts in higher education in the United States.

He then proposed that the board consider appointing a faculty member to serve as co-vice chair of the committee and specifically recommended Dr. Elliot Kaufman, professor of biochemistry and molecular genetics, Chicago, for this assignment.

Mr. Eppley thanked Dean Ghosh for his remarks.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meeting of September 11, 2003, copies of which had previously been sent to the board.

On motion of Dr. Gindorf, these minutes were approved.

AGENDA

The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 9 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Appoint Faculty Fellows to the Institute for the Humanities, Chicago

(1) The chancellor at Chicago with the recommendation of the director of the Institute for the Humanities, and with the concurrence of the dean of the College of Liberal Arts and Sciences, has recommended the following appointments of fellows to the Institute for the Humanities for the academic year 2004-05, and for the program of research or study as indicated in each case.¹ Fellows² are released from teaching and administrative duties, normally for one year, so they can devote full effort to their research.

JODY-CHIMENE BATEMAN, assistant professor, Department of Spanish, French, Italian and Portuguese, "Invocations of Desire: The Female Addressee in Medieval and Early Modern Literature"

PIETRO BORTONE, assistant professor, Department of Classics and Mediterranean Studies, "Language and Society on the Black Sea: The Case of the Muslim Greek Speakers of Turkey"

ANTHONY S. LADEN, associate professor, Department of Philosophy, "Practical Reason and the Unity of the Self"

VICTOR MARGOLIN, professor, Department of Art History, "A World History of Design"

VIRGINIA E. MILLER, associate professor, Department of Art History, "The Art and Architecture of Chichen Itza"

DAVID C. REISMAN, assistant professor, Department of Classics and Mediterranean Studies, "The Philosopher and the Mystic: A Study of the Avicenna—Abu Sa'id Correspondence"

SALLY SEDGWICK, professor, Department of Philosophy, "From Subjective to Absolute Idealism: Hegel's Critique of Kant"

¹Faculty fellows are chosen competitively by the Institute's Executive Committee through evaluation of research proposals.

²Alternates: (1) Waud H. Kracke, professor, Department of Anthropology, "The Parintintin World (in the Brazilian Amazon) Through the Eyes of Parintintin Artis Paulinho"; (2) Deirdre N. McCloskey, UIC Distinguished Professor, Departments of Economics and History, "The Bourgeois Virtues"; (3) Gayatri Reddy, assistant professor, Department of Anthropology and in the Gender and Women's Studies Program, "*Desi Paradesi*: Crafting Gay South Asian Spaces in the Contemporary U.S.A."

KRISTA A. THOMPSON, assistant professor, Department of Art History, "The Tropicalization of the Anglophone Caribbean: The Politics and Aesthetics of Space in Jamaica and the Bahamas"

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Schmidt, these appointments were approved.

**Reappoint Members to the Advisory Board of the Division
of Specialized Care for Children (DSCC) in Springfield,
Office of the Vice Chancellor for Health Affairs, Chicago**

(2) In 1957, the Illinois General Assembly created an advisory board for the Division of Specialized Care for Children (DSCC) to advise the administrators of the University of Illinois DSCC. The Board of Trustees is charged with appointing members to this advisory board.

The chancellor at Chicago recommends the following reappointments to the DSCC advisory board for a term ending June 30, 2007:

JOHN R. FISK, M.D., orthopaedic surgeon; professor, Division of Orthopaedic Surgery and Rehabilitation, Southern Illinois University School of Medicine, Springfield, IL; Hospital Privileges: Memorial Medical Center, Springfield, IL; St. John's Hospital, Springfield, IL

CHURPHENA ANDREA REID, M.D., pediatric urologist, Affiliated Urology Specialists, Peoria, IL; visiting assistant professor of clinical surgery and physician-surgeon, Department of Surgery, University of Illinois College of Medicine at Peoria; Hospital Privileges: St. Francis Medical Center, Peoria, IL; Methodist Medical Center; Peoria, IL; Proctor Hospital, Peoria, IL; Pekin Hospital, Pekin, IL; OSF Center for Health, Peoria, IL

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Schmidt, these appointments were approved.

Appoint Fellows to the Center for Advanced Study, Urbana

(3) Each year the Center for Advanced Study awards appointments as fellows in the center, providing one semester of released time for creative work. Fellows are selected in an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of fellows selected for the 2004-05 academic year, and offers a brief description of their projects:

ADRIAN BURGOS, JR., assistant professor, history, *The Latinos from Manhattan: Latinos, Black baseball, and making urban communities*

This project historicizes Latino participation in the Negro Leagues as a window into Black-Brown relations in Harlem from 1910-1950, a period when native New Yorkers, southern Black migrants, and immigrants from the English-speaking and Spanish-speaking Caribbean confronted questions about the meaning of race, community, and social justice.

DEBRA HAWHEE, assistant professor, English, *At the edges of language: Kenneth Burke's theories of the body*

This project explores the body's relationship to language in the early work of the literary critic and rhetorician Kenneth Burke (1898-1992). Specifically, the study shows how Burke developed his monumental theories of language (dramatism and language as symbolic action) by drawing from scientific and religious discourses to explore how the body forms habits crucial for interpretive and communicative processes.

PAUL HERGENROTHER, assistant professor, chemistry, *Using small molecules to identify novel anti-cancer targets*

The protein target of a novel anti-cancer compound will be identified. This protein could represent a totally new anti-cancer target, and its discovery could pave the way for selective anti-cancer drugs with a completely novel mechanism of action.

ELIZABETH HSIAO-WECKSLER, assistant professor, mechanical and industrial engineering, *Prevention of falls in older adults: assessment and models of human balance*

In order to improve our understanding of the etiology of falls, Hsai-Wecksler will use novel methodologies based on control theory and statistical mechanics for understanding changes in balance and postural control due to age, disease, or exercise. Experimental and modeling studies, based on the impulse loading—impulse response paradigm, will explore response behaviors to sudden, transient perturbations to balance.

**ILIA KAPOVITCH, assistant professor, mathematics, *Genericity in Group Theory*

The project focuses on studying the phenomenon of genericity in Group Theory that often leads to the discovery of objects with new and interesting algebraic, geometric, and algorithmic properties. Our investigation of generic-case complexity of group-theoretic decision problems has already yielded a much better understanding of experimental behavior of group-theoretic algorithms, with possible future practical applications.

SILVINA MONTRUL, assistant professor, Spanish, Italian and Portuguese, *Understanding the long-lasting effects of early linguistic input in bilinguals*

This project tests effects for a critical period for language acquisition in low proficiency bilingual speakers who learned one of the languages (Spanish) at different times in their life: adult second language learners and heritage speakers (second-generation immigrants or their children living in the U.S.).

**DANIEL PACK, assistant professor, chemical and biomolecular engineering, *Design and construction of single-shot DNA vaccines*

New methods of administration are needed to capitalize on the potential of vaccination to prevent and even eradicate disease. This project will create drug delivery systems that can administer a vaccine and its required boosters with a single injection.

**SCOTT SILVERMAN, assistant professor, chemistry, *DNA as a catalyst for chemical reactions*

DNA will be used as a novel catalyst for chemical reactions. Biologically important compounds such as glycopeptides will be synthesized.

**BENJAMIN WANDELT, assistant professor, physics and astronomy, *Probing for new physics in cosmological data*

The anisotropy in the cosmic microwave background (CMB) is a uniquely powerful probe of cosmological physics. Wandelt will apply advanced statistical and computational techniques to probe for deviations from the standard cosmological paradigm both using CMB data alone and in the comparison between CMB data and other cosmological data sets.

**These faculty members have been recommended for appointment as Beckman Fellows in the Center for Advanced Study named for the donor of a gift that permits additional recognition for outstanding younger fellow candidates who have already made distinctive scholarly contributions.

The president of the University concurs.

On motion of Dr. Schmidt, these appointments were approved.

Appoint Associates to the Center for Advanced Study, Urbana

(4) Each year the Center for Advanced Study awards appointments as associates in the center, providing one semester of released time for creative work. Associates are selected in an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of associates selected for the 2004-05 academic year, and offers a brief description of their projects:

**SCOTT ALTHAUS, associate professor, speech communication and political science, *Public deliberation and popular sovereignty in the choice between war and peace*

This project examines the processes of media-constructed public deliberation over the merits of going to war with Iraq that occurred in the months leading up to the 1991 Persian Gulf War. Special attention will be given to the relative power over the public deliberation process exercised by American political leaders, journalists, and citizens speaking through opinion polls.

SANDY BURGNER, associate professor, College of Nursing, *Optimizing quality of life outcomes in persons with dementia*

A book will be written based on the outcomes of a seven-year longitudinal study examining predictors of quality of life outcomes in persons with progressive dementia, such as Alzheimer's disease. Although the scientific findings have been disseminated in professional journals and meetings, this volume will utilize the quantitative and qualitative study findings presented in lay terms to provide guidance for persons with dementia, family members, and institutional caregivers.

JANET GAFFNEY, associate professor, special education, *High-impact late intervention in reading and writing*

This two-pronged project will forward the research on and implementation of a robust intervention for older students with persistent and significant difficulties in reading and writing. The two goals are to complete a book for publication and prepare a research proposal for submission on this intervention, which has been labeled a "High-Impact Late Intervention in Reading and Writing."

LAUREN GOODLAD, associate professor, English, *Liberal internationalism: Victorian literary encounters with the South*

Combining Victorian studies with humanistic inquiry into globalization, this project explores nineteenth-century liberal internationalism and its connections to the present day. By blending literary criticism with historical research and contemporary political theory, the book considers the experimental internationalism of Victorian novelists such as George Eliot, Anthony Trollope, and Wilkie Collins, alongside contemporaneous intellectuals such as John Stuart Mill and Harriet Martineau.

JAMES IMLAY, professor, microbiology, *Disruption of sulfur metabolism by oxidative stress*

Endogenous superoxide disrupts sulfur metabolism inside cells by a mechanism that has long eluded investigators. Lab experiments have obtained indirect but striking evidence that the sulfur metabolic defect may arise as a by-product of damage to the clusters. If this is correct, then the model will not only help explain the toxicity of oxidants, but it may also indicate that iron and sulfur metabolism are tightly linked. The project will focus on developing methods that will directly prove or refute this model.

CHANG LIU, associate professor, electrical and computer engineering, *Flexible sensitive skin: large area electronics and sensor integration*

This project focuses on the development of fundamental science and engineering for realizing artificial sensitive skins, which are large area, flexible surfaces with integrated sensors and semiconductor signal-processing electronics.

MICHAEL PALENCIA-ROTH, professor, comparative and world literature, *Acompañado por gabo: las pasiones otoñales de Gabriel García Márquez*

To write, in Spanish, the eleven chapters that will comprise *Acompañado por Gabo* (*Living with Gabo*), Palencia-Roth's second book on the 1982 Nobel Laureate in Literature, Gabriel García Márquez. This second book primarily considers García Márquez's career since 1982.

ELIZABETH PLECK, professor, history and human and community development, *Changing attitudes and public policy toward cohabitation, 1968-1990*

Living together without being married—that is co-habitation—is one of the most rapidly increasing social trends in the U.S. Pleck is interested in how and why law, public policy, and popular attitudes toward cohabitation have changed between 1968-1990 in the United States.

FAZAL RIZVI, professor, educational policy studies, *Identities 'on the move': student mobility and uses of international education*

Based on a large amount of interview data collected over the past five years in Australia and the United States, a book will be written exploring the manner in which international student identities are transformed by their education abroad and the ways in which they use their international education to enter or re-enter their professional and cultural communities.

TAHER SAIF, associate professor, mechanical and industrial engineering, *Deformation mechanisms in nano grained metal films*

Elastic modulus of nano grained metal films seems to decrease as the grain size decreases below 50nm. This project will explore grain boundary sliding as a potential mechanism for such decrease.

**EDMUND SEEBAUER, professor, chemical and biomolecular engineering, *Directed self-assembly of nanostructures from amorphous semiconductors*

A new surface self-assembly method for making nanometer-scale structures will be developed using amorphous semiconducting materials. The method represents a new strategy for nanofabrication that employs new physics discovered at UIUC and combines attractive features of the two broad classes of strategies currently employed: lithographic and thermodynamically-driven.

MATS SELEN, professor, physics, *An experimental study of nuclear forces using charmed quarks*

Using the CLEO-c detector at the Cornell Electron Storage Ring, the data obtained will open a new frontier of precision in our understanding of the strong and weak nuclear interactions. During this time Selen will serve as co-spokesman of the CLEO-c collaboration, a group of about 150 physicists from 15 leading universities.

ALEXANDRU ZAHARESCU, associate professor, mathematics, *Billiards and Farey fractions*

In recent joint work with F.P. Boca, using properties of the distribution of Farey fractions, some open problems on the periodic two-dimensional Lorentz gas were resolved. These techniques will be enhanced building more bridges between the subject of billiards and the periodic Lorentz gas, and the area of number theory concerned with Farey fractions and Kloosterman sums.

**These faculty members have been recommended for appointment as Beckman Associates in the Center for Advanced Study named for the donor of a gift that permits additional recognition for outstanding younger associate candidates who have already made distinctive scientific contributions.

The president of the University concurs.

On motion of Dr. Schmidt, these appointments were approved.

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(5) Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

A—Indefinite tenure

B—Ten months' service paid over twelve months

K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term

N—Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

ZHICHUN ZHU, assistant professor of electrical and computer engineering, on 100 percent time, beginning January 7, 2004 (N), at an annual salary of \$75,000.

Emeriti Appointments

JOHN A. GARDINER, professor emeritus of political science, May 16, 2004

Urbana-Champaign

EYAL AMIR, assistant professor of computer science, on 100 percent time, beginning January 2, 2004 (1), at an annual salary of \$80,000.

PAULA MAE CARNS, Spanish, Italian and Portuguese librarian and assistant professor of library administration, University Library, on 100 percent time, beginning December 1, 2003 (NY), at an annual salary of \$42,000.

ZACHARY ELKINS, assistant professor of political science, on 100 percent time, beginning December 18, 2003 (N), at an annual salary of \$58,190.

EDWARD FESER, associate professor of urban and regional planning, on 100 percent time, beginning January 1, 2004 (A), at an annual salary of \$70,000.

*PETER JAMES GARLICK, professor of animal sciences, on 100 percent time, beginning December 1, 2003 (A), at an annual salary of \$129,000.

DEANA C. McDONAGH, associate professor, School of Art and Design, on 50 percent time, beginning January 1, 2004 (N50), at an annual salary of \$29,500, and increasing to 100 percent time, for four years beginning August 16, 2004 (Q100), at an annual salary of \$59,885.

JORGE I. RAMIREZ, assistant professor of psychology, on 100 percent time, beginning February 16, 2004 (N), at an annual salary of \$60,148.

SRINIVASA M. SALAPAKA, assistant professor of mechanical and industrial engineering, on 100 percent time, beginning January 1, 2004 (N), at an annual salary of \$67,000.

WENDY ALLEN SHELburne, electronic resources librarian and assistant professor of library administration, University Library, on 100 percent time, beginning August 21, 2003 (1Y), at an annual salary of \$43,000.

RAMANATH SUBRAMANYAM, assistant professor of business administration, on 100 percent time, beginning January 8, 2004 (N), at an annual salary of \$100,000.

Emeriti Appointments

JOHN W. DUDLEY, professor emeritus of plant genetics in the Department of Crop Sciences, February 1, 2004

RANDALL S. OTT, professor emeritus of veterinary clinical medicine, January 1, 2004

MARGARET A. CHAPLAN, associate professor emerita of library administration, University Library, September 1, 2004

Administrative/Professional Staff

MICHAEL B. BASS, executive assistant vice president for operations and external relations, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$165,000.

BERNADETTE BISKUP, associate executive director of hospital administration, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$250,000.

- JENNIFER LYNN BLOOM, associate dean for student affairs and the Medical Scholars Program, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$98,000. Dr. Bloom was appointed to serve as visiting associate dean for student affairs and the Medical Scholars Program under the same conditions and salary arrangement beginning February 16, 2004. She will continue to serve as adjunct assistant professor of internal medicine, University of Illinois College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried); and adjunct assistant professor of educational organization and leadership, College of Education, on zero percent time (non-tenured and non-salaried), for a total salary of \$98,000.
- KEVIN A. DORSEY, associate director of managed care, Office of Business Development, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$98,000. Mr. Dorsey was appointed to serve as visiting associate director of managed care under the same conditions and salary arrangement beginning February 1, 2004.
- CYNTHIA SCHMIEGELT, associate director of finance-reimbursement, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$95,000.
- SUSAN M. KIES, associate dean for curriculum management, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$109,775 (change in position only; no change in salary). Dr. Kies was appointed to serve as visiting associate dean for curriculum management under the same conditions and salary arrangement beginning February 16, 2004. She will continue to hold the rank of assistant professor of medical education, University of Illinois College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried), for a total salary of \$109,775.
- GREGORY A. MILLER, director, Biomedical Imaging Center, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, on an academic year service basis, on 50 percent time, beginning March 15, 2004 (N50), at an annual salary of \$58,628. In addition, for service as director, Dr. Miller will receive an administrative increment of \$10,000 on a twelve-month service basis (NY). This is a change in position only; no change in salary. He was appointed to serve as interim director beginning January 16, 2001. Dr. Miller will continue to hold the rank of professor of psychology, College of Liberal Arts and Sciences, on indefinite tenure on an academic year service basis, on 50 percent time, effective March 15, 2004 (A50), at an annual salary of \$58,540; professor, Beckman Institute for Advanced Science and Technology, on zero percent time (non-tenured and non-salaried); and adjunct professor of psychiatry, College of Medicine at Urbana-Champaign, on zero percent time (non-tenured and non-salaried), for a total salary of \$127,168.
- ALFRED S. PATE, assistant to the executive director, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$110,000.
- SALLY A. PELG, executive director for University Accounting and Financial Reporting, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$135,685 (change in position only; no change in salary).
- LAURIE MUELLER PITNER, executive director for University Payroll, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$107,000.
- VERA STAMENKOVICH, human resources transformation director, Office of the Associate Vice President for Human Resources, University Administration, on a twelve-month service basis, on 100 percent time, beginning March 17, 2004 (NY), at an annual salary of \$125,000. Ms. Stamenkovich was appointed to serve as visiting human

resources transformation director under the same conditions and salary arrangement beginning February 2, 2004.

DEDRA WILLIAMS, associate dean for administration, Office of the Regional Dean, University of Illinois College of Medicine at Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 16, 2004 (NY), at an annual salary of \$93,000. Ms. Williams was appointed to serve as visiting associate dean for administration under the same conditions and salary arrangement beginning February 16, 2004.

GALEN J. WINCHIP, associate director for information technology services, Facilities and Services, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning March 15, 2004 (NY), at an annual salary of \$93,938 (change in position only; no change in salary).

Intercollegiate Athletic Staff

MICHAEL J. DEE, head varsity coach, men's baseball, Division of Intercollegiate Athletics, Chicago, a second amendment to extend the current multi-year agreement, on a twelve-month service basis, on 100 percent time, effective October 1, 2004 through September 30, 2008 (NY100), on the following salary schedule:

<i>Time Period</i>	<i>Annual Salary</i>
October 1, 2004—September 30, 2005	\$67,259
October 1, 2005—September 30, 2006	69,950
October 1, 2006—September 30, 2007	72,748
October 1, 2007—September 30, 2008	75,658

This second amendment supercedes Coach Dee's current employment contract effective from September 7, 1998, through September 30, 2004, and extends the existing amendment.

In addition, the second amendment provides for changes in the amount of supplemental compensation for which Dee may be eligible in accordance with the following:

<i>Event</i>	<i>Bonus Compensation for One Year</i>	<i>Bonus Compensation for Three Consecutive Years</i>
Horizon League Regular Season Champion	\$ 3,000	\$ 6,000
Team wins Horizon League Tournament Championship	3,000	6,000
Team wins NCAA Regional Championship	5,000	7,500
Advancement to NCAA Super Regional Championship	10,000	15,000
Advancement to NCAA College World Series	10,000	15,000

MARK A. JOHNSON, head varsity coach, wrestling, Division of Intercollegiate Athletics, Urbana-Champaign, a fourth amendment to extend the current multi-year agreement, on a ten months' service paid over twelve months service basis, effective March 1, 2004, through March 31, 2007 (NB100), at an annual base salary of \$95,550. In addition, Coach Johnson will receive an increment for educational, public relations, and promotional activities on a ten months' service paid over twelve months' service basis, at an annual rate of \$10,000 (NB), for a total annual salary of \$105,550. A performance review will be held in December of each contract year to determine any compensation increases after February 29, 2004. This fourth amendment supercedes Coach Johnson's current employment contract effective from March 1, 2000, through February 28, 2003, and extends the existing amendments.

NANCY L. MUELLER, head varsity coach, women's volleyball, Division of Intercollegiate Athletics, Chicago, on a twelve-month service basis, with a multi-year contract, on 100 percent time, beginning March 15, 2004, through February 12, 2008 (NY100), at an annual salary of \$65,000. Coach Mueller shall be eligible to be paid at a merit raise level above the guaranteed base salary amount if justified by the periodic evaluations of the athletic director. Ms. Mueller was appointed to serve as visiting head varsity coach, women's volleyball, under the same conditions and salary arrangement beginning February 13, 2004.

Mueller shall have the opportunity to receive supplemental compensation in consideration of efforts contributing to exceptional team performance and participation in certain games or tournaments:

<i>Event</i>	<i>Bonus Compensation</i>
Regular Season Championship	\$2,000
Horizon League Tournament Championship	3,000
Advancement past first NCAA Round	5 percent bonus of annual salary
Advancement to NCAA Sweet 16	10 percent bonus of annual salary

On motion of Dr. Schmidt, these appointments were confirmed.

Sabbatical Leaves of Absence, 2004-05

(6) The chancellors at the Chicago, Springfield, and Urbana-Champaign campuses have recommended that the following members of the faculty be given sabbatical leaves of absence in accordance with the provisions of the University of Illinois *Statutes* and on the terms and for the periods indicated.

The programs of research and study for which leaves are requested have been examined on the respective campuses. The vice president for academic affairs has reviewed the applications for the leaves and recommends approval of 49 leaves for Chicago; 6 leaves for Springfield; and 122 leaves for Urbana-Champaign. (A list of those recommended has been filed with the secretary of the board for record.)

(For the record and to provide an annual compilation, in 2003-04, 56 leaves were taken at Chicago; 2 leaves were taken at Springfield; and 122 leaves were taken at Urbana-Champaign.)

On motion of Dr. Schmidt, these leaves were granted as recommended.

Reorganize Department of Biomedical and Therapeutic Sciences, University of Illinois at Chicago College of Medicine, Peoria

(7) The dean of the College of Medicine with the advice of the regional dean of the College of Medicine at Peoria, has recommended that the governance of the Department of Biomedical and Therapeutic Sciences in the College of Medicine at Peoria be changed from its present structure of a department organized with a chair to a department organized with a head.

In accordance with Article IV, Section 4, of the University of Illinois *Statutes*, the regional dean at Peoria received a petition from at least one-fourth of the faculty of the department requesting that the form of departmental organization be changed. The regional dean called a special meeting of the faculty of the department to discuss the reorganization and the relevant statutes. Following the discussion, a poll was conducted of the departmental faculty by secret written ballot. A majority of the faculty (80 percent) favored the change to the headship form of organization.

The chancellor and provost and vice chancellor for academic affairs at Chicago and the vice president for academic affairs concur in this recommendation.

The president of the University recommends approval.

On motion of Dr. Schmidt, this recommendation was approved.

**Eliminate the Undergraduate Major in Consumer
and Textile Marketing, Urbana**

(8) The chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the Department of Agricultural and Consumer Economics in the College of Agricultural, Consumer and Environmental Sciences to eliminate the undergraduate consumer and textile marketing major.

The Department of Agricultural and Consumer Economics no longer has the faculty to support the major in consumer and textile marketing. Three of the four faculty with textile expertise who teach and administer the major have or will be retiring between Fiscal Year 2003 and FY 2005. Further, faculty lines and other budget resources have been shifted to maintain a high level of excellence in other programs considered more central to the college and department's mission. For these reasons, the department can no longer offer a consumer and textile marketing degree that meets the quality standards of the University of Illinois at Urbana-Champaign.

The department has a phase-out plan that will enable students matriculating in Fall 2004 to complete their studies in consumer and textile marketing within four years. Future students interested in consumer and textile marketing careers will be well served by four other state universities offering textile marketing degrees.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

**Amend Composition of the Consultative Committee to Assist
in the Selection of a President, 2004**

(9) At its special meeting on February 19, 2004, the Board of Trustees approved the "Composition of the Consultative Committee to Assist in the Selection of a President, 2004." This resolution amends that resolution by adding one additional member. This member shall be recommended by the chair of the Consultative Committee for approval by the board.

On motion of Dr. Schmidt, this resolution was adopted.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 10 through 16 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

**Membership of the Consultative Committee to Assist
in the Selection of a President, 2004**

(10) In accord with the direction of the Board of Trustees, the secretary of the board presents the following report and recommendation.

A. Consultative Committee to Assist in the Selection of a President

The various constituent groups asked to nominate members have done so and the following list of members is presented to the Board of Trustees for appointment:

1. FACULTY MEMBERS

Chicago Campus

MITRA DUTTA, professor and head, Department of Electrical and Computer Engineering; and Adjunct Professor of Physics

HENRI GILLET, professor, Department of Mathematics, Statistics and Computer Science

ELLIOT KAUFMAN, professor of biochemistry and molecular genetics, College of Medicine (co-vice chair)

Springfield Campus

NANCY L. FORD, professor, Department of Legal Studies, and Institute for Legal and Policy Studies

JAMES W. STUART, professor of anthropology, Department of Sociology/Anthropology; and director, Capital Scholars Program

Urbana-Champaign Campus

KAREN L. (KAL) ALSTON, associate professor, Gender and Women's Studies Program, and Department of Educational Policy Studies; and director, Gender and Women's Studies Program

MICHAEL GROSSMAN, professor of genetics, Department of Animal Sciences; and professor of biometrics, Department of Statistics

MICHAEL C. LOUI, professor, Department of Electrical and Computer Engineering; and research professor, Coordinated Science Laboratory

2. STUDENT MEMBERS

Chicago Campus

ANTONIO VASQUEZ, Ph.D. candidate in economics, College of Business Administration

Springfield Campus

CARLY HAWKINS, member of the first class of the Capital Scholars Program, and junior in political science

Urbana-Champaign Campus

AARON THOMAS, graduate student in the MBA Program, College of Business

3. ACADEMIC PROFESSIONAL STAFF MEMBER

VERA MAINZ, spectroscopist, School of Chemical Sciences, Urbana; and chair, University Professional Personnel Advisory Committee (UPPAC)

4. CIVIL SERVICE STAFF MEMBER

DAN SARHAGE, plant operating engineer, Chicago; and chair, University Employee Advisory Committee (EAC)

5. ADMINISTRATIVE OFFICER MEMBER

AVIJIT GHOSH, professor and dean, College of Business, Urbana (chair)

6. UNIVERSITY ALUMNI ASSOCIATION AND UNIVERSITY OF ILLINOIS FOUNDATION BOARDS' REPRESENTATIVES

DAVID J. DOWNEY, Class of 1963, marketing, '66 Law, Urbana; President's Council member; Alumni Association Life Member; current UI Foundation Board member; president, The Downey Group, Inc., Champaign, IL

EDWARD L. McMILLAN, Class of 1969, agricultural science, Urbana; President's Council member; Alumni Association Life Member; current Alumni Association Board member; current UI Foundation Board member; owner and chief executive officer, McMillan, LLC, Edwardsville, IL

ROGER L. PLUMMER, Class of 1964, engineering mechanics, Urbana; President's Council member; Alumni Association Life Member; current UI Foundation Board member; former Alumni Association Board president; president, Plummer & Associates Consulting, Chicago, IL

7. ALUMNUS AT LARGE

CARY McMILLAN, Class of 1980, accountancy, Urbana; chief executive officer, Sara Lee Corporation's worldwide branded apparel (co-vice chair)

Should any member be unable to serve for the duration of the search, the chair of the Board of Trustees shall appoint a replacement after consultation with the appropriate constituent group.

- B. The chair of the board recommends that the trustees formally name and appoint to membership those listed above and that the committee be charged in accord with the statement adopted by the board on February 19, 2004.

On motion of Mr. Shah, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

The chair-designate of the Consultative Committee to Assist in the Selection of a President recommends that the membership be amended to permit the naming of one of the committee's faculty members as co-vice chair of the committee and that this be Professor Elliot Kaufman.

On motion of Mr. Sperling, this amendment was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Employ Professional Services Consultant for Fire and Life Safety Code Audit of University Facilities

(11) On July 20, 2000, the board delegated authority to the comptroller to execute the necessary documents to employ an architect/engineer for facility condition and audit services, including software and professional inspection services. In January 2001, the board confirmed the employment of Vanderweil Facility Advisors (VFA), Boston, Massachusetts, as the consultant for the project. It is now necessary to undertake a comprehensive fire and life safety code assessment of the University's academic and administrative facilities.

In order for the project to proceed in accordance with the established schedule, and given that the firm of VFA has completed the University-wide facilities condition audit, it would seem to be in the best interest of the University to employ this firm for the fire-life safety code assessment project. Pursuant to the provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act), the University has interpreted it to be in the "best interest of the State" to select a professional services consultant that has performed prior similar work or successfully completed prior phases of the same project/program. Accordingly, the president of the University with the concurrence of the appropriate University officers recommends the employment of VFA, Inc., Boston, Massachusetts, for the professional services required for the project. The firm's fee will be \$567,503. The anticipated completion date for the life safety assessment is July 31, 2005.

Funds are available from the institutional funds budget of the University.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

**Employ Architect/Engineer for Lincoln Hall, Urbana
(Capital Development Board Project)**

(12) The Lincoln Hall project will make major improvements to support current and projected programs and changes required to bring it up to current standards and expectations. The renovation of the 1910 building will include a new configuration for instructional and office space build-out, and a new infrastructure for heating, air conditioning, electrical, data transmission, and telecommunications. Preceding employment by the Capital Development Board (CDB), the selected architect will update the previous (1999) feasibility study. The updated study will serve as the basis for defining the project. The study will develop concepts and costs of structural, mechanical, and architectural needs.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that the Board of Trustees request the Capital Development Board to employ OWP/P, Chicago, for the professional services required. The professional fee for the firm employed will be negotiated by the Capital Development Board in accordance with its procedure.

Funds for the feasibility study are available from the Fiscal Year 2004 State appropriated operating budget.

Funds for the renovation have been appropriated to the Capital Development Board.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Purchases

(13) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for administration.

The purchases were presented in two categories: purchases from appropriated funds (i.e., from State appropriations to the University); and purchases from institutional funds. The latter term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases were:

From Appropriated Funds

Recommended \$ 765,179

From Institutional Funds

Recommended 1,302,262

Grand Total \$2,067,441

¹A selection committee consisting of James Kirkpatrick (Liberal Arts & Sciences), Clif Carey (Facilities & Services), Helen Coleman (Facilities & Services), Edward Scopel (Facilities & Services), Kent Reifsteck (Facilities & Services), Terry Ruprecht (Facilities Management & Scheduling), and Steve Hesselschwerdt (Facilities Management & Scheduling) interviewed the following firms (listed in ranking order): (1) OWP/P, Chicago; (2) Booth Hansen, Chicago; (3) Harley Ellis, Chicago; and (4) DeStafano + Partners, Chicago. The committee recommends OWP/P, Chicago, as best meeting the criteria for the project.

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mr. Shah, the purchases recommended were authorized by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

**Establish a Contract for Investment Management Services
(Arch Development Partners, Hopewell Ventures,
and DFJ Portage Venture Partners)**

(14) In September 2002 the Board of Trustees approved a five percent allocation to private equity within the endowment pool investment program. The purpose of the allocation to private equity is to improve the endowment pool investment diversification and total return. To provide a diversified investment to anchor the private equity program, Adams Street Partners (a fund-of-funds private equity provider) was approved by the Board of Trustees in May 2003 as the initial private equity investment. This diversified investment represents seventy percent of the approximately \$10.0 million private equity allocation. The remaining thirty percent of the private equity allocation was to be allocated to venture capital firms located in the Midwest. At the May 2003 meeting, the board also approved an allocation of \$1.0 million to Edgewater Partners as the initial investment in this category. In order to complete the regional allocation, the University investment staff conducted a request for proposal to evaluate regional private equity management alternatives.

The request for proposal was mailed to 26 investment managers and listed on the University of Illinois procurement web site. Responses were received from six firms. The responses were carefully evaluated and interviews were conducted with a short list of managers. Diversifying the regional portfolio across a number of firms was deemed the most prudent investment option. The University's financial consultant, Ennis Knupp, concurs with this recommendation. The recommended allocation is \$1.0 million to DFJ Portage Venture Partners and \$0.5 million to both Arch Development Partners and Hopewell Ventures. The partnerships have both management and carried interest fees.¹ The management fees will be funded by the investment income earned on the Endowment Pool Investment Program.

Accordingly, the vice president for administration requests authority to establish an investment management contract with DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures and recommends adoption of the following resolution.

The president of the University concurs.

Resolution

Be It Resolved, that the comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures, to provide private equity investment management services.

Be It Further Resolved, that the comptroller is authorized from time to time to designate in writing to DFJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures, those officers, employees, and other agents of the University of Illi-

¹DFJ Portage and Arch Development Partners have a 2.5 percent annual management fee of committed capital. Hopewell Ventures has a 2.25 percent annual management fee of committed capital. All firms have 20 percent carried interest such that 100 percent of each distribution is made to the limited partners until the limited partners have received an amount equal to their commitment. Thereafter, distributions are made in a ratio of 80 percent to the limited partners and 20 percent to the general partner.

nois authorized to give written or verbal instructions on behalf of the University of Illinois.

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until written notice of its rescission or modification has been received by DEJ Portage Venture Partners, Arch Development Partners, and Hopewell Ventures.

On motion of Mr. Shah, authority was given as requested and the foregoing resolution was adopted by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Award Contract for East Campus Utilities, Urbana

(15) The president of the University with the concurrence of the appropriate University officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates.¹

Division 34—Utilities Site Work

MidStates General & Mechanical

Contracting, Decatur	Base Bid	<u>\$2,683,300</u>
<i>Total</i>		\$2,683,300 ²

This \$3.1 million project will provide utilities (central steam, central chilled water, domestic water, and telecommunications) to several buildings either now in planning or under construction, including the Doris Kelley Christopher Hall and the East Campus Commercial Center. This project will provide the utility infrastructure to support the ultimate build-out of the east campus area as outlined in the Urbana campus master plan.

Funding for the contract is available from gift funds and the Fiscal Year 2004 Institutional Funds Operating Budget.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Policy for Issuance of Debt

(16) The Office of Business and Financial Services has completed an analysis of the University's debt activities and debt capacity. This process included a strategic financial analysis by a rating agency, Moody's Investors Service. In recognition of the scale and importance of University debt activities, the vice president for administration recommends the adoption of the attached policy to govern debt issuance, debt refunding, and debt portfolio management activities. The action establishes existing University practices as board approved policy.

¹No alternates.

²No other contract divisions.

The president of the University concurs.

(A copy of the policy is filed with the secretary of the board for record.)

On motion of Mr. Shah, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

President's Report on Actions of the Senates

(17) The president presented the following report:

Redesignate Institute for Legal, Administrative, and Policy Studies, Springfield

The Springfield campus Senate has approved a request from the Institute for Legal, Administrative, and Policy Studies (a unit of the Center for State Policy and Leadership) to modify its name. The faculty and staff of the institute have found that the length of the current name makes it cumbersome and problematic to use in daily operations and requested that the name of the institute be shortened to the Institute for Legal and Policy Studies. This request was approved by the executive committee of the Center for State Policy and Leadership prior to its consideration by the campus senate.

Redesignate Russian and East European Center to the Russian, East European and Eurasian Center, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences to redesignate the Russian and East European Center as the Russian, East European and Eurasian Center.

Since the collapse of the Soviet Union more than a decade ago, the term Russia can no longer reasonably stand for all the former Soviet states. As a result, throughout the profession it has become common to use the term Eurasia to refer to the newly independent states of the former Soviet Union, especially in the Caucasus and Central Asia along with non-Soviet Central Asia. The new title will be both more accurate and better position the center to be a national leader in Russian, East European and Eurasian studies.

Establish Minor in Business for Non-Business Students, College of Business, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Business to offer a new minor in business for non-business students. This minor is designed for students outside the College of Business who wish to acquire some of the skills, perspective, and knowledge used in business, and to be exposed to several functional areas in business: management, marketing and finance. A total of 18 credit hours is required to complete the minor, and is designed to give students some business background to supplement their major field of study.

Revise Industrial Design Undergraduate Curriculum in the College of Fine and Applied Arts, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to revise the industrial design undergraduate curriculum. The professional practice of industrial design has expanded and become more collaborative and includes issues involving interface design, cultural meaning in products, business objectives, and product semantics. This revision would reduce the set of requirements to a core of six enhanced design studios with a total of 20 hours, and offer additional courses from a

pool of courses to total the minimum 39 hours required as set by the National Association of Schools of Art and Design. Through advising, this would also give students a more individual focus to their studies, as well as allow the department to introduce new offerings as needed to accommodate changes in the profession.

**Establish Options in the Undergraduate Curricula
in Early Childhood Education and Elementary Education,
College of Education, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Education and the Council on Teacher Education for the establishment of options in the undergraduate curricula in early childhood education and elementary education. The changes are in the area of concentration requirements for the early childhood education and elementary education majors. Under the proposed revision, the generic option in these curricula are being replaced with specific options in the following areas: anthropology, art, astronomy, biology, chemistry, dance, earth science, economics, geography, history, language arts, linguistics, mathematics, music, philosophy, physics, political science, psychology, sociology, theatre, and the following foreign languages: Arabic, Chinese, French, German, Greek, Hebrew, Italian, Japanese, Latin, Russian, and Spanish.

**Establish Options in Theatre,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish four options within theatre. The theatre major currently has an approved option in design and technology, which comprises several specialty areas. Under this proposal, the generic design and technology option will be replaced with four options that more accurately reflect the specialty areas students pursue. The new options are: costume design and construction; scene design; stage management and theatre technology; and lighting.

**Establish Options in Crafts,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish three options within crafts. Students in the crafts major commonly pursue one of three specialty areas. Under this proposal, these specialty areas are being formalized as options within the crafts major to more accurately reflect the specialty areas students pursue. The new options are: ceramics, glass, and metals.

**Establish Options in Music Education,
College of Fine and Applied Arts, Urbana**

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to establish three options within music education. Students in music education commonly pursue one of three specialty areas. Under this proposal, these specialty areas are being formalized as options within the music education major to more accurately reflect the specialty areas students pursue. The new options are: choral music, instrumental music, and elementary general music.

This report was received for record.

Report on Renewal of the Treasurer's Bond

(18) The comptroller reports that the University has renewed a treasurer's bond in the amount of \$500,000 with the Liberty Mutual Insurance Company as surety and Lester H. McKeever, Jr., as principal.

This report was received and confirmed.

**Comptroller's Financial Report
Quarter Ended December 31, 2003**

(19) The comptroller presented his quarterly report as of December 31, 2003. A copy has been filed with the secretary of the board.

This report was received for record.

Report, Vice Chancellor for Health Affairs

(20) The vice chancellor for health affairs presented the 2003 Annual Quality Improvement Report for the University of Illinois Medical Center at Chicago. This report was prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations. A copy has been filed with the secretary of the board.

This report was received for record.

Capital Projects Status Report

(21) Mr. Lyle D. Wachtel, associate vice president for facilities planning and programs, presented this report of active projects in excess of \$5.0 million. A copy has been filed with the secretary of the board.

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and terminations. A copy of the report is filed with the secretary.

ANNOUNCEMENT

Dr. Schmidt stated that he would move to table any item appearing on the agenda for a board meeting that was so placed on the agenda by virtue of one trustee's wish. He said he preferred to wait for Mr. Bruce's amendment to the *Bylaws* of the Board of Trustees concerning how board members requested items to be included in the agenda before additional items from individual trustees are considered. Mr. Eppley commented on the disadvantage of setting arbitrary deadlines for board action on issues.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months: April 15, Chicago; June 17, Chicago; July 14-15, Urbana.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

MEETING OF THE BOARD OF TRUSTEES

OF THE

UNIVERSITY OF ILLINOIS

June 17, 2004



This meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B and C, Chicago Illini Union, Chicago campus, Chicago, Illinois, on Thursday, June 17, 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,¹ Dr. Frances G. Carroll, Mr. Lawrence C. Eppley, Dr. Jeffrey Gindorf, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Nate H. Allen, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Ms. Natalie A. Garcia, Chicago campus; Mr. Andrew M. Hollingshead, Springfield campus.

Mr. Eppley asked President James J. Stukel to introduce the University officers and the senate observers.²

President Stukel proceeded to introduce Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; Dr. Sylvia Manning, chancellor;

¹Mr. Bruce arrived at 8:45 a.m.

²University Senates Conference: Gerald S. Strom, professor of political science, and secretary of the UIC Senate; Chicago Senate: Elliot Kaufman, professor of biochemistry and molecular genetics; Springfield Senate: Patricia A. Langley, professor of women's studies/legal studies; Urbana-Champaign Senate: O. Vernon Burton, professor of history.

University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Thomas P. Hardy, executive director for university relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, assistant secretary. Provost Richard H. Herman attended in Chancellor Nancy Cantor's absence.

Following these introductions, Mr. Eppley welcomed all to the board meeting and gave a briefing on the conduct of the meeting. He indicated that the first order of business would be a public comment session and that six individuals had been approved to address the board. Next, he stated the board would consider the agenda item that concerns Chief Illiniwek. Mr. Eppley then said that as soon as the vote was taken on that item, the board would hold an executive session in an adjoining room, and return to Rooms B and C after that. He said that upon the board's return, the Buildings and Grounds Committee would meet, and after that the board would reconvene for a presentation and discussion of all other items on the agenda, and then recess for luncheon. Mr. Eppley also stated that following the lunch break, the board would receive a report from Dean Avijit Ghosh, chair of the Consultative Committee to Assist in the Selection of a President, who would present the white paper for the search process, then the board would consider the agenda and take a vote on all remaining items. Mr. Eppley concluded the discussion of the structure of the meeting by stating that the remainder of the meeting would be devoted to meetings of the Technology and Economic Development Committee and the Athletics Committee, a report from President Stukel, and any old and new business the trustees might wish to present and discuss.

PUBLIC COMMENT

Mr. Eppley announced that the public comment session would commence and called on Nick Klitzing to address the board.

Mr. Klitzing stated that he was in favor of retaining Chief Illiniwek, recalling his early days on the Urbana campus when the Chief imbued him with the spirit of the campus and helped him overcome early loneliness as a student. He referred to the student referendum conducted in spring 2004, when 70 percent of the students who voted supported retaining the Chief. He noted that 35 percent of the students at Urbana voted in this election, which is more than the percentage of Illinois citizens who voted in the primary election at about the same time. He added that students at Urbana also support expanding the role of the Chief to include all activities at the campus, whereas now the Chief is the symbol of the athletic teams. He called the Chief an enduring aspect of the campus that has been a link for students to the campus. He concluded by stating that the students had spoken in their referendum and asked the board to respect their vote.

Ben Wagner spoke next and stated that he was a senior in liberal arts and sciences, a student leader, and a member of the Champaign Liquor Advisory Committee. He stated that he had investigated the strong feelings people have for the Chief on both sides of the controversy by viewing documentaries and that he now supports Chief Illiniwek. He observed that there is a lack of awareness of what the Chief represents and he stated that people must be educated about what the Chief stands for, which is strength and reverence. He observed that the Chief gives students from various backgrounds something to share, and the Chief means something greater than one's self. He compared the Chief to the Alma Mater statue that welcomes new students and sends graduates out from the campus. Mr. Wagner ended his comments by stating that one must conclude that the Chief brings people together.

The next speaker was Leonard Malatare who opened his remarks with a statement in the Oglala Lakota language that he translated as "good morning." He then thanked those in the audience who were present protesting the continuance of Chief Illiniwek. He then commented on Mr. Klitzing's comments about feeling alone on the Urbana campus at first and stated that he had been alone all his life, and that he found the Chief a racist symbol that made American Indian people feel dishonored. He noted that all the Chief supporters were white, and those opposed to the Chief were an ethnically diverse group. Mr. Malatare told the board of trying to improve his children's lives by moving to the suburbs, and finding that his children were "tormented" because of their race by white children. He also stated that the use of American Indian symbols was offensive to American Indians. He noted that a recent comment about an African American football player brought about Rush Limbaugh's resignation from public media, but that on the same day, the Federal Court of Appeals ruled that the Washington Redskins name was acceptable. To this, he asked why racism against American Indians was tolerated. In conclusion, he urged the board to get rid of the Chief.

Susan L. Gravenhorst spoke next and thanked the board for the opportunity to speak. She stated that Chief Illiniwek was near and dear to her heart, and that the Chief represents dignity and unites students as well as being a focal point for school pride, and for bringing generations of Illini together. Mrs. Gravenhorst said that the Chief inspires admiration in all who see him, and that she suspects many who criticize the Chief have not seen a performance. She observed that the Chief celebrates the best of Native American culture: bravery, strength, truthfulness, and dignity. She noted that the board had conducted exhaustive research into the Chief issue and in 1990 voted to retain Chief Illiniwek. She also stated that the University has progressed and achieved world leadership in education, contrary to those who would say the Chief is a distraction. She noted that tradition is an important part of many people's lives. Mrs. Gravenhorst also said that she supports open communication and dialogue, but she would not advise eliminating the Chief simply because some object to the symbol. In

closing she urged the board to keep the Chief for the thousands to whom he means so much.

The next speaker was Dan Bolin who thanked the board for bringing together differing viewpoints on the Chief. He then referred to the recent visit of the North Central Association Commission on Accreditation and stated that that group said it found progress on the issue of Chief Illiniwek, compared to the previous visit in 1999, and the students at Urbana proved that they wanted and supported Chief Illiniwek. He added that in 2000 the North Central Association also learned that thousands supported the Chief. He then referred to the Plummer Report as evidence of progress on the issue since 2000. Mr. Bolin summed up his remarks with the comment that the process to review the Chief has been deliberate and the resolution on the agenda for the board today calls for consensus, something to which he looked forward.

The final speaker of the day was Kim Cook, who told the board that he was brought up in Muskogee, Oklahoma, and was a Cherokee. He also spoke of his family members who were graduates of American Indian schools and colleges. Mr. Cook told the board that it must retire all American Indian symbols, and he noted that the University of Oklahoma used to have an American Indian symbol—a Kiowa Indian—whose performance was an American Indian dance, and that the president of the university abolished this in 1970. He then asked why it was taking the University of Illinois so long to do the same. He maintained that this act in 1970 initiated a movement away from American Indian symbols and he asked why the University of Illinois was not like Stanford or Dartmouth. He stated that only the University of North Dakota is like the University of Illinois in retaining an American Indian symbol. He then said it was the board's duty to teach respect for minorities and not to exploit them, and he asserted that stereotypes of American Indians continue the use of racial symbols and that he did not understand how the board would not know how offensive these symbols are. He called on Dr. Carroll to bring back her original resolution concerning the Chief and asked the board members if they did not realize that *Brown v. Board of Education* had stressed the importance of avoiding the use of cultural stereotypes. He ended his remarks by stating that the Chief was a racist symbol.

PRESENTATION OF AGENDA ITEM

Resolution Concerning Chief Illiniwek

Mr. Eppley requested Dr. Carroll and Mrs. Sodemann to present this item. Mrs. Sodemann stated that after much thought and concern for the issue, she and Dr. Carroll wished to present this item for the board's consideration. Dr. Carroll said that she was committed to her original resolution, but more committed to dialogue among board members on this subject. She stated that she had received many email messages and telephone calls with messages from many people, and that what she wanted was an amiable

resolution to this issue. She commented that with this resolution, the board might now be able to compromise by recognizing the State's heritage and ending the debate on the Chief.

Dr. Schmidt then moved approval of the following resolution.

Resolution Concerning Chief Illiniwek

(1) *Whereas*, Chief Illiniwek has been a treasured symbol of the University of Illinois at Urbana-Champaign since its introduction in 1926;

Whereas, many students have performed well and ably in the role of Chief Illiniwek;

Whereas, Chief Illiniwek was created and intended as an honorable and respectful representation of the indigenous people whose name is commemorated in the name of this State and its flagship university;

Whereas, Chief Illiniwek has symbolized the dignity, strength, intelligence, and grace to which athletic teams at the Urbana-Champaign campus have aspired;

Whereas, at the board's request, the Honorable Judge Louis B. Garippo prepared a comprehensive report titled "The Chief Illiniwek Dialogue—Intent and Tradition vs. Reaction and History—A Report to the Board of Trustees of the University of Illinois," which contains a historical record of Chief Illiniwek and many opinions about the tradition;

Whereas, Trustee Roger Plummer delivered a report to the board concerning the varying views on the matter of Chief Illiniwek, as well as the historical support for the terms "Illini" and "Fighting Illini" as they pertain to the athletic teams at the Urbana-Champaign campus;

Whereas, as representatives of a great 136-year-old land grant university, the diverse people and cultures of Illinois, the University's nearly 71,000 students and its 300,000 proud in-state alumni, the Board of Trustees affirms that these constituencies are deserving of a conclusion to the Chief Illiniwek matter that is based upon a consensus among concerned parties;

Whereas, through dialogue, the Board of Trustees acknowledges that opportunities exist for consensus to be reached;

Whereas, such a conclusion provides an opportunity to resolve the Chief Illiniwek matter in a manner that is in the very best interest of the University and not of any particular constituency or interest group, that is consistent with the values espoused and practiced by the University, that has a compelling rationale found acceptable by a large majority of the University's constituencies, and that brings finality to the subject;

Therefore, Be It Resolved that the board shall seek a consensus conclusion to the matter of Chief Illiniwek; and

Further Be It Resolved, that the board shall next consider and approve guidelines pursuant to which a consensus conclusion will be based.

Mr. Allen spoke next and said that a consensus resolution did not seem realistic. Further, he said he was not sure of the difference between consensus and compromise and that Mr. Plummer had made it clear in his report that a compromise was not possible. He said he thought the item might just state that a compromise is sought, rather than use rather abstract language. He stated he did not support the resolution. He further indicated that the resolution needed a timeline and opined that tensions on campus would be reduced if a schedule was set for resolving the issue. He also told the trustees that their role was to be decision makers, not conflict resolution mediators. He observed that the more time the board devotes to the Chief, the less time it has to focus on academic programs and other areas. Mr. Allen said he would offer an amendment to this item.

Mr. Eppley then asked Mr. Allen to present his amendment and it was distributed. This amendment called for inserting at the end of the penultimate paragraph (“*Therefore, Be It Resolved* that the board shall seek a consensus conclusion to the matter of Chief Illiniwek; and”) the following phrase: “the Chief dance and the Chief logo”; further, the amendment called for substituting for the current last paragraph (“*Further Be It Resolved*, that the board shall next consider and approve guidelines pursuant to which a consensus conclusion will be based.”) the following paragraph: “*Further Be It Resolved*, that the board shall put forth a final consensus conclusion no later than June 30, 2005.”

On motion of Mr. Allen, this amendment was not approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Dr. Gindorf; no, Mr. Bruce, Mr. Eppley, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich.

(The student advisory vote was : Aye, Ms. Garcia; no, none. Mr. Hollingsead asked to be recorded as not casting an advisory vote on this item.)

Mr. Allen then moved to amend this item by substituting for the last six paragraphs (i.e., from the paragraph beginning “*Whereas*, Trustee Roger Plummer delivered a report to the board...” to the end of the agenda item) the following four paragraphs:

Whereas, Trustee Roger Plummer delivered a report to the board concerning the varying views on the matter of Chief Illiniwek, as well as the historical support for the terms “Illini” and “Fighting Illini” as they pertain to the athletic teams at the Urbana-Champaign campus;

Whereas, the controversy centering on Chief Illiniwek diverts critical attention and resources away from the core missions of teaching, research, service, and economic development; now,

Therefore, Be It Resolved that Chief Illiniwek be honorably retired at a time and in a manner to be determined by the Urbana-Champaign campus in consultation with faculty, students, staff, alumni, and other members of the University of Illinois at Urbana-Champaign family; and

Further Be It Resolved, that at the same time we, the Board of Trustees, declare our full support for the name “Fighting Illini” for the athletic teams at the Urbana-Champaign campus.

On motion of Mr. Allen, the motion to amend this item was not approved by the following vote: Aye, Mr. Allen; no, Mr. Bruce, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; absent, Governor Blagojevich. (Dr. Carroll asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Ms. Garcia; no, none. Mr. Hollingsead asked to be recorded as not casting an advisory vote on this item.)

On motion of Dr. Schmidt, the resolution as initially presented was adopted by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, Mr. Allen; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Hollingsead; no, none. Ms. Garcia asked to be recorded as not casting an advisory vote on this item.)

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider the following subjects: the purchase or lease of real property for use by the University; pending, probable, or imminent litigation against, affecting, or on behalf of the University; discussion of minutes of meetings lawfully closed under the Open Meetings Act."

The motion was made by Mr. Vickrey and approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

EXECUTIVE SESSION

Purchase or Lease of Real Property for Use by the University

Mr. Eppley asked Mr. Rugg to speak to the relevant subject. Mr. Rugg reminded the board that the subject of land to be acquired for a parking facility at Urbana had been introduced several months earlier, and now he was bringing a recommendation in the agenda of today's meeting to acquire property owned by the Newman Foundation at Urbana. He also apprised the board that another property, the Georgian Apartments, located near the property owned by the Newman Foundation, was also sought for acquisition and that a fair price would be offered, but condemnation might be required. He said he was alerting the board to this fact and that condemnation required board approval prior to execution. In response to a query by Mr. Shah about the process of acquiring property, Mr. Rugg stated that the University's process was to seek appraisals by American Institute of Architects appraisers.

Discussion of Minutes of Meetings Lawfully Closed Under the Open Meetings Act

Dr. Thompson first presented transcripts of taped executive sessions from January and March 2004 for the board's review according to the Open Meetings Act, as amended. The board had received these prior to the meeting for perusal. Dr. Gindorf asked how pending litigation discussed in these sessions would be handled. Mr. Bearrows explained that just as has been the practice, all information regarding pending litigation would be sequestered until the litigation was settled. Next, Dr. Thompson presented the minutes of previously sequestered executive session minutes recommended for release and explained that all discussion of current employees of the University or pending litigation were recommended for continued sequestration.

Review of Verbatim Transcripts of Previous Executive Sessions

Mr. Bearrows stated that the verbatim transcripts of the executive sessions conducted during the board meetings held on January 15, 2004, and

March 11, 2004, were presented for the board's review pursuant to the Open Meetings Act, as amended. He said that this review is required semi-annually and that the review today is in fulfillment of that.

A CONTINUING NEED FOR
CONFIDENTIALITY
EXISTS FOR THIS SECTION.

Discussion of Medical Malpractice Cases

At this time Mr. Bruce was excused due to the nature of the material discussed in order to eliminate the potential for any conflict of interest.

Mr. Bearrows summarized two medical malpractice cases for the board. The first case was *Volel v. Seo, et al.*, involving neurological damage to a newborn, Howard Volel. Mr. Bearrows described the labor and delivery of 23-year-old Tracey Volel in December 2000 as including extensive labor during

which Pitocin was prescribed and an epidural and that during labor the infant's heartbeat decelerated, whereupon Dr. Seo, the physician in the family practice service where the patient was admitted, stopped the Pitocin. And, at that time, an obstetrician, Dr. Kilpatrick, was consulted who opined that the decelerations were in the normal variability of late developing decelerations and she resumed Pitocin. Mr. Bearrows reported that the infant's heartbeats decelerated over several hours, but not as low as earlier, and that during this time the patient was given more Pitocin and the obstetrical resident was consulted two more times. Mr. Bearrows stated that after the third consultation, the obstetrics resident discovered that the infant was positioned in the occiput posterior position (head facing up) which makes delivery more difficult. Mr. Bearrows said that upon that discovery, the resident and the first physician that saw Tracey Volel, Dr. Seo, decided to deliver the infant with forceps and did so, and that the infant had problems immediately. Mr. Bearrows described several problems, including some neurological problems, that were revealed by an MRI taken shortly after delivery. He also said that now, several years later, the child is unable to walk or talk, and has significant communication and behavioral problems, including violent tendencies. He stated that the plaintiff's counsel's criticism is that the delay in delivery allowed the situation that presented danger to the fetus to continue, specifically a lower amount of oxygen to the fetus. Mr. Bearrows told the board that the obstetrician suggested that the infant's position before delivery and the pushing involved in the delivery caused the injuries and not the forceps. He then summarized the opinions of experts regarding causation of the child's injuries and stated that the two experts said they did not think the infant's position and the mother's pushing caused the injuries, but a more likely explanation was coactive blunt force. He added that a total of five other experts had been consulted as well, and that none could be found that was completely supportive of the treatment. Mr. Bearrows told the board that the case would be difficult to defend. He also advised that no settlement demand had been received and that the University's self-insurance retention is \$3.0 million, and that the insurance company, St. Paul, would cover up to \$60.0 million in addition. He briefly discussed recent settlements for infants injured in delivery, stating that some settlements had been in the \$12.0 to \$15.0 million range. There was additional discussion about how the University of Illinois Hospital compared to other teaching hospitals for such cases and Mr. Bearrows stated that the University of Illinois Hospital was comparable to other similar institutions. Dr. Gindorf reminded the board that the University of Illinois Hospital had more obstetrics cases than other similar institutions. In addition, there was further discussion of the availability of family practice services and the requirement that these programs must include obstetrics and the attendant risks. Both Drs. Gindorf and Schmidt agreed that perinatology specialists ought to be involved in problem pregnancies early on.

Next, Mr. Bearrows presented another medical malpractice case. This was *Reyes v. Paton, et al.*, that involved the death of newborn twins, a boy, Brandon, and a girl, Patricia, delivered in December 1997 at the age of 27

weeks, each weighing less than two pounds, four ounces. He said that the infants were treated by Dr. Paton, a neonatologist, and Dr. Kapogiannis, a first-year pediatric resident, and that the infants received nutritional support, respiratory support, help eating (primarily through nasogastric tubes) and breathing as well as various drug treatments while in the hospital. Mr. Bearrows related that during the infants' stay in the hospital they had episodes of ABDs (apnea, bradycardia, and desaturation) that involve brief cessation of breathing, reduced heart rate, and a reduced oxygen level in the blood. He said that these episodes were mild and gentle stimulation resolved them, and that the infants gained weight so that at about eight weeks, they each weighed approximately three pounds nine ounces, and that the ABDs continued up until two and three days prior to the day they were discharged, January 30, 1997. Mr. Bearrows stated that the parents were trained in how to care for the infants before they took them home and that a home health care nurse made regular home visits to check on the infants. He also stated that the parents were not given apnea or bradycardia monitors for the infants that would sound an alarm if either condition occurred, as they were considered unnecessary. He reported that within a few days of arriving home, the infant girl had problems during feeding and vomited, aspirated, and was not getting air, but that she was resuscitated by paramedics and taken to Children's Memorial Hospital. He also said that the home health care nurse asked the resident, Dr. Kapogiannis, if the protocol should be changed for the infants' care and was told that this was not necessary. Mr. Bearrows commented that the record did not show that Dr. Paton was consulted at this time. Mr. Bearrows next reported that the infant boy suffered cardio-respiratory arrest and died at Resurrection Hospital in the emergency room—the day after the infant girl was admitted to Children's Memorial Hospital. He added that the Illinois Department of Children and Family Services was contacted to check to see if anything out of normal had occurred in the home and that this was investigated later as well, with no evidence found to support that. Also, Mr. Bearrows told the board that the infant girl died several weeks later from hospital-acquired pneumonia.

Mr. Bearrows reported that the plaintiffs have an expert who is a neonatologist at Cincinnati Children's Hospital who concluded that the infants ought not to have been dismissed from the University of Illinois Hospital when they were, given their size and the ABDs they were experiencing, and he also criticized the failure to use a monitor, the amount of nourishment given the infant girl, the possibility that the parents were not adequately trained, the decision not to review the treatment protocol, and the fact that the infant boy was not readmitted when the infant girl was admitted to Children's Memorial. Mr. Bearrows summarized the views of three experts consulted by the University of Illinois and reported that none were supportive of all aspects of the treatment. In addition, he said that two nurses at the University of Illinois Hospital presented problematic observations about

the decision to discharge the infants, with one stating that the ABDs had occurred a few days prior to the discharge date and she thought the infants should have stayed in the hospital and the other stating that the physicians were not receptive to her suggestion that the discharge was premature.

Mr. Bearrows recounted discussions about settlement and told the board that the plaintiffs' attorney is now discussing a settlement of about \$10.0 million. He then described how the case might develop, given that these twins were the plaintiffs' only children and that warning signs were present including the parents' difficulty in caring for the infants, the two nurses' urgings that the infants not be discharged that were ignored, monitors were not ordered, and the home health care nurse's inquiry about whether the treatment protocol ought to be changed. Dr. Rice commented at this point and stated that indeed in 1997, the standard of care was to encourage the use of infant monitors and that the statements of the two University of Illinois nurses were problematic. Mr. Bearrows told the board that a trial is set for September and that the verdicts in similar cases range from \$500,000 to \$20.0 million, though in death cases the settlements are usually smaller and in the range of \$500,000 to about \$3.0 or \$4.0 million. He suggested that if the settlement is over \$3.0 million, the amount of the University's self insurance, that this amount be transferred to the insurance company, St. Paul, to be settled. Discussion then followed about the events occurring in the care of the infants.

Mr. Sperling suggested that in future Mr. Bearrows' summaries of cases in the executive sessions contain fewer details, with these provided in supplemental written reports. Mr. Bearrows said he was happy to do this.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned and the board reconvened in regular session.

BOARD MEETING RECONVENED

When the board reconvened in regular session, all the board members were present. The University officers and others noted earlier were also present.

President Stukel commended Mr. Allen for articulating very well his position with regard to the recommendation regarding Chief Illiniwek. He told Mr. Allen that he acquitted himself well in stating his concern for the Urbana campus. However, the president went on to state that he did not approve of the amendments for one reason—that of setting deadlines for a decision on this matter. President Stukel stated that establishing dates by which a decision must be rendered had not proved effective in the case of this controversy. Further, he noted that two board members have come together to present a resolution and they should not be confined in doing so by a deadline. He added that Trustees Carroll and Sodemann needed a chance to work out a resolution to this difficult matter and he said he supported the action taken by the board.

**RECESS FOR MEETING OF BUILDINGS
AND GROUNDS COMMITTEE**

Mr. Shah, the chair of this committee, convened the meeting and stated that item number three on the committee's agenda circulated earlier would not be covered today. This item was: "Presentation on Construction Methods." He then asked Mr. Rugg to introduce the items to be covered. Mr. Rugg asked Mr. Lyle Wachtel, associate vice president for facilities planning and programs, to present the material for this committee meeting. Mr. Wachtel indicated that the first presentation concerned mixed-use plans for the south campus at Chicago and asked Chancellor Manning for comments. The chancellor said that this would be a preliminary presentation for use of the area south of Roosevelt Road. She first discussed plans for the area known as the academic super block and stated that in this area the campus planned a convocation center and much needed student residence halls. She noted that students perform better academically if they live on campus. In total, she stated that plans for this area included a new residence hall to accommodate 750 students, the convocation center that would seat 2,000-3,000, and rental space for commercial uses.

Mr. Wachtel then commented that the planning for this development would require one year and the cost would be \$112.0 million. Discussion followed about a projected debt service plan and the amount that would be funded from the auxiliary facilities fund, as well as any effect this would have on the rating that had been recently assigned by Moody's. Mr. Rugg assured the board that some debt would be paid off in the next seven years, which would help maintain the rating. Further discussion was had about the development of this area of the campus and the interest in this from the city of Chicago. The board also discussed the need for a construction manager for the development of this area in the south campus and the involvement of the South Campus Development Team, which is ongoing. Mr. Wachtel concluded the discussion by stating that the project will require approval from the Illinois Board of Higher Education (IBHE).

The next presentation was of a proposed recreation center for the Springfield campus. Mr. Wachtel reminded the board that there had been a student referendum asking students to pay for this and the students supported the concept of paying additional fees to provide this facility. Mr. Wachtel presented the tracking plan for construction of the project and stated that student fees and rentals will support the construction. He noted that this project would require approval from the IBHE. Mr. Hollingsead spoke in support of this as a student at UIS and stated that as the on-campus population of students grows this facility will be more necessary, and the revenue from fees will grow. Chancellor Ringeisen also spoke in support of this project and of eventually constructing a mall near this facility.

Next, Mr. Wachtel reported on a project to remodel the Mechanical Engineering Building at Urbana, and stated that this was planned as a five-year project to give the department an opportunity to remodel more efficiently.

Mr. Wachtel then told the board of plans for the central campus parking deck at Urbana and reminded the board of a presentation on parking for the campus presented a few years earlier. He said that although the parking deck had first been presented as a two-deck facility, further study suggested that a one-deck parking facility would be preferable. Further discussion ensued about the property to be acquired for this project and if the costs included the cost of acquiring the necessary property. Mr. Rugg stated that indeed the costs included acquisition of the property.

BOARD MEETING RECONVENED

When the board reconvened in regular session, the same members of the board and University officers as noted in attendance earlier were still in attendance.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that each of the items on the agenda would be presented and time for discussion allowed.

First, he asked President Stukel to comment on agenda item no. 8, "Interim Chancellor, Urbana." The president briefed the board on the consultation process he carried out to seek information about making this appointment and said that all constituencies at the campus were supportive of appointing Dr. Richard H. Herman as interim chancellor at Urbana. Next, the president commented on agenda item no. 15, "Sabbatical Leaves of Absence 2004-05," and said that the recommendations for these came after extensive review of the requests of the individual faculty members and noted that these benefit the University in that the faculty members pursue research and study that enhances their performance as faculty members.

Mr. Eppley then asked Provost Herman to present items related to individuals and programs at the Urbana campus. Dr. Herman took each item in turn, beginning with agenda item no. 12, "Dean, College of Communications, Urbana," and stated that Professor Ronald E. Yates had served as interim dean of the college for the last year and had demonstrated abilities that qualified him for permanent appointment. On agenda item no. 13, "Amend Multiyear Contracts with Head Men's Basketball Coach, Urbana," he said that Coach Bruce B. Weber's performance merited the extension recommended and the other adjustments to his contracts.

Next, Chancellor Manning presented items related to the Chicago campus beginning with agenda item no. 9, "Dean, College of Engineering, Chicago." She stated that the appointment of Professor Prithviraj Banerjee to this position was extremely good for the college, and noted that he had most recently been on the faculty of Northwestern University and was the founder of an electronics company, which provided good experience in addition to his academic experience. Dr. Manning then reported on agenda item no. 10, "Interim Dean, College of Business Administration, Chicago," and stated that this was to be Professor John F. McDonald, an experienced faculty member and currently the senior associate dean of the college. Following that, she described agenda item no. 16, "Establish the

National Center for Data Mining, Office of the Vice Chancellor for Research, Chicago,” as an operation that had been ongoing in a temporary status and that now she recommended making it a permanent unit. She said that the center had a successful record in attracting grants. Similarly, she explained that she recommended the same for agenda item no. 17, “Establish the Institute for Research on Race and Public Policy, College of Urban Planning and Public Affairs, Chicago,” stating that permanent status was merited. For agenda item no. 18, “Establish the Bachelor of Science in Neuroscience, College of Liberal Arts and Sciences, Chicago,” Dr. Manning said that this degree is in demand and that no new State resources would be required to establish it. On agenda item no. 19, “Establish the Master of Healthcare Administration, School of Public Health, Chicago,” she related that this new degree program actually replaces two extant degree programs—one in the School of Public Health and one in the College of Business Administration, and that faculty from both academic units will teach in the newly formed degree program. With regard to agenda item no. 20, “Establish an Occupational Environmental Health Services Plan, School of Public Health, Chicago,” Dr. Manning said that this program would bring value to the School of Public Health and be similar to other service plans in other health sciences colleges. On agenda item no. 21, “Consolidate the Doctor of Philosophy in Biochemistry and Molecular Biology and the Doctor of Philosophy in Molecular Genetics into the Doctor of Philosophy in Biochemistry and Molecular Genetics, College of Medicine, Chicago,” she stated that this recommendation is to change the name of the degree to match the name of the department that was changed in earlier action. For agenda item no. 22, “Redesignate the Center for Health Services Research as the Institute for Health Research and Policy, School of Public Health, Chicago,” she said that this name characterizes the activities of the unit more appropriately. Dr. Manning then presented agenda item no. 26, “Establish Student Health Benefit Plan,” and said that this was a new modality of offering student health care that relies on the UIC Medical Center as the provider of health care. Ms. Garcia commended the campus administration on the development of this plan.

Mr. Eppley then asked Chancellor Ringeisen to present items related to the Springfield campus. Dr. Ringeisen told the board that agenda item no. 11, “Dean, College of Liberal Arts and Sciences, Springfield,” was an important appointment and that the individual recommended, Professor Margot I. Duley, was truly a teacher/scholar and had valuable experience as a department chair in a large college at another university.

Next, Mr. Eppley asked Vice President Rugg to present several items. First, Mr. Rugg discussed agenda item no. 27, “Interim Operating Budget for Fiscal Year 2005.” He stated that this budget was the same as the 2004 operating budget without the two percent rescission that was made in that budget. He added that the governor’s Office of Management and Budget had gone on record the year before by requesting the State’s public univer-

sities approve an all-funds budget by July 1 of each year. He reported that since the budget has not been approved as yet this was not possible, and that as soon as the University's appropriation is known a budget will be developed and presented to the board for approval at the September meeting. He then presented agenda item no. 28, "Award Contract for Implementation Management Services for the UI-Integrate Project," and stated that the UI-Integrate Project was on time and on budget to conclude in Fiscal Year 2005. He added that in planning for this project, the leaders knew that they would need assistance from the implementation partner, Accenture, to complete the project. He said that the recommendation has been reviewed with Trustee Shah and that the contract recommended continues per last year's agreement. He said that the original plan was to have the assistance for one year and that now it is recommended for 60 days and thus this item represents a contract revision to reflect the cost of the 60-day extension, not to exceed \$450,000. Mr. Shah addressed this stating that the contract for \$450,000 was impressive and that the University must have more control over contractors. He also asked what rates Accenture was charging for individual staff member's efforts, and observed that the University has some employees paid very low salaries. Mr. Rugg then asked Mr. Douglas E. Beckmann, senior associate vice president for business and finance, to present the recommendation in agenda item no. 32, "Purchases." Mr. Beckmann presented each of the recommended purchases. There were no questions.

Mr. Eppley then asked Mr. Bruce to present the agenda item entitled "Revise *Bylaws* of the Board of Trustees." Mr. Bruce stated that there was no procedure for determining how an item might be placed on the agenda for the board's consideration and that he proposed specifying how that would occur. He added that the genesis of his proposal was not related to a specific incident, but simply related to an absence of explanation in the board's *Bylaws*. Discussion followed among the trustees with one expressing an opinion in support of this and likening the proposal to procedures found in legislative and judicial bodies, and others objecting to the recommendation and to the analogy presented by the one board member. Those opposed to the amendment stated that any board member ought to be able to place an item on the agenda for the board's consideration and others ought to respect this. Mr. Eppley suggested that this item be withdrawn from today's agenda and Mr. Bruce concurred, stating that issues raised were getting far a field from his original intent in proposing the amendment.

RECESS FOR LUNCHEON

At this time the board recessed for luncheon.

BOARD MEETING RECONVENED

When the board reconvened in regular session, all members present earlier were still in attendance.

**PRESENTATION OF WHITE PAPER FROM CONSULTATIVE COMMITTEE
TO ASSIST IN THE SELECTION OF A PRESIDENT**

Mr. Eppley invited Dean Avijit Ghosh, College of Business, Urbana, and chair of the Consultative Committee, to present the white paper for conducting the search for a president that had been requested by the board (copy filed with the secretary of the board for record). Dean Ghosh stated that in preparing the document, the committee had spoken with trustees and University officers and representatives of several other constituencies. He stressed that the document presents leadership as the most important characteristic in a new president and states the needs of the University for the next five years. He went on to explain that the white paper emphasizes that a leader must be able to recognize and defend the core values of the University; e.g., excellence in all of the University's pursuits, the importance of shared governance, openness, and the value of diversity in many respects. He added that the president must be the main ambassador for the University. In addition, he said that the white paper summarizes the challenges the University faces and the qualities desired in the next president. Further, he said that the search firm has been engaged in a diligent search for potential candidates, advertisements have been posted in numerous publications nationally, and a web site for the search has been established as a way to seek out more nominations. He also told the board that he had sent an email message to the entire University of Illinois community, and had sent letters to university presidents around the country asking them to make nominations for the position. He said that for the next few months the committee would work to build a large pool of nominees and then produce a list of outstanding final candidates to the board for consideration. Some discussion followed about how the white paper would guide the search, and Dean Ghosh said the document would be used by all seeking nominations for the position. Mr. Eppley thanked the committee for producing an impressive document to guide its work.

MINUTES APPROVED

The secretary presented for approval the press proofs of the minutes of the Board of Trustees meeting of November 13, 2003, copies of which had previously been sent to the board.

On motion of Dr. Gindorf, these minutes were approved.

AGENDA

The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 2 through 26 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

**University of Illinois, Presidential Search
(White Paper by Consultative Committee to Assist
in the Selection of a President)**

(2) The Consultative Committee to Assist in the Selection of a President has prepared a white paper that contains descriptive information about the University and general expectations for the next president of the University that they will use to guide their search activities and to distribute to potential candidates. (Copy of document filed with the secretary of the board for record.)

The committee now presents this to the Board of Trustees for approval.

On motion of Dr. Gindorf, this recommendation was approved.

Election of the Executive Committee of the Board of Trustees

(3) The chair of the board is chairperson of the Executive Committee. The board has set certain limitations on the powers of the Executive Committee in its *Bylaws*:

ARTICLE IV. STANDING COMMITTEES OF THE BOARD

SECTION 1. At the annual meeting in January of each year, the board shall elect two members to an "Executive Committee," consisting of three members, the Board Chair to be the chair *ex officio*, which members shall hold office for one year, or until their successors have been elected.

SECTION 2. The Executive Committee shall meet whenever the chair, or two members thereof, shall find it necessary for the transaction of any business which is urgent and cannot be postponed to a regular meeting of the board. The committee may meet by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other. All trustees shall be given the same notice of the meeting that is sent to the members of the executive committee and any who wish may elect to participate in the meeting as nonvoting participants.

SECTION 3. The Executive Committee functions as an instrument of the board and shall possess all the powers of the board when in session, provided that it shall not overrule, revise, or change the previous acts of the board, or take from regular or special committees any business referred to them by the board.

SECTION 4. The Executive Committee shall make a written record of all its transactions and submit it to the board at its next regular meeting, signed by all the members of the Executive Committee agreeing thereto. Such record shall thereupon be incorporated in the minutes of the board as an integral part thereof.

Within these limitations, the actions of the Executive Committee are final.

The members of the Executive Committee elected for 2003 to serve with Mr. Lawrence C. Eppley as chair have been Dr. Kenneth D. Schmidt and Mr. Robert F. Vickrey.

Election of the Executive Committee was deferred at the time of the annual meeting of the board in January. Mr. Eppley now nominates Mr. Shah and Mr. Vickrey to serve as members of the Executive Committee, with the chair of the board serving as chairman of the committee, *ex officio*.

On motion of Dr. Gindorf, Mr. Shah and Mr. Vickrey were elected members of the Executive Committee to serve until the next annual meeting of the board or until their successors shall have been elected.

**University of Illinois Board of Trustees
Schedule of Meetings
2004-2005**

(4) The president submitted the following schedule:

<i>Date</i>	<i>Location</i>
2004	
September	Springfield
November 11	Urbana
2005	
January 20	Chicago
March 10	Urbana
May 19	Chicago
July 14	Urbana

On motion of Dr. Gindorf, this schedule was approved.

Memorial Resolution for Vince Demuzio

(5) The Board of Trustees of the University of Illinois records with deep sorrow the untimely death of Senator Vince Demuzio on April 27, 2004. Senator Demuzio was Majority Leader of the Illinois Senate and had served longer in that chamber than any other current member.

He will be remembered by this board and the officers of the University as a very good friend of the University of Illinois who often shepherded crucial issues through the legislative process, and as an outspoken advocate who was always available to help the University. An alumnus of the University of Illinois at Springfield, he was an early supporter for adding that campus to the University of Illinois, and will be remembered for his tenacity in seeking funds for developing the campus.

Senator Demuzio led the development of the University's Orr Agricultural Research and Development Center to bring needed crop and livestock research and development to the western Illinois region. He was a forceful legislative advocate for the research, teaching, and public service (especially through Illinois Extension) mission of the University as Illinois and of the importance of this mission in advancing the well being of the state and all its citizens.

With his long tenure in the Senate and abiding interest in education at all levels, Senator Demuzio presented a formidable defense as a guardian of education writ large in our state. We are deeply indebted to him for the time and attention he invested over the years in helping to strengthen the University and championing myriad initiatives to enhance our academic programs. The entire University of Illinois family has lost a strong and deeply admired ally.

At this time the trustees of the University of Illinois join the State in tributes to his memory and direct that this resolution be incorporated in the minutes of today's meeting, to become a part of the official public record, and that a suitable copy be presented to Mrs. Deanna Demuzio as a reminder of the esteem in which this board held Senator Demuzio.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Memorial Resolution for Galey S. (Day) Lucas

(6) The Board of Trustees records with sadness the death of Galey S. Lucas on March 29, 2004. Mrs. Lucas was a member of the Board of Trustees from 1980-1986. She received a degree in journalism in 1955 from the University of Illinois at Urbana-Champaign.

Mrs. Lucas is remembered for her concern for students, particularly undergraduates and served as chair of the Student Affairs Committee for four years. In addition, she exhibited a keen understanding of the fiscal issues facing the University and chaired the Finance Committee for two years. She was also a member of the Merit Board of the State Universities Civil Service System. Mrs. Lucas was a trustee at the time of the consolidation of the Chicago campuses and regarded that transition as a significant milestone for the University. A member of the President's Council, Mrs. Lucas was a member of a family with many alumni of the University of Illinois.

As a resident of Belvidere, Mrs. Lucas was deeply involved in civic, cultural, health, and business organizations in that community and will be remembered for her success in the real estate business. She was a devoted supporter of the University of Illinois at Chicago College of Medicine at Rockford, as exemplified by her receipt of the first Distinguished Community Award from the college.

Her background in communications, public relations, institutional governance, and development proved to be important in her service to the State of Illinois as a member of the Illinois Humanities Council.

The Board of Trustees pays tribute to the memory of Mrs. Lucas and her devotion to the University of Illinois, and extends condolences to her husband Dr. Gordon Lucas and her children, Randy and Darcy Day.

The board directs that an appropriate copy of this resolution be prepared for Dr. Lucas.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Resolution for Nancy Cantor

(7) To Nancy Cantor

As chancellor of the University of Illinois at Urbana-Champaign you are to be commended for your many contributions to the campus, accomplished in but a few years.

Your personal drive and commitment, combined with a facility for innovation have encouraged new ways of thinking about academic disciplines, scholarly research, and approaches to remedying social problems. The Cross-Campus Initiatives is a model of the importance of crossing disciplinary boundaries to address complex societal issues.

You showed foresight by investing in efforts to expand technology transfer activities and commercialization of the products of faculty research. Also, in keeping with this vision you championed new facilities for further research in burgeoning scientific realms.

Your efforts both locally and nationally to foster support of the arts and humanities in universities together with other communities has resulted in new understandings, increased cooperation among academic disciplines, and in the creation of partnerships with individuals and other organizations devoted to the arts and humanities for the public good.

You helped create new community-University partnerships by focusing on workplace and family issues, and in turn improved the campus climate. In a similar vein, you provided students new means for preparing for leadership roles and for careers after their college education.

During your tenure as chancellor the University has sustained severe constraints in State funding. Your response has been an indefatigable cultivation of new sources of support for the campus that has resulted in impressive gifts from several foundations. Further, in the face of reductions in traditional support you launched campaigns to bolster support for segments of the campus such as the library.

As you assume leadership of Syracuse University, the Board of Trustees conveys good wishes to you, Professor Brechin, and your children.

The president and other administrative officers of the University join in this expression of appreciation.

On motion of Dr. Gindorf, the foregoing resolution was adopted.

Interim Chancellor, Urbana

(8) Following Chancellor Nancy Cantor's announcement that she accepted the position of chancellor and president at Syracuse University, the president met with the Urbana Senate Executive Committee and campus officers to seek recommendations for the position of interim chancellor. Receiving advice, the president of the University is pleased to recommend to the Board of Trustees the appointment of Richard H. Herman, presently provost and vice chancellor for academic affairs, and professor of mathematics at the Urbana campus, as interim chancellor, beginning July 1, 2004, on a twelve-month salary of \$250,000 plus an administrative increment of \$34,000 and \$12,000 as a housing allowance for a total of \$296,000. Dr. Herman will hold this position until a national search has been conducted and a permanent chancellor takes office.

Dr. Herman will continue to hold the rank of professor of mathematics on indefinite tenure on an academic service basis at zero percent time.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was approved.

Dean, College of Engineering, Chicago

(9) The chancellor at Chicago recommends the appointment of Prithviraj Banerjee, currently chairman and professor, Department of Electrical and Computer Engineering, College of Engineering, Northwestern University, Evanston, Illinois, as dean of the College of Engineering, on an academic year service basis, on 100 percent time, beginning August 16, 2004, at an annual nine-month salary of \$204,545 plus two-ninths of the academic year base salary for two months' service during each summer of his appointment as dean (\$45,455 during summer 2005), and an administrative increment of \$10,000, for a total annual salary of \$260,000.

Dr. Banerjee will be appointed to the rank of professor of electrical and computer engineering on indefinite tenure on an academic year service basis on zero percent time.

He will succeed Lawrence A. Kennedy, who will return to his position as professor of mechanical engineering, after serving 10 years as dean.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was approved.

Interim Dean, College of Business Administration, Chicago

(10) The chancellor at Chicago recommends the appointment of John F. McDonald, currently senior associate dean for academic affairs and research, professor of economics, and professor of finance, College of Business Administration, University of Illinois at Chicago, as interim dean of the College of Business Administration, beginning July 1, 2004, on an academic year service basis, with a one-month summer appointment during the summer of 2004, on 50 percent time, \$10,455, and an annual administrative increment of \$10,455 beginning August 16, 2004.

¹Joan L. Shaver, professor of medical-surgical nursing, and dean, College of Nursing, *chair*; Farid M.L. Amirouche, professor of mechanical and industrial engineering, College of Engineering; Richard O. Buckius, professor and head, Department of Mechanical and Industrial Engineering, College of Engineering, UIUC; Isabel Cruz, associate professor of computer science, College of Engineering; Mitra Dutta, professor and head, Department of Electrical and Computer Engineering, College of Engineering; Cynthia J. Jameson, professor of chemistry, College of Liberal Arts and Sciences; Richard L. Magin, professor and head, Department of Bioengineering, College of Engineering; Sohail Murad, professor of chemical engineering, College of Engineering; Thomas L. Theis, professor of civil and materials engineering, College of Engineering, and director, Institute for Environmental Science and Policy, Office of the Vice Chancellor for Research; Ouri Wolfson, Professor of Computer Science, College of Engineering.

Professor McDonald will continue to serve as senior associate dean for academic affairs and research, on an academic year service basis, on 100 percent time, at an annual salary of \$188,200. He will also continue to hold the rank of professor of economics and professor of finance, both on indefinite tenure on an academic year service basis, on zero percent time.

Professor McDonald will succeed Marinus W. Wiewel, who has accepted a position at the University of Baltimore, Maryland.

This recommendation is made with the advice of the faculty and the Executive Committee of the college.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was approved.

Dean, College of Liberal Arts and Sciences, Springfield

(11) The chancellor at Springfield recommends the appointment of Margot I. Duley, currently interim associate dean of the College of Arts and Sciences, director of the Women's Studies Program, and professor of history and philosophy, College of Liberal Arts and Sciences, at Eastern Michigan University, Ypsilanti, as dean of the College of Liberal Arts and Sciences, beginning August 1, 2004, on a twelve-month service basis at an annual salary of \$136,400 (equivalent to an annual nine-month base salary of \$111,600 plus two-ninths annualization of \$24,800), and an administrative increment of \$3,600, for a total annual salary of \$140,000.

Dr. Duley will hold the rank of professor, History Program, and professor, Women's Studies Program, on indefinite tenure on an academic year service basis on zero percent time. She will succeed William Bloemer, interim dean and professor emeritus, Chemistry Program, College of Liberal Arts and Sciences.

This recommendation is made with the advice of a search committee.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was approved.

Dean, College of Communications, Urbana

(12) The chancellor at Urbana recommends the appointment of Ronald E. Yates, presently professor and head, Department of Journalism, and interim dean, College of Communications, University of Illinois at Urbana-Champaign, as dean of the College of Communications, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004, at an annual base salary of \$175,000 (equivalent to an annual nine-month base salary of \$143,182 plus two-ninths annualization of \$31,818) and an additional increment of \$10,000, for a total annual salary of \$185,000.

Mr. Yates will continue to hold the rank of professor of journalism on indefinite tenure on an academic year service basis on zero percent time.

He succeeds Kim B. Rotzoll who served as dean of the college from August 21, 1992, through August 20, 2003.

¹Paula Garrott, associate professor, Clinical Laboratory Science Program, College of Liberal Arts and Sciences, *chair*; Terry D. Bodenhorn, assistant professor, History Program, College of Liberal Arts and Sciences; Cherrill F. Kimbro, assistant to the dean, College of Liberal Arts and Sciences; Marcellus J. Leonard, associate professor, Center for Teaching and Learning and associate professor, English Program, College of Liberal Arts and Sciences, and UIS Ombudsman, Office of the Vice Chancellor for Academic Affairs; Patricia L. Pardie, associate professor, Psychology Program, College of Liberal Arts and Sciences; Janice S. Renn, staff secretary, College of Liberal Arts and Sciences; Christopher Thomas Roberts, student; Gary Trammell, professor, Chemistry Program, College of Liberal Arts and Sciences; Jane B. Treadwell, associate professor, library administration and University librarian and dean, Library Instructional Services; Pinky S. Wassenberg, associate professor of political studies, College of Public Affairs and Administration; Michael Cheney, professor, Communication Program, College of Liberal Arts and Sciences, and provost and vice chancellor for academic affairs, *ex officio*.

This recommendation is made with the unanimous advice of members of the College of Communications' Task Force for the Future of the College.¹

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this appointment was approved.

Amend Multiyear Contracts with Head Men's Basketball Coach, Urbana

(13) In May 2003 the Board of Trustees approved the appointment of Bruce B. Weber to serve as head men's basketball coach from April 30, 2003, through April 29, 2008. The employment and professional service contracts provided compensation for base salary; radio and television broadcasting services; summer camp services; and educational, public relations, consulting, and promotional activities. Coach Weber's base salary is funded by operating revenue in the Division of Intercollegiate Athletics; his radio and television broadcasting services are funded by broadcast revenue; his summer camp services are funded by camp revenue; and his educational activities are supported by corporate contracts. The chancellor at Urbana recommends an amendment to Coach Weber's employment and professional service contracts to extend the term of the contracts by one additional year, through April 30, 2009, along with a base salary increase from \$150,000 to \$200,000 for coach's 2004-05 contract year (May 1, 2004, through April 30, 2005). His additional annual compensation from radio and television broadcasting services, educational, public relations, consulting, and promotional activities would remain unchanged at \$350,000. The base salary adjustment would result in an increase in total compensation from \$500,000 in 2003-04 to \$550,000 for 2004-05.

The chancellor also recommends a one-time payment of \$100,000 as a signing incentive for exceptional performance.

Funds are available from the sources listed above.

The president of the University concurs.

On motion of Dr. Gindorf, these recommendations were approved.

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(14) Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

A—Indefinite tenure

B—Ten months' service paid over twelve months

K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term

¹Walter George Harrington, professor of journalism, College of Communications, *chair*; Nancy Jane Benson, associate professor of journalism, College of Communications; William E. Berry, associate professor, Institute of Communications Research, College of Communications and associate chancellor, Office of the Chancellor; Jason Paul Chambers, assistant professor of advertising, College of Communications; Ivy Glennon, research associate professor, Institute of Communications Research and director of advising, Department of Advertising, College of Communications; Steven Ray Hall, lecturer and director of career services, Department of Advertising, College of Communications; Louis W. Liebowich, professor of journalism, College of Communications; Howard S. Maclay, professor emeritus of linguistics, College of Liberal Arts and Sciences, professor emeritus and research professor emeritus, Institute of Communications Research, and visiting head of the Department of Advertising, College of Communications; Robert W. McChesney, professor, Institute of Communications Research, College of Communications, and professor, Graduate School of Library and Information Science; Donald P. Mullally, director of broadcasting and general manager, WILL Radio and Television, Division of Broadcasting, and associate dean for external affairs, College of Communications; Teresa D. Savage, associate dean, College of Communications; Daniel J. Simeone, retired manager, WILL AM-FM Radio, Division of Broadcasting, College of Communications; Paula A. Treichler, professor, Women's Studies Program, College of Liberal Arts and Sciences, professor of basic sciences, College of Medicine at Urbana-Champaign, and professor and director, Institute of Communications Research, College of Communications.

- N—Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period
 Q—Initial term appointment for a professor or associate professor
 Y—Twelve-month service basis
 1-6—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

Chicago

YOLANDA J. MAJORS, assistant professor, College of Education, on 100 percent time, beginning August 16, 2004 (3), at an annual salary of \$55,000.

PAULINE MAKI, associate professor of psychiatry, College of Medicine at Chicago, on 75 percent time, and associate professor of psychology, College of Liberal Arts and Sciences, on 25 percent time, on initial partial term appointment beginning February 2, 2004 (N75;N25), at an annual salary of \$88,294, and continuing for three years effective August 16, 2004 (Q75;Q25).

ALICIA K. MATTHEWS, associate professor of public health, mental health, and administrative nursing, on 100 percent time, for three years beginning August 16, 2003 (Q), at an annual salary of \$70,000.

Emeriti Appointments

LLOYD VAUGHN BLANKENSHIP, professor emeritus, Public Administration Program, July 16, 2004

WOLFGANG-MARTIN BOERNER, professor emeritus of electrical and computer engineering, January 1, 2004

PETER V. CONROY, professor emeritus of Spanish, French, Italian and Portuguese, June 1, 2004

EUGENE E. EMESON, professor emeritus of pathology, College of Medicine at Chicago, April 1, 2004

VIRGINIA C. FIEDLER, professor emerita of dermatology, College of Medicine at Chicago, January 1, 2004

STANLEY E. FISH, dean emeritus, College of Liberal Arts and Sciences, August 16, 2004

EGIL FOSSLIEN, professor emeritus of pathology, College of Medicine at Chicago, March 1, 2004

MARGHERITA M. HARWELL, professor emerita of Spanish, French, Italian and Portuguese, May 16, 2004

ADAM MAKKAJ, professor emeritus of English, June 1, 2004

LAWRENCE S. POSTON, professor emeritus of English, May 16, 2004

JAYANT RADHAKRISHNAN, professor emeritus of urology, College of Medicine at Chicago, September 1, 2000. This is in addition to professor emeritus of surgery, College of Medicine at Chicago, previously approved by the board on January 15, 2004.

AHMED RIAHI-BELKAOU, professor emeritus of accounting, August 16, 2004

LEDA B. SCHIAVO, professor emerita of Spanish, French, Italian and Portuguese, July 16, 2004

JAMES C. VARY, professor emeritus of biochemistry and molecular genetics, College of Medicine at Chicago, November 1, 2003

STEVEN G. WEAVER, associate professor emeritus of biological sciences, June 1, 2004

Urbana-Champaign

ATOMA T. BATOMA, monographic catalog librarian and assistant professor of library administration, University Library, on 100 percent time, on initial partial term appointment, beginning March 16, 2004 (NY), at an annual salary of \$45,000, and continuing effective August 16, 2004 (IY).

*RAJWANT SINGH CHILANA, South Asian studies librarian and associate professor of library administration, University Library, on 100 percent time, beginning February 4, 2004 (AY), at an annual salary of \$70,040.

JOSHUA WHITE, assistant professor of finance, on 100 percent time, on initial partial term appointment, beginning November 18, 2003 (N), at an annual salary of \$143,000, and continuing effective August 16, 2004 (1).

To the Rank of Professor on Indefinite Tenure:

*ANDREW G. ALLEYNE, from associate professor of mechanical and industrial engineering, to professor of mechanical and industrial engineering, on indefinite tenure, effective August 16, 2004

Emeriti Appointments

EVELYNE ACCAD, professor emerita of French, January 1, 2004

GEORGE O. BATZLI, professor emeritus of animal biology, May 16, 2004

HARRY E. COOK, professor emeritus of general engineering, May 16, 2004

EVERETT C. DADE, professor emeritus of mathematics, May 16, 2004

ERIC L. DALHEIM, professor emeritus, School of Music, May 16, 2004

NICHOLAS DiVIRGILIO, professor emeritus, School of Music, May 16, 2004

E. GRAHAM EVANS, JR., professor emeritus of mathematics, August 16, 2004

THEODORE HYMOWITZ, professor emeritus of crop sciences, June 16, 2004

HOWARD JACOBSON, professor emeritus of the Classics, June 1, 2004

EDWIN JAHIEL, professor emeritus of French, June 21, 2003

GERALD J. JANUSZ, professor emeritus of mathematics, May 16, 2004

M. A. PAI, professor emeritus of electrical and computer engineering, January 1, 2004

ROBERT D. REID, associate professor emeritus of journalism, January 1, 2004

JOSEPH J. ROTMAN, professor emeritus of mathematics, May 16, 2004

NINA B. STILLINGER, professor emerita of English, August 16, 2004

JEAN L. THOMPSON, professor emerita of English, May 16, 2004

TIMOTHY N. TRICK, professor emeritus of electrical and computer engineering, June 1, 2004

DAVID T. WHITFORD, associate professor emeritus of finance, August 16, 2004

JACK M. WIDHOLM, professor emeritus of plant physiology in the Department of Crop Sciences, April 1, 2004

Administrative/Professional Staff

VAN ALLEN ANDERSON, associate director, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$135,000. Dr. Anderson was appointed to serve as interim associate director under the same conditions and salary arrangement beginning June 16, 2004.

During the period of May 16-June 15, 2004, Dr. Anderson was appointed to serve as interim associate director, Beckman Institute for Advanced Science and Technology, on a twelve-month service basis, on 50 percent time, at an annual salary of \$67,500; and associate vice chancellor for research, Office of the Vice Chancellor for Research, on a twelve-month service basis, on 50 percent time, at an annual salary of \$67,500.

MARK E. COOPER, chief administrative officer, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$132,000. Mr. Cooper was appointed to serve as interim chief administrative officer under the same conditions and salary arrangement beginning May 16, 2004.

*SCOTT COTLER, chief of section, hepatology, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis with an administrative increment of \$50,000, effective June 21, 2004 (NY). Dr. Cotler was appointed to serve as visiting chief of hepatology under the same conditions and salary arrangement beginning August 1, 2003. In addition, he will be appointed to the rank of associate professor of medicine, College of Medicine at Chicago, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$71,400; and physician surgeon, University of Illinois Hospital and Clinics, on a twelve-month service basis, on 49 percent time, at an annual salary of \$68,600, effective June 21, 2004 (AY51;NY49), for a total salary of \$190,000. Dr. Cotler was appointed to serve as visiting associate professor of medicine and physician surgeon under the same conditions and salary arrangement beginning August 1, 2003.

SANDRA G. EHLE, executive director for university payables, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$98,000.

SANDRA K. FRANK, associate dean for administration, College of Business, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$120,000. Ms. Frank was appointed to serve as interim associate dean for administration under the same conditions and salary arrangement beginning April 16, 2004.

PAUL J. GRIFFITHS, chair of the Department of Classics and Mediterranean Studies, College of Liberal Arts and Sciences, Chicago, on an academic year service basis with an administrative increment of \$7,000, beginning August 16, 2004 (N). In addition, Dr. Griffiths will continue to hold the rank of professor of religious studies, on indefinite tenure on an academic year service basis, on 75 percent time, at an annual salary of \$78,375; professor of Classics and Mediterranean studies, on indefinite tenure on an academic year service basis, on 25 percent time, at an annual salary of \$26,125; and Schmitt Chair of Catholic Studies in the Department of Religious Studies, on zero percent time (non-tenured and non-salaried) (A75;A25;N), for a combined faculty base salary of \$104,500.

KATHLEEN HARLEMAN, director of the Krannert Art Museum, College of Fine and Applied Arts, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning August 16, 2004 (NY), at an annual salary of \$145,000.

PENELEPE C. HUNT, vice president, University of Illinois Foundation, on 50 percent time, and associate chancellor for development, Chicago, on 50 percent time, beginning June 18, 2004 (NY50;NY50), at an annual salary of \$200,000. Ms. Hunt was appointed to serve as visiting vice president, University of Illinois Foundation and visiting associate chancellor for development, Chicago, under the same conditions and salary arrangement beginning June 1, 2004.

TIMOTHY P. KERESTES, director of operations and facilities, Institute for Genomic Biology, Urbana-Champaign, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$105,000. Mr. Kerestes was appointed to serve as interim director of operations and facilities under the same conditions and salary arrangement beginning April 28, 2004.

MARCIA E. LAUSEN, director of the School of Art and Design, College of Architecture and the Arts, Chicago, on a twelve-month service basis with an administrative increment of \$10,000, beginning August 16, 2004 (NY). In addition, Dr. Lausen will continue to hold the rank of associate professor, School of Art and Design, on indefinite tenure on an academic year service basis, on 100 percent time, effective August 16, 2004 (A100), at an annual salary of \$82,000, for a total salary of \$92,000.

*MARTIN LIPSKY, regional dean of the College of Medicine at Rockford, on a twelve-month service basis with an administrative increment of \$75,000, beginning June 21, 2004 (N). In addition, Dr. Lipsky will hold the rank of professor of family medicine, on indefinite tenure on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000; and physician surgeon in family medicine, on a twelve-month service basis, on 49 percent time, at an annual salary of \$90,000, beginning

June 21, 2004, (AY51;NY49), for a total annual salary of \$265,000. Dr. Lipsky was appointed to serve as interim regional dean, visiting professor, and visiting physician surgeon under the same conditions and salary arrangement beginning June 1, 2004.

PAUL J. MAGELLI, director of the Academy for Entrepreneurial Leadership Development, College of Business, Urbana-Champaign, on a twelve-month service basis, on 75 percent time, and executive director, Office for the Study of Business Issues, College of Business, Urbana-Champaign, on a twelve-month service basis, on 25 percent time, beginning April 16, 2004 (NY75;NY25), at an annual salary of \$175,000.

LYNETTE L. MARSHALL, vice president, University of Illinois Foundation, on 50 percent time, and associate chancellor for development, Urbana-Champaign, on 50 percent time, beginning July 1, 2004 (NY50;NY50), at an annual salary of \$200,000.

MARY ANN SMITH, associate director of nursing, University of Illinois Hospital and Clinics, Chicago, on a twelve-month service basis, on 100 percent time, beginning June 21, 2004 (NY), at an annual salary of \$115,000. Ms. Smith will continue as clinical instructor, medical-surgical nursing, College of Nursing, on zero percent time (non-tenured and non-salaried), for a total salary of \$115,000.

JOHN W. TOLAR, university director of systems, University Office of Business and Financial Services, on a twelve-month service basis, on 100 percent time, beginning July 16, 2004 (NY), at an annual salary of \$116,000.

Mr. Tolar was appointed to serve as interim university director of systems, on a twelve-month service basis, on zero percent time, with an administrative increment of \$10,432, continuing as assistant project manager, UI-Integrate, on a twelve-month service basis, on 100 percent time, at an annual salary of \$105,568, effective May 16-June 20, 2004. He will be appointed to serve as permanent university director of systems, on a twelve-month service basis, on zero percent time, with an administrative increment of \$10,432, continuing as assistant project manager, UI-Integrate, on a twelve-month service basis, on 100 percent time, at an annual salary of \$105,568, effective June 21-July 15, 2004.

On motion of Dr. Gindorf, these appointments were confirmed.

Sabbatical Leaves of Absence, 2004-05

(15) On motion of Dr. Gindorf, seven leaves of absence recommended by the chancellors at Chicago and Urbana-Champaign were granted. These leaves will be included in the annual compilation of 2004-05 sabbatical leaves of absence to be made a part of the board *Proceedings*.

Establish the National Center for Data Mining, Office of the Vice Chancellor for Research, Chicago

(16) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the Office of the Vice Chancellor for Research, recommends the establishment of a new research unit, the National Center for Data Mining.

In 1998 the Illinois Board of Higher Education granted temporary approval for a period of five years to the National Center for Data Mining to operate as a research center at Chicago. The center has now submitted a proposal to the campus for permanent status.

Data mining is the analysis of large data sets to uncover interesting patterns. As computers have grown in power, so has the amount of data that can be stored and analyzed. Data mining has been used for a wide variety of purposes, including: analyzing bioinformatics data to design better drugs; analyzing earth science data to improve the understanding of global climate change; analyzing health care data to uncover best practices in health care; analyzing consumer data to produce more refined direct marketing campaigns; analyzing financial transactions to reduce fraud; and analyzing homeland defense data to reduce the chance of future terrorist events.

The mission of the National Center for Data Mining is to support innovative research, standards development, technology transfer, educational activities, and other

related activities in the area of data analysis, data mining, and data intensive computing. In more detail, innovative research is needed which will produce new data mining techniques, algorithms, and systems. Technology transfer is needed so that new research and best practices in data mining can transition from the center to industry and government agencies.

The National Center for Data Mining is led by a director and consists of technical staff, administrative staff, and affiliated faculty members. The center reports to the vice chancellor for research.

The center has historically received the main portion of its funding from Federal agencies. During the five-year period that the center has operated under temporary status, Federal funding has amounted to more than \$4.0 million, averaging more than \$800,000 per year. This level of funding is projected to grow to more than \$2.2 million per year within the next five years.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Establish the Institute for Research on Race and Public Policy,
College of Urban Planning and Public Affairs, Chicago**

(17) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the College of Urban Planning and Public Affairs (CUPPA), recommends the establishment of the Institute for Research on Race and Public Policy (IRRPP).

In 1998 the Illinois Board of Higher Education granted temporary approval for a period of five years to the IRRPP to operate as a research unit at Chicago. Temporary approval has now lapsed and the institute submitted a proposal to the campus for permanent status.

The mission of the institute is to promote, coordinate, and conduct innovative research at the intersection of race, ethnicity, and public policy. The institute represents a strategic commitment by the University of Illinois at Chicago (UIC) to better address growing racial and ethnic diversity within the University, the Chicago area, the State of Illinois, the nation, and the world. This University-wide institute focuses on historically under-represented people of color as they are affected by, and as they seek to affect public policy. The institute has developed a comprehensive, multi-racial, multi-ethnic, and multi-cultural agenda that examines the racial and class barriers of under-represented minority groups, and better understands the challenges posed by shifting patterns of diversity in order to develop more responsive public policies. Toward these ends, the institute strives to be a locus for a range of policy-relevant basic and applied research, education, and training, and service and outreach activities guided by a set of strategic priorities.

The institute is an interdisciplinary research unit within the CUPPA. The director reports to the dean of CUPPA and is supported by an administrative staff, an executive board, faculty, research staff, and external partners.

The institute receives campus support in the amount of \$197,000. External funding has continued to grow during the last four years and reached more than \$300,000 in Fiscal Year 2003. External funding has come from such agencies as the Illinois Department of Transportation, the Illinois Department of Human Services, and Housing and Urban Development.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Establish the Bachelor of Science in Neuroscience,
College of Liberal Arts and Sciences, Chicago**

(18) The chancellor at Chicago, with the advice of the Chicago Senate and the College of Liberal Arts and Sciences, recommends the establishment of a new undergraduate degree, the Bachelor of Science in Neuroscience.

Neuroscience, the study of nervous systems and behavior, is one of the most rapidly expanding areas of intellectual inquiry. Work in this area is pursued by a variety of academic disciplines. The goal of an integrative approach to neuroscience is to understand human and animal behavior at all levels of organization, from the underlying chemistry of genes, neurotransmitters, and ion channels, through synapses between nerve cells, up through centers and local circuits in the brain and, finally, to brain systems and pathways ultimately controlling behavior. There is a growing need to train students in neuroscience at the undergraduate level. Such training is needed for those who wish to start professional careers in the rapidly growing commercial biotechnology and pharmaceutical sectors. Such training is needed, as well, for those who will rely on this background for future graduate study and/or the study of medicine.

The discipline of neuroscience is represented in the University of Illinois at Chicago (UIC) College of Liberal Arts and Sciences by the Laboratory of Integrative Neuroscience (LIN) that includes faculty from the Departments of Biological Sciences, Chemistry, Philosophy, and Psychology. As part of its mission to promote full educational opportunities for UIC students in the area of neuroscience, the LIN has organized existing curricular resources and designed the few new components needed for a coordinated undergraduate program in neuroscience.

The proposed curriculum will achieve the goal of broad training by providing a strong background in biology, psychology, and philosophy from a core of neuroscience courses, along with allied course work in chemistry, physics, and mathematics.

Students admitted to the Bachelor of Science in Neuroscience program will be required to complete successfully a minimum of 120 semester credit hours, distributed in the following areas: (1) English composition, foreign language, humanities and social sciences general education, and cultural diversity; (2) supporting course work in biological sciences, philosophy, and psychology; (3) neuroscience core consisting of course work in biological sciences, philosophy, and psychology; (4) additional course work in philosophy; and (5) electives in upper-division biological sciences, chemistry, philosophy, psychology, and physics.

By the fifth year, the neuroscience program projects that it will have 200 students enrolled as majors.

This new curriculum can be created without the need for any new State resources and only modest internal reallocation of existing State resources. The faculty members who will deliver the instruction for the proposed program are already in place. The internal reallocation recognizes the growing percentage of faculty in the biological sciences and psychology departments teaching neuroscience courses.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Establish the Master of Healthcare Administration,
School of Public Health, Chicago**

(19) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the School of Public Health, recommends the establishment of a new graduate degree, the Master of Healthcare Administration.

The health care sector has grown steadily during the past 40 years and this growth is expected to continue and even accelerate during the next two decades. In 2002, 9.3 percent of all workers, or just more than 10 million people, held health care jobs. Despite

reductions in hospital capacity and an increase in managed care, the number of people employed in the health care sector increased each year of the last decade. Major trends, such as the aging of the U.S. population and explosive growth in technologies (e.g., pharmaceuticals, devices, and procedures) will result in the growth of the size of this sector. Increases in the complexity of health care services delivery systems are increasing disproportionately the demand for health care managers.

The health care sector is already a large employer in Illinois and is expected to grow rapidly for the foreseeable future. Chicago has a particularly large and dynamic health care sector with a large number of hospitals, a variety of insurance plans, and long-term care providers and physician groups. In addition, Chicago hosts distinguished academic medical centers, the headquarters of a major pharmaceutical company, and a multitude of health-related associations. All of these organizations need well-trained managers who combine an elemental knowledge of the health care sector with general management skills. The proposed Master of Healthcare Administration program is intended to train such managers.

The proposed program is designed for students who have chosen a management career in health services organizations such as hospitals, managed care plans, and long-term care providers. The program combines a wide array of health care-specific courses from the School of Public Health with core management courses from the College of Business Administration that can be applied in any sector.

Students admitted to the Master of Healthcare Administration program will be required to complete successfully 60 semester hours of coursework consisting of 12 hours in courses from the College of Business Administration that cover the areas of organizational and financial management. Forty-eight hours will be taken in the School of Public Health and will cover areas of human resource management, information management, statistical/quantitative/economic analysis, legal and ethical issues, government policy, assessment and health management, organizational development and strategic planning, and quality management assurance and improvement. Included as part of the course work are a summer internship and a capstone experience. The proposed program is a course work only program and does not require a thesis or master's project.

The program is designed to satisfy the accreditation requirements of both the Council on Education for Public Health, the body recognized to accredit all education programs provided by schools of public health, and the Accrediting Commission on Education for Health Service Administration, the body that accredits health care management programs.

Faculty resources for the program will be made available from existing resources in the School of Public Health and the College of Business Administration. The core faculty will be supplemented by adjunct faculty. No new State resources are needed to support the proposed program.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

Establish an Occupational Environmental Health Services Plan, School of Public Health, Chicago

(20) The chancellor at Chicago, with the advice of the vice chancellor for health affairs and the concurrence of the dean of the School of Public Health, recommends the establishment of the Occupational Environmental Health Services Plan (OEHSP), whereby faculty of the School of Public Health in its Division of Environmental and Occupational Health Sciences through its Occupational Health Services Institute will charge clinical service fees.

A number of years ago, the University of Illinois Hospital Act, which enables medical and dental faculty to bill for clinical services through a practice plan, was amended by the legislature to allow for charges for health care professional services rendered by "health

care professionals who are members of the University faculty." This includes billing of environmental and occupational medicine services by physicians, nurses, and industrial hygienists, as permitted and recognized under applicable law, thus providing a financial base to support and sustain the School of Public Health faculty. The Act requires University approval of any such plan prior to implementation. The Board of Trustees previously has approved similar plans for physicians, dentists, and nurses as well as revisions thereto.

The proposed OEHSHP will be organized as a unit within the School of Public Health. Bylaws of the OEHSHP have been developed and will be reviewed and approved by the Office of University Counsel and the Office of Business Affairs, and will be filed with the secretary of the board for record. Under the bylaws the OEHSHP will be governed by a board consisting of the dean of the School of Public Health, the director of the Great Lakes Centers for Occupational and Environmental Safety and Health at Chicago, the director of the Occupational Health Services Institute, the director of the University Health Services at Chicago, and up to five full members of the OEHSHP. Membership in the OEHSHP shall be available to all health professional faculty in the School of Public Health and who are affiliated with the Great Lakes Centers for Occupational and Environmental Safety.

The financial structure of the OEHSHP will be similar to that of the Medical Service Plan (MSP). All clinical revenue from services provided by OEHSHP members will be billed by and flow to the OEHSHP. Faculty and practitioners will be compensated for their revenue-generating activities through the OEHSHP. Compensation will be structured as base plus a variable component, typically a percent of net revenue generated. Annually participating faculty will have productivity and goal expectations for clinical practice clearly articulated. There will be retentions in the OEHSHP for the dean's account, departmental accounts, and operating reserves. The first two of these will provide resources to enrich academic programs and initiatives. Business services for the OEHSHP will be provided through the Occupational Health Services Institute.

The goal of the OEHSHP will be to advance the clinical practice component of the School of Public Health. This will be achieved primarily through the development of practice centers under the auspices of the Great Lakes Centers for Occupational and Environmental Safety and Health at Chicago and its Occupational Health Services Institute.

The vice president for academic affairs concurs.

The president of the University recommends approval.

On motion of Dr. Gindorf, this recommendation was approved.

Consolidate the Doctor of Philosophy in Biochemistry and Molecular Biology and the Doctor of Philosophy in Molecular Genetics into the Doctor of Philosophy in Biochemistry and Molecular Genetics, College of Medicine, Chicago

(21) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the College of Medicine, recommends the consolidation of two existing doctoral degrees, the Ph.D. in Biochemistry and Molecular Biology and the Ph.D. in Molecular Genetics, to form a single graduate degree, the Ph.D. in Biochemistry and Molecular Genetics.

This proposal comes as a result of the approval of the University of Illinois Board of Trustees and the Illinois Board of Higher Education to consolidate the former Departments of Biochemistry and Molecular Biology and Molecular Genetics into a single department, now called the Department of Biochemistry and Molecular Genetics, that can distinguish itself as a leader in the fields of biochemistry and genetics, two disciplines with broadly overlapping research strategies and objectives.

The primary goal of the program is to provide graduate training to students seeking a Ph.D. degree in biochemistry and genetics. The new program will train the next generation of scientists, both broadly and more in depth in the scientific specialties of their choice in order to prepare them to function as independent scholars and to assume lead-

ership positions in academia, industry, and government agencies. An additional goal of the program is to offer the Ph.D. degree to medical students who elect to earn both M.D. and Ph.D. degrees. The objective of the M.D./Ph.D. program is to train medical scientists with the ability to use basic research techniques to address questions of importance to human health and disease.

The new curriculum consists of many of the components of the existing curricula. Currently, students in other programs take the core GEMS (Graduate Education in Medical Sciences) curriculum consisting of course work in biochemistry, molecular biology, cell biology and integrative physiology, research methods, electives, journal club, student research seminars, and faculty research seminars. The primary difference will be the courses taken in the second year. A new course, "Topics in Biochemistry and Molecular Genetics," is introduced into the curriculum that covers current topics in various areas of biochemistry and molecular genetics.

All other requirements of the Graduate College with respect to hours for the degree, preliminary examination, and submission of an acceptable dissertation remain unchanged.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Redesignate the Center for Health Services Research
as the Institute for Health Research and Policy,
School of Public Health, Chicago**

(22) The chancellor at Chicago, with the advice of the Chicago Senate, the Graduate College, and the School of Public Health, recommends the redesignation of the Center for Health Services Research as the Institute for Health Research and Policy.

The change in name to the Institute for Health Research and Policy reflects more accurately the interdisciplinary, all-campus portfolio of the work that is currently conducted with and across the Center for Health Services Research. This portfolio includes large-scale federally-funded programmatic research, community liaison and assessment support, sponsorship of national and local health research and policy forums at University of Illinois at Chicago, research seminars, and research training through federally-funded training grants and paid student stipends on research grants.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Redesignate the B.S., M.S., and Ph.D. Degrees
from Aeronautical and Astronautical Engineering
to Aerospace Engineering, Urbana**

(23) The chancellor at Urbana, with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the Department of Aerospace Engineering in the College of Engineering to redesignate the B.S., M.S., and Ph.D. degrees from Aeronautical and Astronautical Engineering to Aerospace Engineering.

A proposal to redesignate the Department of Aeronautical and Astronautical Engineering to the Department of Aerospace Engineering was approved by the Board of Trustees in June 2003. The department now proposes to redesignate the title of their degrees to be consistent with the department's new name. Making this change provides consistency, helps in the recruitment of students, and more accurately reflects the current mission of the department.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Transfer the Department of Economics from the College of Business
to the College of Liberal Arts and Sciences, Urbana**

(24) The chancellor at Urbana, with the advice of the Urbana-Champaign Senate, recommends for approval a proposal from the College of Business and the College of Liberal Arts and Sciences to transfer the Department of Economics from the College of Business (BUS) to the College of Liberal Arts and Sciences (LAS).

Economics is a central social science that fits naturally within the liberal arts mission of the College of Liberal Arts and Sciences. While the Department of Economics has resided in BUS, there have always been close ties with LAS. Most notably, LAS offers a B.A. in Economics in conjunction with BUS and the vast majority of undergraduate students pursue the LAS economics degree rather than the BUS economics degree. Both BUS and LAS propose to move the Department of Economics, including its graduate degree programs, from BUS to LAS to more closely align it with kindred social science disciplines in LAS. This transfer will strengthen the core social science disciplines in LAS and is endorsed by faculty of the Department of Economics.

The vice president for academic affairs concurs with this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Gindorf, this recommendation was approved.

**Increase Student Service Fee to Support Cultural Programming,
Fiscal Year 2005, Urbana**

(25) The chancellor at Urbana recommends the approval of a \$1.00 per semester increase in the student service fee to support cultural programming from \$1.00 to \$2.00 per semester based upon the results of the student referendum held on March 16 and 17, 2004, and to include Asian American programming in the fee. Student voters approved with 7,553 "yes" votes to 4,666 "no" votes the referendum question: "Do you support including Asian American programming in the Cultural Programming fee (which currently promotes African American, Latino, and Native American programming), by increasing the cultural programming fee to a refundable \$2.00 per semester?" This fee will be subject to referendum every four years. The amount of this student service fee will be prorated for summer session.

The president of the University concurs with this recommendation.

On motion of Dr. Gindorf, this recommendation was approved.

Establish Student Health Benefit Plan

(26) The vice chancellor for student affairs and vice chancellor for health affairs, in conjunction with student representatives, have performed a review of University of Illinois at Chicago (UIC) student health program costs and benefits. After careful study, it was determined student health benefits could be best met via a UIC-managed and administered benefit plan (on file with the secretary). This program would provide improved health benefits to students and dependents. The new program would replace a student health insurance program provided by The MEGA Life and Health Insurance Company. The Fiscal Year 2005 health benefit fee for UIC students (\$363 per semester), was

approved by the board at the April 2004 meeting. UIC students may choose not to participate in the student health benefit program by providing evidence of comparable insurance coverage from other sources.

The chancellor at Chicago, vice president for administration, and university counsel recommend approval of the UIC Student Health Benefit Plan document.

The president of the University concurs in this recommendation.

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. 27 through 34 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Interim Operating Budget for Fiscal Year 2005

(27) The University is preparing a preliminary Fiscal Year 2005 operating budget recommendation for presentation to the Board of Trustees pending completion of the State's FY05 appropriations process. Until completion of that process and establishment of the University's FY05 appropriation of state tax resources, the president of the University recommends that, beginning July 1, 2004, and continuing thereafter until further action by the board, the board authorize expenditures at the levels reflected in the FY04 operating budget less a 2 percent reduction in FY04 state tax appropriations. In accordance with the budget development process outlined by the governor's Office of Management and Budget, Board of Trustees approval of a more detailed preliminary budget will be requested at the earliest opportunity after the State budget deliberations are finalized.

Subject to the foregoing and the parameters created in the board's March 2003, and June 2003, resolutions concerning establishment of University of Illinois budgets, authorization is also requested, in accord with the needs of the University and the equitable interest involved and within total resources: (a) to accept resignations; (b) to make such additional appointments as are necessary, and to approve the issuance of notices of non-reappointment, subject to the provisions of the University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and the *Policy and Rules*; and (c) to make such changes and adjustments in items included in the interim budget as are needed. Such changes are to be accounted for in the comptroller's quarterly financial reports, or in reports to the board by its secretary.

On motion of Mrs. Sodemann, authority was given as requested by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Award Contract for Implementation Management Services for the UI-Integrate Project

(28) The UI-Integrate Project is in its final stages of design implementation and implementation for the student, human resources, and financial modules of the SCT Banner software products. To complete the work of system implementation, it is desirable to contract with Accenture (formerly Andersen Consulting) for the continuation of the project implementation tasks and management services associated with the use of the Banner system. Accenture will continue to work with SCT to provide support to University project teams as modules of Banner are implemented and outdated legacy systems are replaced.

Accordingly, the president of the University with the concurrence of the appropriate University officers, recommends approval to contract with Accenture for continuation of implementation management services as described above on a time and materials basis for 60 days beginning July 1, 2004, not to exceed \$450,000. Procedures for renewing a contract with a qualified professional service vendor will be followed in accordance with the Illinois Procurement Code.

Funds are available from the Institutional Funds Operating Budget of the University Administration as well as proceeds of the sale of Certificates of Participation—UI-Integrate Project Series 2001a or b and any subsequent series for the UI-Integrate Project.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingshead; no, none.)

Project Approval for Campus Recreation and Fitness Facility, Springfield

(29) The Division of Student Affairs in conjunction with outside and University consultants has determined that based on the increasing student enrollment there is a need for the construction of a new multipurpose recreation and fitness facility on the Springfield campus.

The proposed project consists of the following:

- Construction of an approximately 66,000 square foot multipurpose student recreation and fitness facility including fitness and exercise rooms and equipment, racquet courts, volleyball/basketball courts, performance arena, locker rooms, weight training room and equipment, and required administrative and amenity spaces. The programmed facility is to be large enough to support increased underclass enrollment and to facilitate the needed development of fitness, wellness, and student life programs on the campus.

Existing campus recreation and fitness facilities are limited to a single fitness/weight training room which occupies a portion of a converted cafeteria space, and a small gymnasium which includes only one full-sized basketball court. There are excessive demands on these facilities demonstrating the inability to meet the needs of the current much less the projected student population.

A student referendum on this project was held from April 22 through 25, 2003, where 66 percent of the students voting supported the establishment of a recreational facilities fee of up to \$185 per semester to be phased in over a three-year period (Fiscal Year 2005 through FY 2007). Accordingly, the chancellor, the vice chancellor for administration, and the vice chancellor for student affairs recommend that (1) the Campus Recreation and Fitness Project be approved at \$13,100,000, and (2) the project be submitted to the Board of Higher Education for approval as a non-instructional capital improvement to the Springfield campus.

The project will be funded from the proceeds of a future sale of Auxiliary Facilities System Revenue Bonds. Any project planning costs incurred prior to the sale of the revenue bonds will be funded initially from unrestricted Springfield campus fund sources with anticipated reimbursement from the proceeds of the subsequent revenue bond sale.

Approval of the project is subject to further approval by the Illinois Board of Higher Education as required by Illinois Statutes.

The president of the University concurs in this recommendation.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Revise Project Approval for the Central Campus Parking Deck, Urbana

(30) At its meeting on May 23, 2001, the Board of Trustees approved the central campus parking deck project at a budget of \$24.1 million. The approved project contemplated constructing parking decks at the locations of the existing, non-contiguous, surface parking lots C-8 on Fifth Street and C-9 on the corner of Sixth and Chalmers Streets, with completion projected in 2006. The two-deck configuration was advanced in large part because the University owned the land. Preliminary estimates indicated that these sites could provide spaces for 1,000 cars on seven levels.

Since approval of the project, University planners determined that a single deck option would prove more economical to construct and more efficient to operate. Furthermore, it would be more aesthetically sound, provide for improved internal and external vehicular circulation, be less obtrusive to neighboring student residences, and, with the acquisition of the adjacent land, would retain a key future building site close to the quadrangle. Present projections indicate that the single deck design could provide parking for 940 cars on seven levels.

To achieve the single deck option requires acquisition of a student residence facility owned and operated by the Newman Foundation at 501-505 East Chalmers Street (the SE corner of Fifth and Chalmers Streets). The Newman Foundation is willing to enter into an agreement with the University to convey title to this parcel in exchange for a portion of the University's parking lot C-8 on Fifth Street and \$2.75 million in cash. The agreement would be in accord with the University's appraisals of the land to be exchanged and would be subject to Newman's receipt of satisfactory bids, in February 2005, to replace the student residence facility. The land to be exchanged is described in Exhibit A.

If these transactions are consummated, the revised central campus parking deck will be a single structure at the corner of Fifth and Chalmers Streets. It is projected that the deck will be completed in 2008. Due to the change in the project scope and schedule the project budget is now estimated to be \$25.1 million, an increase of approximately four percent. The economies that are attributed to this site have kept the budgeted increase to a minimum.

In order to proceed with the project, the chancellor at Urbana and the vice president for administration recommend, subject to the availability of funds, that the board approve the following:

1. The revised list of projects for planning, construction, and land acquisition to have a budget of \$25.1 million.
2. The exchange of real estate with the Newman Foundation based upon the terms outlined above.
3. The board reasonably expects to reimburse itself for projects set forth in number 1 above (the "expenditures") with proceeds from the issuance of revenue bonds.
4. The costs represented by the expenditures have been or will be paid no earlier than 60 days prior to the date of this declaration or except as otherwise permitted by law.
5. The maximum principal amount of the revenue bonds expected to be issued for this project is \$25.1 million.

Funds for the project are available initially from unrestricted funds at the Urbana campus with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

The president of the University concurs.

Exhibit A

Newman Foundation parcel to be exchanged to the University of Illinois (501-505 East Chalmers Street)

Lot Three (3) of A.T. Hall's Second Addition to Champaign and Lots Two (2) and Three (3) in Block Two (2) of Isaac Grove's Addition to the City of Champaign, being a part of the Southeast Quarter (1/4) of the Northwest Quarter (1/4) of Section Eighteen (18), Township Nineteen (19) North, Range Nine (9) East of the Third (3rd) Principal Meridian, situated in Champaign County, Illinois.

University parcel to be exchanged to the Newman Foundation (portion of parking lot C-8 on Fifth Street)

Lot 2 and Lot 3 of Baer Addition to the City of Champaign all located in Section Eighteen (18), Township Nineteen (19) North, Range Nine (9) East of the Third (3rd) Principal Meridian in Champaign County, Illinois,

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Employ Architect/Engineer for Mechanical Engineering Laboratory Remodeling—Multiple Projects, Urbana

(31) This total project, not to exceed \$20.0 million, consists of remodeling the Mechanical Engineering Laboratory in multiple projects over a five-year period (Fiscal Year 2005-2009). Non-exclusive architectural services required include efforts associated with feasibility studies through warranty phases. Services will be performed on a project-by-project basis during the contract period.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act (30 ILCS 535/1).¹

Accordingly, the president of the University with the concurrence of the appropriate University officers recommends that BLDD Architects, Inc., Decatur, Illinois, be employed for the professional services required during a five-year period ending June 30, 2009. The contract will include the full range of professional services on an as-needed basis with the firm's fee through the warranty phase not to exceed \$1.5 million. Fees shall be based upon the attached basic fee compensation range (copy filed with the secretary of the board for record.) In addition, for feasibility study phases not included in the basic services, a fee of \$1.50 per square foot of project area will apply.

¹A committee consisting of Ed Scopel (Facility and Services), Randy Ervin (College of Engineering), and Bob Coverdill (Mechanical Engineering) ranked the following firms for the selection: (1) BLDD Architects, Inc., Decatur; (2) Gorski Reifsteck Architects, Champaign; and (3) A. Epstein and Sons International, Inc., Chicago. The committee recommends the employment of BLDD Architects, Inc., Decatur, as best meeting the criteria.

Multiple sources of funds are possible for this project including institutional, grant, and State bond funds. Each project approval occurs after funds have been made available, allocated, and approved by the required official, based on project size.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Purchases

(32) 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 \$23,616,902.

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 Mrs. Sodemann, the purchases recommended were authorized by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Disclose Executive Session Minutes Under Open Meetings Act

(33) Under an amendment to the Open Meetings Act passed by the General Assembly, effective July 1, 1989, public bodies subject to the Act which conduct business under exemptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exemption.

Attached are items from October 1999 through September 2003 that have been heretofore unreleased and are recommended for release at this time. (Attached materials are filed with the secretary of the board for record.) Those sections of minutes that deal with items considered in executive session for which continuing confidential status is recommended in order to protect the public interest or the privacy of an individual are indicated. When the need for confidentiality has passed they will be released.

The university counsel and the secretary of the board, having consulted with appropriate University officers, recommend that the indicated items retain confidential status at this time. It is further recommended that the matters considered in executive session for the same period and marked as “release” be made available to the public at this time.

In addition, the Act also requires that public bodies subject to the Act must periodically review recordings of closed meetings. Verbatim transcripts of these meetings have been provided the board for review. The university counsel and the secretary, having reviewed the transcripts and having consulted with appropriate University officers, recommend that the transcripts remain confidential at this time to protect the public interest or the privacy of individuals.

The president of the University concurs.

On motion of Mrs. Sodemann, these recommendations were approved by the following vote: Aye, Mr. Allen, Mr. Bruce, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Authorization for Settlement

(34) The university counsel recommends that the board approve payment of \$3,000,000 as its contribution to the settlement of *Nguyen v. Allen, et al.* This amount represents the University's self-insured retention for the relevant policy year. St. Paul Insurance, as the excess insurance provider, was the lead negotiator and reached a structured settlement agreement with the plaintiff. The plaintiff alleges defendants' failure to properly position 25-year-old Huong Nguyen and to de-air her heart during cardiac surgery resulted in profound neurological damage.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Allen, Dr. Carroll, Mr. Eppley, Dr. Gindorf, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich. (Mr. Bruce asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Ms. Garcia, Mr. Hollingsead; no, none.)

Report of Actions by the Executive Committee

(35) The following actions have been taken by the Executive Committee since the last meeting of the board. These actions are now reported to the board as a whole.

Award of Contract for Services to Assist in Selection of a President

(1) At its meeting on February 19, 2004, the Board of Trustees approved formation of a committee to review executive search firms and bring a recommendation to the Board to employ a firm to assist with the process of searching for a new president of the University to replace President James J. Stukel who has announced his intent to retire effective February 1, 2005. The trustees appointed to this committee were: Robert F. Vickrey, chair, Devon C. Bruce, and Frances G. Carroll.

Through a request for proposal (RFP) process seven firms submitted proposals to provide the requested presidential search services. The committee members individually reviewed the seven proposals and four firms were identified for further review. Representatives of those firms¹ were then invited to make presentations on April 7, 2004, to discuss the range of services they might provide. The secretary gave notice of this meeting as prescribed in the Open Meetings Act. The committee members also invited Dr. Avijit Ghosh, dean, College of Business, Urbana, and chair of the Consultative Committee to Assist in the Selection of a President, and Dr. Richard H. Herman, provost, Urbana, to join them for the presentations and for discussions with the presenters. Trustee Kenneth D. Schmidt was also present at this meeting and, at the invitation of the chair, joined in the discussions.

¹Baker-Parker; Heidrick & Struggles International; Isaacson, Miller; and Korn/Ferry International

Committee members individually ranked each firm according to criteria established earlier and presented these to the secretary. Mr. Vickrey also invited Dean Ghosh, Provost Herman, and Dr. Schmidt to provide the same information for advisory purposes. The tally of the committee's rankings showed the firm of Baker-Parker to be preferred by the committee.

Accordingly, the committee recommends a contract be awarded to Baker-Parker to provide services to the Consultative Committee and to the board in identifying prospective candidates for the position of president of the University and assisting in the selection of a new president. These services will include generating a pool of prospects, checking background information for many of these individuals, assisting the committee with myriad tasks including interviews with prospective candidates, making reports to the committee and to the board during the search process, and providing logistical assistance as needed to arrange meetings with prospective candidates. The contract amount includes a professional service fee of \$105,000 plus travel at an estimated cost of \$29,000. The total contract amount may be more or less depending on the final cost of candidate travel expenses. Funds for the agreement are available in the Fiscal Year 2004 University gift funds operating budget.

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Honorary Degree, Springfield

(2) The senate of the Springfield campus has recommended that an honorary degree be conferred on the following person at the commencement exercises on May 8, 2004:

JAMES J. STUKEL, president of the University of Illinois—the honorary degree of Doctor of Humane Letters

President Stukel graduated from the University of Illinois and Purdue University. He exemplifies a commitment to higher education, academic administration and public policy education through a lifetime of accomplishments and professional/personal achievements. He has had a 43-year affiliation with the University of Illinois and has been a leader in higher education at the national level, serving on the Association of American Universities' Committee for Undergraduate Education, the Kellogg Commission on the Future of State and Land Grant Institutions' advisory council, the National Association of State Universities and Land-Grant Colleges' board of directors, the Illinois Coalition's executive committee, and the Illinois Council on Economic Education's governing board.

The chancellor at Springfield concurs.

The vice president for academic affairs recommends approval.

On motion of Mr. Vickrey, this degree was authorized as recommended by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Student Health Insurance Fees for Chicago, Springfield, and Urbana Campuses, Fiscal Year 2005

(3) The chancellors at Chicago, Springfield, and Urbana recommend approval of student health insurance fees for Fiscal Year 2005. The student health insurance fee, combined with the student health service fee, fund health care programs tailored to meet the needs of the students at the campuses. The campuses consult with student advisory groups on health program coverage and the resulting fee. Students may choose not to participate in the student health insurance program by providing evidence of comparable insurance coverage from other sources. Attached is a summary of the student health program coverage (copy filed with the secretary of the board for record).

Beginning in the Fall of 2001 the UIC student health insurance plan was placed for a three-year period with the same carrier providing the Urbana student health insurance program. For 2005 UIC proposes adoption of a self-funded plan that will increase student benefits and contain costs. All care, with the exception of emergencies, will be provided at the UIC Medical Center. All students will receive this expanded benefit package at the same rate. The dependent coverage will require an additional charge.

The Springfield campus issued an RFP for student health insurance and proposes using The Chickering Group, through the insurer, Aetna. In the past there has been a two-tier plan priced on age. However, beginning in FY 2005 there will be a single price. The proposed contract necessitates a price increase to support enhanced benefits, reflect the rising costs of health care, and to support the change in program structure to a single price. Students under age 35 will see a 39 percent increase in price; however, students age 35 or older will see a price reduction of 9 percent. Renewal options exist through 2010.

The Urbana campus will be in the eighth and final year of a contract with Mega Life Insurance. The Mega Life program at Urbana provides basic coverage for undergraduate students and expanded benefits for graduate students. The proposed FY 2005 contract will necessitate a 7 percent increase in price for the undergraduate plan and a 9 percent increase in price for the graduate program to support enhanced benefits and to reflect the rising costs of health care.

The recommended student health insurance fees per semester are as follows:

<i>Location</i>	<i>Proposed Premium</i>		<i>Percent Increase</i>
Chicago	All students	\$363	0
Springfield	<35 years	\$270	39
	Age 35-64	same	-9
Urbana	Undergraduate	\$166	7
	Graduate	\$233	9

Note: The rates displayed are for the typical undergraduate and graduate student. Rates will vary for summer session, family dependent coverage, etc.

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Purchases

(4) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for administration.

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$6,694,527.

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Dr. Schmidt, the purchases recommended were authorized by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Establish the Bachelor of Arts in Philosophy, College of Liberal Arts and Sciences, Springfield

(5) The chancellor at Springfield with the advice of the Springfield Senate, recommends approval of a proposal from the Philosophy Program to create a Bachelor of Arts degree in philosophy.

For more than thirty years, the University of Illinois at Springfield has had philosophy faculty members and has offered service courses in philosophy for majors in fields such as management, legal studies, history, English, and visual arts. Philosophy faculty members also made strong contributions to the campus' upper-division general education offerings, known as Public Affairs Colloquia and Liberal Studies Colloquia. In addition, when the University of Illinois at Springfield first established formal minors during the 1989-1990 academic year, the philosophy minor was among them.

Enrollments in philosophy courses are consistently strong, but until now the campus has not believed that student demand would support establishment of a major. Online technology and the initiation of the Capital Scholars Program have altered that belief. With financial support from the Sloan Foundation, the University of Illinois at Springfield has established online upper-division undergraduate degree completion programs in the traditional liberal arts disciplines of English and history, as well as in liberal studies. The response to these programs has been very strong. Enrollments in the liberal studies online program reached 229 students in the fall of 2004, up from 43 students in the fall of 1999, the semester in which the online program began. The online English program began admitting undergraduate degree-seeking students in the fall of 2002. The program immediately filled to capacity, and has continued this trend throughout its second year. The program currently includes 34 online majors, and continues to accept applications for the fall of 2004. The online history program began admitting undergraduate degree-seeking students in the fall of 2003. Now in its second semester of delivery, the program includes 16 online majors, and continues to accept applications for the fall of 2004. Based on these experiences with discipline-specific online degree completion programs, the University of Illinois at Springfield believes the time is now right to begin a philosophy major.

Admissions personnel report ongoing inquiries from distant students illustrating a demand for this major. Because the University of Illinois at Springfield will be one of the first universities in the country to offer a complete philosophy major online, it is expected that a majority of students applying to and enrolling in the philosophy major will do so via the online delivery medium. The campus also anticipates a continuing and growing interest in the philosophy major from students initially exposed to the study of philosophy through the University of Illinois at Springfield's required interdisciplinary Capital Scholars curriculum, which includes introductions to the philosophical areas of epistemology and ethics. Philosophy program faculty members also have noted that a small number of upper-division transfer students routinely request the philosophy major in the event that it becomes available.

Establishing a philosophy major at this time in the Springfield campus' history is consistent with the vision for the University of Illinois at Springfield articulated by Chancellor Ringeisen, that is, for the Springfield campus to become one of the best small, public liberal arts universities in the region. In furtherance of this goal, it is essential that the campus continue to expand its humanities offerings.

The philosophy major will require 36 credit hours of course work in philosophy, consisting of eight credit hours (two courses) in each of three distribution areas (core analytic philosophy, history of philosophy, and value theory), an additional course in either core analytic philosophy or value theory, a philosophy elective, and a capstone seminar. The program has developed a plan for assessment of learning outcomes, based largely on students' performance in the capstone seminar.

No additional State resources are being requested to establish this degree program.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

**Establish the Master of Arts in Teacher Leadership,
College of Education and Human Services, Springfield**

(6) The chancellor at Springfield with the advice of the Springfield Senate, recommends approval of a proposal from the Educational Leadership Program to create a Master of Arts degree in teacher leadership.

Currently, the Educational Leadership Program offers a Master of Arts degree in educational leadership with a concentration in administrative leadership and a concentration in master teaching and leadership. The concentration in master teaching and leadership was established in the spring of 2001 to respond to the needs of teachers who sought to enhance their professional skills, but who do not wish to shift from teaching to administration. The curriculum is oriented toward preparing teachers for master teaching certification through the National Board for Professional Teaching Standards. From the outset, the concentration was conceived to be delivered entirely online to enhance access to this educational opportunity for students who would be unable to commute to campus. The concentration has been very successful, with headcount enrollment increasing from 58 in spring 2001 to 195 in spring 2004.

At this point, however, the curriculum in the master teaching and leadership concentration has evolved so that it has become distinct from the administrative leadership concentration. The educational leadership masters core courses for students pursuing the master teaching and leadership concentration are tailored to these students needs, as opposed to the needs of the students in the administrative leadership concentration. Moreover, the current curricular design prevents students from earning a degree related to both concentrations and redesignation of the concentration as a degree would better communicate its curricular focus.

Because establishing the new degree requires no additions or deletions in the existing course offerings, no additional resources will be required to effect this change.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

**Establish Special Tuition Rate for the Master of Science in Accountancy
with a Specialization in Taxation to be Offered in Chicago, Urbana**

(7) The chancellor at Urbana with the advice of the Graduate College recommends for approval a proposal from the College of Business to establish a special tuition rate for the Master of Science in Accountancy with a Specialization in Taxation to be offered in Chicago.

The Master of Science in Accountancy with a Specialization in Taxation is a well-established program on the Urbana campus that is designed to develop the students' understanding of advanced tax concepts that lays the foundation for continued learning throughout a successful professional tax career. Offering this program in Chicago in an innovative twelve-month "executive style" format will serve the many Chicago accounting companies that hire accountancy majors, many with only a baccalaureate degree, and then seek to further educate their employees to prepare them for a career in taxation. Consistent with the excellence of the Department of Accountancy, the new Chicago program will offer advanced high-quality training to produce broadly-trained tax professionals who will be able to become tax managers earlier in their careers.

This program is designed to serve Chicago-based taxation professionals and employers of taxation professionals, and is intended to be a full-cost recovery program. The proposed tuition for the twelve-month program is \$35,000 (\$14,000 fall, \$14,000 spring, \$7,000 summer) and includes all student books, materials, and other incidentals throughout the course of study. The tuition revenue will fully cover all costs of offering the pro-

gram, including compensation for instructors, the costs of hiring additional faculty for the program, academic support costs, and travel expenses for instructors. Based on extensive discussions with Chicago employers, the Department of Accountancy believes that employers of taxation professionals will recognize the unique value of this program and will encourage and subsidize their employees to participate.

The vice president for academic affairs concurs in this recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

The president of the University recommends approval pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Authorization for Settlement

(8) The university counsel recommends that the board approve settlement of *Erickson v. Wedel, et al.*, in the amount of \$700,000. The plaintiff, 63-year-old Pat Erickson, alleges that the failure of defendants to timely diagnose and treat the malignant melanoma on her right lower leg/ankle resulted in her reduced life expectancy and right leg deformity.

The vice president for administration concurs.

The president of the University recommends approval.

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

Project Budget Increase and Award Contracts for Alumni Center, Urbana

(9) In February 2003, the board approved the design and site location of a new facility for the University Alumni Association to be located at the Urbana campus. The facility will include offices, support space, and program and event areas including reception, large events room, library, and conference rooms. The project budget of \$15.1 million was established based on construction estimates prior to very recent significant raw material price increases in steel and steel components. BLDD Architects, Inc., of Decatur, Illinois, the project architect/engineer, has provided revised estimates based on current steel costs and recommends in order to maintain the project program that additional funds be allocated to cover these unforecasted increases.

In order for the project to proceed, the president of the University with the concurrence of the appropriate University officers recommends that the board:

1. Increase and approve the project budget for the Alumni Center to \$16.3 million. Funds for this increase are available from gifts to the Alumni Association and other Alumni Association revenues.

2. Amend and increase the professional services contract of BLDD Architects, Inc., Decatur, Illinois, to provide bid/award and construction services for the additional fixed fee amount of \$531,152; warranty services on an hourly basis not to exceed \$31,512; and reimbursable expenses estimated at \$58,200.¹

3. Approve for award² the general construction contract to William Brothers Construction, Inc., of Peoria, Illinois, for \$8,717,000 that includes alternates G-4, G-5, G-6, and G-9.³

¹The previous contract with BLDD Architects, Inc., for construction documents and interior design services totaled \$498,414.

²Competitive bidding procedures in accordance with the Illinois Procurement Code were followed.

³Description of Alternates: Alt. 4 provides a full basement and all associated MEP work as required by the documents in lieu of partial basement; Alt. 5 provides bar, bar equipment, associated ceiling work, associated flooring work, etc., as required by the documents; Alt. 6 provides site chilled water piping and metering station as indicated in documents; and Alt. 9 provides all work for north terrace as shown in drawings.

Funding for the contracts is available from gift funds and the institutional funds budget of the University.

A schedule of the bids received has been filed with the secretary of the board for record.¹

On motion of Mr. Vickrey, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Dr. Schmidt, Mr. Vickrey; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(36) The president presented the following report:

Establish the Minor in Movement Sciences, College of Applied Health Sciences, Chicago

The Chicago Senate, with the recommendation of the College of Applied Health Sciences, and its Department of Movement Sciences, has approved a proposal to establish the Minor in Movement Sciences.

The Minor in Movement Sciences, which is open to students in other units of the College of Applied Health Sciences and to students in other colleges, is designed for students who have an interest in the structure and function of the human body. The minor is especially attractive to students seeking a career in the health sciences.

The Minor in Movement Sciences requires completion of 19 to 23 semester hours of course work, including required courses in biomechanics and human physiological anatomy, as well as elective courses in either exercise science or exercise and fitness.

Establishment of a Post-Baccalaureate Certificate in Law for Human Services and Social Workers, Department of Legal Studies, College of Public Affairs and Administration, Springfield

The Springfield Senate has approved a proposal from the College of Public Affairs and Administration to establish a Graduate Certificate in Law for Human Services and Social Workers.

Social workers and people who work in a variety of human services positions spend extensive amounts of time explaining legal requirements to their clients. Their jobs also include determining what must be done to comply with the law, providing evidence, including sworn attestations of credibility or qualifications, in response to legal mandates, and developing expertise with agency rules and regulations derived from local, state, and federal governments. The department believes that a certificate program would be an appropriate and appreciated option for individuals in these professions who do not wish to pursue a full master's degree in legal studies.

Completion of the graduate certificate requires four graduate courses (16 credit hours). Because all of the required courses are currently being offered as part of the M.A. in Legal Studies, no additional resources will be needed to offer the graduate certificate.

¹The total for all divisions of work is \$12,604,905. Contracts for other bid packages were awarded that were within the delegated approval levels (Plumbing: McWilliams Mechanical Services, Inc., Champaign—\$408,700 includes Alt. P-4 for full basement and all associated MEP work—\$11,000 and Alt. P-5 for bar, bar equipment associated ceiling work, associated flooring work, etc.—\$6,700; Heating, Piping, Refrigeration & Temperature Control Work: Nogle & Black Mechanical, Inc., Urbana—\$899,500 includes Alt. H-4 for full basement and all associated MEP work—\$30,000 and Alt. H-6 for site chilled water piping and metering station—\$19,500; Ventilation & Air Distribution Work: A & R Mechanical Contractors, Inc., Urbana—\$755,105 includes Alt. V-4 for full basement and all associated MEP work—\$51,105; Electrical Work: Egizii Electrical, Inc., Decatur—\$1,641,500 includes Alt. E-4 for full basement and all associated MEP work—\$26,000, Alt. E-5 for bar, bar equipment, associated ceiling work, associated flooring work, etc.—\$8,200, and Alt. E-9 for all work for north terrace—\$22,500; Fire Protection Work: Automatic Fire Sprinkler Co., Bloomington—\$183,100 includes Alt. S-4 for full basement and all associated MEP work—\$14,900 and Alt. S-5 for bar, bar equipment, associated ceiling work, associated flooring work, etc.—\$200).

**Establishment of a Post-Baccalaureate Certificate in Information
Assurance and a Post-Baccalaureate Certificate in Systems Security,
College of Liberal Arts and Sciences, Springfield**

The Springfield Senate has approved a proposal from the College of Liberal Arts and Sciences to establish two new post-baccalaureate certificates, one in systems security and one in information assurance.

With the global reliance on computers and computer networks in government, business, and education, the security of computer-based information has become a leading world-wide concern. In recognition of this fact, the National Science Foundation (NSF) has funded a program that will increase the number of qualified professionals in the fields of systems security and information assurance by creating systems security training centers. The University of Illinois at Springfield is one of seven partner institutions in one such center, the Center for Systems Security and Information Assurance (CSSIA), based at Moraine Valley Community College.

CSSIA will offer advanced training in systems security and information assurance to college faculty members, who, in turn, will be able to train their students in the fundamentals of systems security and information assurance.

The UIS Computer Science program proposes to use the CSSIA training program as the basis for offering a 16-credit-hour post-baccalaureate certificate in systems security and a 15-credit-hour post-baccalaureate certificate in information assurance. No additional resources will be needed to offer these post-baccalaureate certificates.

This report was received for record.

**Comptroller's Financial Report
Quarter Ended March 31, 2004**

(37) The comptroller presented his quarterly report as of March 31, 2004. A copy has been filed with the secretary of the board.

This report was received for record.

**Report of the Secretary:
Selection of Student Members of the University of Illinois
Board of Trustees, 2004-2005**

(38) The secretary presented the following report:

Chicago campus

The election was held on April 14-15, 2004, and Ms. Natalie Ann Garcia has been re-elected and certified to serve from July 1, 2004, through June 30, 2005.

The total number of ballots cast for a student trustee on the UIC campuses—Chicago, Peoria, Rockford, and Urbana—as 1,874. The tally is as follows:

Natalie Ann Garcia	952
Oveys Mansuri	922

Ms. Garcia is from Westmont, Illinois. She is a junior political science major in the College of Liberal Arts and Sciences and the Honors College. During the 2003-2004 academic year she served as an Undergraduate Student Government General Assembly Member as well as a student member of the Board of Trustees.

Springfield campus

The Student Government Association Election was held April 27-28, 2004, and Andrew M. Hollingsead was re-elected as the UIS student representative to the University of Illinois Board of Trustees. There were two candidates on the ballot for this position and a total of 353 votes were cast. The tally was:

Andrew M. Hollingsead	207
Jason Stuebe	146

Mr. Hollingsead is a senior majoring in political studies and a member of UIS' first class of Capital Scholars. In 2004-2005, he will serve his second term as the UIS student representative to the University of Illinois Board of Trustees. Since coming to UIS, Mr. Hollingsead has served as a Student Government Senator and worked as an intern for Morgan Stanley. He continues to remain active with Model Illinois Government, Christian Student Fellowship, and numerous other organizations.

Urbana-Champaign campus

The election was held on March 16-17, 2004, and Matthew T. Diller was elected.

The total number of votes cast for student trustee was 8,514. The tally for each candidate was:

Matthew T. Diller	3,889
Josh Rohrscheib	1,385
Bobby Hart	1,260
Hassen Al-Shawaf	832
Dan, Da Man, Sledz	661
Gene Finley IV	487

Mr. Diller is a junior majoring in political science and is from Bloomington, Illinois. He has been involved with student government and is a member of the Kappa Delta Rho fraternity.

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 Chicago, Springfield, and Urbana-Champaign campuses on the dates indicated.

Summary

Chicago

Degrees Conferred July 26, 2003

College of Applied Health Sciences	
Bachelor of Science	13
College of Architecture and the Arts	
Bachelor of Arts	16
Bachelor of Fine Arts	6
<i>Total, College of Architecture and the Arts</i>	<i>(22)</i>
College of Business Administration	
Bachelor of Science	95
College of Dentistry	
Advance Certificates	11
Doctor of Dental Surgery	1
<i>Total, College of Dentistry</i>	<i>(12)</i>
College of Education	
Bachelor of Arts	2
College of Engineering	
Bachelor of Science	27

Graduate Programs	
Doctor of Philosophy	54
Master of Architecture	2
Master of Arts	27
Master of Business Administration	58
Master of Education	33
Master of Fine Arts	9
Master of Health Professions Education	4
Master of Public Administration	3
Master of Science	163
Master of Social Work	3
Master of Urban Planning and Policy	12
<i>Total, Graduate Programs</i>	<i>(368)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	136
Bachelor of Science	76
<i>Total, College of Liberal Arts and Sciences</i>	<i>(212)</i>
College of Medicine	
Doctor of Medicine (Chicago)	12
Doctor of Medicine (Urbana)	3
<i>Total, College of Medicine</i>	<i>(15)</i>
College of Nursing	
Bachelor of Science	4
College of Pharmacy	
Doctor of Pharmacy	8
School of Public Health	
Master of Public Health	20
<i>Total, Degrees Conferred July 26, 2003</i>	<i>798</i>
<i>Degrees Conferred December 13, 2003</i>	
College of Applied Health Sciences	
Bachelor of Science	34
College of Architecture and the Arts	
Bachelor of Arts	23
Bachelor of Fine Arts	26
<i>Total, College of Architecture and the Arts</i>	<i>(49)</i>
College of Business Administration	
Bachelor of Science	256
College of Dentistry	
Bachelor of Science	51
Doctor of Dental Surgery	1
<i>Total, College of Dentistry</i>	<i>(52)</i>
College of Education	
Bachelor of Arts	1
College of Engineering	
Bachelor of Science	126
Graduate Programs	
Doctor of Philosophy	72
Master of Architecture	1
Master of Arts	32
Master of Arts in Teaching	1
Master of Business Administration	149

Master of Education	57
Master of Engineering	3
Master of Fine Arts	2
Master of Health Professions Education	4
Master of Public Administration	5
Master of Science	213
Master of Science in Teaching	10
Master of Social Work	1
Master of Urban Planning and Policy	11
<i>Total, Graduate Programs</i>	<i>(561)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	339
Bachelor of Science	107
<i>Total, College of Liberal Arts and Sciences</i>	<i>(446)</i>
College of Medicine	
Doctor of Medicine (Chicago)	6
Doctor of Medicine (Peoria)	2
Doctor of Medicine (Urbana)	2
<i>Total, College of Medicine</i>	<i>(10)</i>
College of Nursing	
Bachelor of Science	9
College of Pharmacy	
Doctor of Pharmacy	7
School of Public Health	
Master of Public Health	20
Jane Addams College of Social Work	
Bachelor of Social Work	1
<i>Total, Degrees Conferred December 13, 2003</i>	<i>1,572</i>
<i>Degrees Conferred May 9, 2004</i>	
College of Architecture and the Arts	
Bachelor of Arts	98
Bachelor of Fine Arts	90
<i>Total, College of Architecture and the Arts</i>	<i>(188)</i>
College of Applied Health Sciences	
Bachelor of Science	66
Doctor of Physical Therapy	22
<i>Total, College of Applied Health Sciences</i>	<i>(88)</i>
College of Business Administration	
Bachelor of Science	345
College of Dentistry	
Advance Certificates	12
Doctor of Dental Surgery	61
<i>Total, College of Dentistry</i>	<i>(73)</i>
College of Education	
Bachelor of Arts	64
College of Engineering	
Bachelor of Science	232
Graduate Programs	
Doctor of Philosophy	84
Master of Architecture	41

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Master of Arts	68
Master of Arts in Teaching	5
Master of Business Administration	190
Master of Education	110
Master of Engineering	12
Master of Fine Arts	9
Master of Health Professions Education	4
Master of Public Administration	9
Master of Science	290
Master of Science in Teaching	7
Master of Social Work	202
Master of Urban Planning and Policy	21
<i>Total, Graduate Programs</i>	<i>(1,052)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	595
Bachelor of Science	247
<i>Total, College of Liberal Arts and Sciences</i>	<i>(842)</i>
College of Medicine	
Doctor of Medicine (Chicago)	152
Doctor of Medicine (Peoria)	46
Doctor of Medicine (Rockford)	47
Doctor of Medicine (Urbana)	28
<i>Total, College of Medicine</i>	<i>(273)</i>
College of Nursing	
Bachelor of Science	130
College of Pharmacy	
Doctor of Pharmacy	139
School of Public Health	
Doctor of Public Health	1
Master of Public Health	68
<i>Total, School of Public Health</i>	<i>(69)</i>
Jane Addams College of Social Work	
Bachelor of Social Work	47
<i>Total, Degrees Conferred May 9, 2004</i>	<i>3,542</i>

Springfield

Degrees Conferred July 26, 2003

College of Business and Management	
Bachelor of Arts	25
Bachelor of Business Administration	10
Master of Arts	3
Master of Business Administration	4
Master of Science	16
<i>Total, College of Business and Management</i>	<i>(58)</i>
College of Education and Human Services	
Bachelor of Social Work	9
Master of Arts	27
<i>Total, College of Education and Human Services</i>	<i>(36)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	31
Bachelor of Science	19
Master of Arts	16

Master of Science	4
<i>Total, College of Liberal Arts and Sciences.</i>	(70)
College of Public Affairs and Administration	
Bachelor of Arts	15
Master of Arts	29
Master of Public Administration	5
<i>Total, College of Public Affairs and Administration.</i>	(50)
<i>Total, Degrees Conferred July 26, 2003</i>	214
<i>Degrees Conferred December 13, 2003</i>	
College of Business and Management	
Bachelor of Arts	50
Bachelor of Business Administration	12
Master of Arts	6
Master of Business Administration	13
Master of Science	21
<i>Total, College of Business and Management</i>	(102)
College of Education and Human Services	
Bachelor of Social Work	4
Master of Arts	18
<i>Total, College of Education and Human Services.</i>	(22)
College of Liberal Arts and Sciences	
Bachelor of Arts	91
Bachelor of Science	16
Master of Arts	21
Master of Science	5
<i>Total, College of Liberal Arts and Sciences.</i>	(133)
College of Public Affairs and Administration	
Bachelor of Arts	36
Master of Arts	9
Master of Public Administration	13
Master of Public Health	3
Doctor of Public Administration	0
<i>Total, College of Public Affairs and Administration.</i>	(61)
<i>Total, Degrees Conferred December 13, 2003</i>	318
<i>Degrees Conferred May 8, 2004</i>	
College of Business and Management	
Bachelor of Arts	64
Bachelor of Business Administration	25
Master of Arts	4
Master of Business Administration	48
Master of Science	49
<i>Total, College of Business and Management</i>	(190)
College of Education and Human Services	
Bachelor of Social Work	20
Master of Arts	56
<i>Total, College of Education and Human Services.</i>	(76)
College of Liberal Arts and Sciences	
Bachelor of Arts	118
Bachelor of Science	19
Master of Arts	45
Master of Science	12
<i>Total, College of Liberal Arts and Sciences.</i>	(194)

College of Public Affairs and Administration

Bachelor of Arts	47
Master of Arts	9
Master of Public Administration	19
Master of Public Health	10
Doctor of Public Administration	1
<i>Total, College of Public Affairs and Administration</i>	<i>(88)</i>

Total, Degrees Conferred May 8, 2004 548

Urbana-Champaign

Degrees Conferred May 16, 2004

Graduate Degrees

Doctor of Education	13
Doctor of Musical Arts	11
Doctor of Philosophy	190
<i>Total, Doctors</i>	<i>(214)</i>

Master of Accounting Science	78
Master of Architecture	85
Master of Arts	131
Master of Business Administration	171
Master of Computer Science	16
Master of Education	85
Master of Fine Arts	14
Master of Human Resources and Industrial Relations	30
Master of Landscape Architecture	3
Master of Laws	28
Master of Music	26
Master of Music Education	3
Master of Science	713
Master of Science in Public Health	2
Master of Social Work	44
Master of Urban Planning	14
<i>Total, Masters</i>	<i>(1,443)</i>

Total, Graduate Degrees 1,657

Professional Degrees

College of Law	
Juris Doctor	197
College of Veterinary Medicine	
Doctor of Veterinary Medicine	95
<i>Total, Professional Degrees</i>	<i>292</i>

Undergraduate Degrees

College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	364
College of Applied Life Studies	
Bachelor of Science	239
College of Business	
Bachelor of Science	752
College of Communications	
Bachelor of Science	167
College of Education	
Bachelor of Science	146

College of Engineering	
Bachelor of Science	679
College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	28
Bachelor of Fine Arts	110
Bachelor of Landscape Architecture	13
Bachelor of Music	19
Bachelor of Music Education	21
Bachelor of Science	100
<i>Total, College of Fine and Applied Arts</i>	<i>(291)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	1,004
Bachelor of Science	967
<i>Total, College of Liberal Arts and Sciences</i>	<i>(1,971)</i>
College of Veterinary Medicine	
Bachelor of Science	90
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	29
<i>Total, Undergraduate Degrees</i>	<i>4,728</i>
<i>Total, Degrees Conferred May 16, 2004.</i>	<i>6,677</i>

At the close of voting on the agenda, Dr. Gindorf asked the board's leave to read aloud the memorial resolution to Senator Vince Demuzio and prior to doing so Dr. Gindorf gave high praise to Senator Demuzio for his personal help to him, particularly when he was a candidate for trustee, and to the University over many years.¹

RECESS FOR COMMITTEE MEETINGS

The board recessed for meetings of the Technology and Economic Development Committee and the Athletics Committee.

MEETING OF TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of the committee, asked Vice President Chicoine for a report (materials on file with the secretary). Dr. Chicoine summarized highlights of technology commercialization activities for the third quarter of Fiscal Year 2004. He referred to the materials provided the board and stated that the Offices of Technology Management at both Chicago and Urbana had recorded impressive gains in all areas monitored by the vice president's office, including disclosures received, patents filed, patents issued, licenses and options, licenses to start-ups, and royalties and income. He stated that he expected FY 2004 to exceed FY 2003 in all of these areas. Also, Dr. Chicoine reviewed activities of IllinoisVENTURES, LLC, the limited liability corporation the board established to support start-up companies commercializing University technologies, and reported that for the last 18 months, IllinoisVENTURES, LLC, had 182 consulting engagements, and that 25 of these were now receiving developmental funding. He called the board's attention to the fact that IllinoisVENTURES, LLC, had brought

¹Mrs. Sodemann left the meeting at 2:00 p.m.

about additional third-party co-investments of \$15,645,000 and had secured grant funding of \$6,730,000 from federal sources to further the development of these technologies.

Further, he reported that one year ago the board authorized as a program of IllinoisVENTURES, LLC, a seed fund of \$20.0 million to be raised to assist start-up companies with the strongest commercial potential. He stated that marketing for this fund began in October 2003 and that on June 22, 2004, this will close with \$20.0 million. He congratulated the staff and the board of managers of IllinoisVENTURES, LLC, for this accomplishment.

In addition, he gave an update on the status of the two University research parks. Dr. Chicoine told the board that a highlight of the year for the Chicago Technology Park was the opening of the former Red Cross Building that provided for more space for start-up companies. He stated that the commercial and multi-tenant buildings in this park are 95 percent leased, with 800 employees in the buildings, and that there is a waiting list of companies desiring to lease space. He said that more space is needed into which companies can move after completing the incubation stage. He said that 99.5 percent of the Research Center in the park is leased.

For Urbana, he reported that the fourth building in the University of Illinois Research Park had opened and that the first company in this new space had 25 employees, and that the EnterpriseWorks @ Illinois facility is nearly filled, after 11 months in operation. He added that the challenge now is to provide for more incubation space and to provide a seamless transition for a company graduating from incubator space into the expansion space in one of the multi-tenant buildings in the park.

Mr. Eppley asked Dr. Chicoine to comment on the need for incubation space in the Chicago Technology Park. Dr. Chicoine stated that in order to have a complete system, it is necessary to provide space for the companies that have been in an incubator building to take the next step forward. He stated that if, for example, this involved a large wet-lab operation that had grown to demand about 3,000 square feet, then such a company needed to move to a larger facility, and that providing space for companies in this stage would be the next step for the research parks. He noted that the Illinois Medical District was working closely with the Chicago Technology Park to provide such space.

MEETING OF THE ATHLETICS COMMITTEE

Mr. Sperling, chair of this committee, convened the meeting and stated that the year just past had been an extraordinarily successful year for the student-athletes at all three of the campuses, both in athletics and in academic pursuits. To describe these good outcomes, he asked each of the chancellors to briefly summarize the accomplishments of the students (materials on file with the secretary). Chancellor Manning first asked James W. Schmidt, director of Intercollegiate Athletics at Chicago, to stand, be recognized, and receive her congratulations. She stated that five teams at Chicago qualified for NCAA tournament competition, the second most

successful year in the campus' history for athletics and that this placed UIC third in the State among institutions in the NCAA Conference, and that the first and second ranked institutions had programs with much greater funding. She also stated that the five teams that did compete for post-season competition collectively had a grade point average of "B-minus" for the second semester, and 46 percent of the student-athletes overall had a "B" average, and some had a perfect "A" average. Chancellor Ringeisen spoke of the success of teams at Springfield that are in the NAIA (National Association of Intercollegiate Athletics), and that the campus had joined a conference this year, the American Midwest Conference, a NAIA division one conference, centered around St. Louis. He noted that several teams performed very well, and that the women's tennis team was named one of the 16 honors teams nationally, and they won the regional championship. He noted that most of the student-athletes at Springfield do graduate. Interim Chancellor Herman then referred to the several successes in athletics at Urbana this past year, citing gymnastics and basketball specifically, and he stated that athletes that complete their eligibility graduate at a high rate. He pointed out that a capital campaign for athletics was launched this year. He also commented on the outstanding role performed by Ronald Guenther, director of Intercollegiate Athletics at Urbana, in understanding how athletics is embedded in the institution. He also recalled the honors of student-athletes presented at the scholar-athlete banquet this spring.

Mr. Sperling thanked the director and the chancellors and concluded the meeting of the committee.

BREAK

At this point Mr. Eppley called for a five-minute break.

BOARD MEETING RECONVENED

When the board reconvened in regular session, all members noted as present earlier in the meeting, except for Mrs. Sodemann, were present.

OLD BUSINESS AND NEW BUSINESS

There was no business presented under these two aegises.

PRESENTATION OF CERTIFICATE OF APPRECIATION TO NATE H. ALLEN

Eppley invited Mr. Allen to stand and join Dr. Carroll, who was speaking for the board, and presented a certificate of appreciation from the board to Mr. Allen. Dr. Carroll thanked Mr. Allen for his sincere representation of the students at the Urbana campus and for demonstrating integrity. In closing, she extended the board's best wishes for his future success. Mr. Allen thanked the board for their patience and for the rich learning experiences service on the board had afforded him.

Both Mr. Hollingsead and Ms. Garcia expressed good wishes and appreciation to Mr. Allen.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the July 14-15, 2004, meeting to be held in Chicago, which is a change in venue from the original schedule.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair

APPENDIX

EXECUTIVE SESSION MINUTES RELEASED TO THE PUBLIC AFTER THE PRINTING OF UNIVERSITY OF ILLINOIS BOARD OF TRUSTEES SEVENTY-FIRST REPORT 2000-02

January 17-18, 2001, Page 152 (Last Paragraph)

Dr. Schmidt then asked if two staff members at Urbana, whom he named, were working in the best interests of the University, or if there was a conflict of interest concerning a development by these two of a program that resembled the University's IllinoisVENTURES initiative. Dr. Gardner explained that there was not a conflict of interest, that the work of these two would probably stimulate economic development in the State, and that a critical mass of activity in this area was very important for overall success. Mr. Shea asked Dr. Gardner to convey to the two faculty members that the board had raised a question about their work in this area, and that he thought they should update their conflict of interest statements.

November 14-15, 2001, Page 417

Litigation and Campus Security

Dr. Schmidt asked Chancellor Cantor for information about plans for addressing the promised work stoppage from the Graduate Employees Organization (GEO) on campus. This is an action scheduled by the GEO to protest the fact that the University will not bargain collectively with the GEO. This matter is currently in litigation. Since there are classroom buildings that will likely have less traffic during this work stoppage, campus security was also a consideration. The chancellor told the board that there was a plan for handling the work stoppage, and that part of the plan was to avoid overreaction on the part of the administration. She said that classes in approximately five buildings were probably the only ones that would be affected by this and she assured the board that the educational objectives of every class would be met somehow.

Mr. Schoell interjected that a member of the General Assembly had introduced a resolution urging the University and the GEO to come to a resolution. Chancellor Cantor stated that a fact sheet had been prepared for Mr. Schoell to use in describing the situation on campus with legislators.

There was discussion of how the course material in the affected classes would be handled. Chancellor Cantor assured the board that the instructors and faculty had been clearly told that they must meet their teaching responsibilities. She indicated that they might be holding classes in another venue, or that there might be alternative assignments given the students. Further, the chancellor informed the board that the work stoppage was not

expected to be a large-scale demonstration, and that if there were complaints that those would be addressed through normal procedures. She stated that if this were a strike that was being planned, then the campus response would be much different.

January 16-17, 2002, Page 452 (middle of page)

Purchase or Lease of Real Property for the Use of the University

Chancellor Manning told the board that the Chicago campus wanted to acquire a parcel of property on Roosevelt Road that is close to an existing UIC building. She stated that the basis for this would be an exchange of a parcel that had been purchased for use by UIC a few years ago. She noted that the Illinois Medical District (IMD) owns the property that the campus wants and that the property purchased earlier for UIC's use would be of use to the IMD. She reported that negotiations to accomplish this were under-way.

May 15, 2002, page 534

Litigation

Mr. Bearrows described the settlement of the Bryant matter, recommended for approval in the agenda for today's meeting. This concerned a patient who was receiving psychiatric treatment from a physician in the College of Medicine, Department of Psychiatry. Dr. Charles Rice, M.D., vice chancellor for health affairs, Chicago, joined the meeting to give more information about the case. Dr. Rice indicated that this involved a new, young psychiatrist who apparently was very solicitous in treating a patient at one stage, including visits to the patient's home. When this was no longer possible the patient became unhappy and complained about the change in procedure. Dr. Rice explained that home visits should not have been initiated and revelation of this fact might be damaging to the department, thus settlement in this instance was recommended. Mr. Lamont objected to the recommendation, stating that he was concerned about faculty accountability being lacking in this instance.