Minutes of the Stated Meeting of the
Trustees of the University of Pennsylvania

February 18, 2000


I. Call to Order—Mr. James Riepe

Mr. Riepe welcomed everyone to the winter full board meeting of the Trustees of the University of Pennsylvania.

A. Invocation—Rev. William Christian Gipson

B. The minutes of the meeting of October 22, 1999 were approved as distributed.

II. Chair’s Report—Mr. James Riepe

A. Nominating Committee Report

Mr. Riepe presented the following resolutions for approval by the Trustees:
A Resolution on Election of Adele K. Schaeffer as an Emeritus Trustee was approved as follows:

RESOLVED, that Adele K. Schaeffer be elected an Emeritus Trustee, effective February 18, 2000.

Mrs. Schaeffer (CW’55) served as Chairman of the Board of Overseers of the School of Dental Medicine from 1987 to 1999, and assumed the chairmanship of the Annenberg Center Board of Advisors in 1998. She is a former Vice President of the Executive Committee of the General Alumni Society and served as a Director of the Society from 1979 to 1989. She served as President of the Society of the College (Alumni Board of Arts and Sciences) from 1981 to 1983 and as Chairperson of many of the Society’s outreach programs from 1976 to 1985. She was Chairman of the Target School Recruitment Program from 1979 to 1980 (under the auspices of Undergraduate Admissions).

Mrs. Schaeffer received an Alumni Award of Merit in 1987. She serves on the Trustees' Academic Policy, Development, and External Affairs Committees, as well as on the Board of Managers of the Wistar Institute.

Mrs. Schaeffer is currently a member of the Board of Directors of the Philadelphia Academy of Music Committee and is a trustee of the Moore College of Art and Design. She served as a docent at the Philadelphia Museum of Art from 1964-1986, and was Co-Chair of the Alexis de Tocqueville Society of the Philadelphia United Way from 1994-1996.

A Resolution on Reappointment of Charles A. Heimbold, Jr. as a Term Trustee was approved as follows:

RESOLVED, that Charles A. Heimbold, Jr. be reappointed as a Term Trustee, effective February 18, 2000.

Mr. Heimbold (L’60) is chairman and CEO of Bristol-Myers Squibb Co. He graduated cum laude from Villanova University in 1954, and, after three years of service in the U.S. Navy as a destroyer officer, he received his JD cum laude in 1960 from the University of Pennsylvania, where he was an Associate Editor of the Law Review. He also received a master of laws degree from New York University, and, in May 1998, Villanova awarded him an Honorary Doctorate of Humane Letters (L.H.D.).

Mr. Heimbold is a Trustee of the American Museum of Natural History, Chairman of the Board of Directors of Phoenix House, and a past Chairman of the Board of Directors of the Pharmaceutical Research and Manufacturers of America. He also serves on the Board of Directors of Mobil Corporation and the Federal Reserve Bank of New York. He is active in the Council on Foreign Relations, the Business Roundtable, the Business Council, and the Council for the United States and Italy.
At Penn, Mr. Heimbold is Chair of the Board of Overseers of the Law School and a member of the Trustees’ Committee on Academic Policy. He formerly chaired the Trustees' Legal Affairs Committee and served on the Trustees' Internationalization Committee, until its charge was folded into that of the Academic Policy Committee in September 1997.

Though Mr. Heimbold could not be present for this meeting, Mr. Riepe spoke with him and he is honored to accept this nomination.

III. President’s Report—Dr. Judith Rodin

A. Comments

Since the Trustees last met, there has been a great deal of good news for the University. Dr. Rodin announced a wonderful gift from trustee Christopher Browne, a $10 million gift to the School of Arts and Sciences (SAS) to fund five professorships that will be known as the Christopher H. Browne Distinguished Professors of the School of Arts and Sciences. A Browne Distinguished Professorship will be established in each of the three divisions of SAS, with the remaining two chairs being determined in the areas of greatest need by SAS Dean Samuel Preston. This gift demonstrates Mr. Browne’s recognition that the excellence of the University really does depend on the excellence of its faculty. The University is enormously grateful that Mr. Browne understands and has demonstrated that recognition, and his continual support promises a very, very bright future for SAS and the University overall.

Dr. Rodin also was pleased to report that the legacy of Judge A. Leon Higginbotham, a trustee for three decades, has been honored through Robert Potamkin’s generosity. Mr. Potamkin is a graduate of the Law School’s class of 1970, and he has created a Potamkin Scholarship in honor of Judge Higginbotham at the University’s Law School. The scholarship will provide financial support to minority law students of exceptional promise, students who are interested in civil rights, and those who cannot afford the cost of an education at the Penn Law School. It is a wonderful tribute to Judge Higginbotham and an appropriate way to honor his legacy, a very distinguished legacy, in the field of civil rights. Judge Higginbotham died in 1998; he taught race and social policy at Penn from 1970 to 1993.

Finally, Dr. Rodin was pleased to present the following resolutions for approval by the Trustees:

Action………1. A Resolution on Appointment of Craig R. Carnaroli as Vice President for Finance and Treasurer was approved as follows:

RESOLVED, that Craig R. Carnaroli be appointed Vice President for Finance and Treasurer, effective January 10, 2000.

Mr. Craig R. Carnaroli joined Merrill Lynch in 1995, where he was the Director of the Healthcare Finance Department. While at Merrill Lynch, he led a team of professionals
Mr. Carnaroli has spent his entire career in public finance investment banking, working primarily with hospitals, colleges and universities. His expertise in these areas will enable him to lead the Division of Finance forward in a strategic and progressive manner, as well as enable him to play a key role in planning financial strategies for the University and the Health System. For the past year, he has been advising the University and its Health System on a broad range of financial strategy, rating agency and institutional investor relations issues. During the course of his investment banking career, Mr. Carnaroli raised over $5.0 billion of capital for non-profit institutions. His accomplishments include the implementation of a debt recapitalization for an academic health system, the introduction of a new credit to capital markets through the formation of an obligated group comprised of community based hospitals, and the development of a rating agency strategy resulting in the first "Aaa/AAA" rating for a private secondary school. Mr. Carnaroli came to Merrill Lynch from CS First Boston, where he had served most recently as Vice President, Municipal Securities Division. While at CS First Boston, he assisted the University in the development of the Health System’s borrowing structure through the development of the Master Trust Indenture. He joined CS First Boston in 1985.

Mr. Carnaroli received a B.S. in Economics cum laude from the Wharton School of the University of Pennsylvania and an M.B.A. from the Stanford University Graduate School of Business.

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**Action…………2.** A Resolution on Appointment of Eduardo D. Glandt, Ph.D. as Dean of the School of Engineering and Applied Science was approved as follows:

**RESOLVED**, that Eduardo D. Glandt, Ph.D., be appointed as Dean of the School of Engineering and Applied Science, effective February 18, 2000.

Dr. Eduardo D. Glandt has served as a distinguished member of the School of Engineering and Applied Science faculty for more than twenty-five years and as Interim Dean since August 1998.

Dr. Glandt received his bachelor's degree from the University of Buenos Aires in 1968, and then joined the National Institute of Industrial Technology in Buenos Aires, where he was responsible for technical consulting services to the mineral industry and for pilot plant-level process development. He received his advanced degrees in Chemical Engineering from Penn: a Master's in 1975 and Ph.D. in 1977.

He joined the Penn faculty in 1975, became an associate professor in 1981, professor in 1985, and Carl V.S. Patterson Professor in 1990. Five years later, he was named to the Russell P. and Elizabeth C. Heuer Professorship, which he held until 1998.

Dr. Glandt's research has focused on classical and statistical thermodynamics, theories of liquids and of liquid mixtures, adsorption, interfacial phenomena, membrane partitioning, colloids and heterogeneous media. A prolific author and presenter (of more than 250
seminars), he has delivered named lectures at universities throughout the U.S., including those at Princeton, CalTech, Texas, Rutgers, Rensselaer and Yale.

Elected to the National Academy of Engineering in 1996, Dr. Glandt also is a member of the American Association for the Advancement of Science and other prestigious organizations.

Action………..3. A Resolution on Appointment of Patrick T. Harker, Ph.D. as Dean of the Wharton School was approved as follows:

RESOLVED, that Patrick T. Harker, Ph.D., be appointed as Dean of the Wharton School, effective February 18, 2000.

Dr. Patrick T. Harker is an outstanding scholar and researcher who began his academic career here at Penn. He received both bachelor's and master's degrees in civil and urban engineering from the University of Pennsylvania in 1981. He received a master's degree in economics and a Ph.D. degree in civil engineering from Penn in 1983.

Dr. Harker joined the Wharton faculty as the Stephen M. Peck Term Assistant Professor of Decision Sciences in 1984, was appointed associate professor of decision sciences in 1987 and UPS Transportation Professor of the Private Sector in 1991. He has a secondary appointment in the department of systems engineering in the School of Engineering and Applied Science at Penn and is a senior fellow of the Wharton Financial Institutions Center.

Prior to his appointment as interim dean of the Wharton School in August 1999, Dr. Harker was chair of the department of operations and information management at Wharton.

Dr. Harker is recognized as one of the brightest young minds in America and his is an extraordinary record of accomplishment and leadership, as a teacher, researcher, consultant to government and industry and as a university citizen.

It gave Dr. Rodin great pleasure to introduce Dr. Peter G. Traber, M.D. Dr. Traber has been the Frank Wister Thomas Professor and Chair of the Department of Medicine since July 1997. Dr. Traber will now serve as the Interim CEO and Dean of the University of Pennsylvania Health System and the Medical School. Dr. Traber was recruited from the University of Michigan to Penn in 1992 to become the Chief of the Gastroenterology Division in the Department of Medicine, with a secondary appointment in Genetics. A year later, he was named to the T. Grier Miller professorship in Medicine, and in 1996 was appointed Director of the Digestive and Liver Center. Dr. Traber has been a leader in the area of applied molecular techniques of gastrointestinal problems. His individual research program has been directed at understanding the mechanisms of intestinal development and differentiation growth regulation, and the pathogenesis of intestinal regulation. Dr. Rodin and the trustees look forward to working with Dr. Traber.
Resolution of Appreciation for Ian L. McHarg, Ph.D. was approved as follows:

Dr. Ian McHarg, Emeritus Professor of Landscape Architecture and Regional Planning, has been a member of the faculty of the Graduate School of Fine Arts for forty-six years, and was the founder and Chairman of the Department of Landscape Architecture and Regional Planning at Penn. His pioneering work followed the premise that the shaping of land for human use ought to be based on an understanding of natural processes. The ecological planning method developed by McHarg to apply this theory was seized upon and is used throughout the world.

Some of his accomplishments include receiving the Harvard Lifetime Achievement Award and numerous other honors, including the National Medal of Art presented by President Bush in 1992 and the Thomas Jefferson Foundation Medal in Architecture from the University of Virginia. His 1969 publication, *Design with Nature*, widely considered one of the most important and influential works of its kind, continues to be used in many classrooms and in many languages all over the world.

As a result of his pioneering work in ecological planning, which has “had a significant impact on city planning in an age when the global environment is of utmost concern,” Ian L. McHarg has been selected to receive the 2000 Japan Prize from the Tokyo-based Science and Technology Foundation of Japan.

**RESOLVED**, that the Trustees of the University of Pennsylvania, on behalf of themselves and the University community, express to Ian McHarg their utmost congratulations on this most impressive recognition of his achievements and their admiration for all of his outstanding efforts in advancing scientific inquiry in the interests of society.

Resolution on Appointment of Member Representative to University City Associates, Inc. was approved as follows:

University City Associates, Inc. (UCA), formerly a for-profit subsidiary of the University, has recently completed conversion to a not-for-profit, tax-exempt corporation. The University now is the sole member of UCA. To comply with the bylaws of UCA, and to expedite the corporate governance of UCA, the University intends to designate a member representative to act for and on behalf of the University in its capacity as a member of UCA.

**RESOLVED**, that the Executive Vice President of the University, or any officer or associate officer of the University designated by the Executive Vice President, is hereby appointed the Member Representative of the University to UCA, and, in that capacity, shall be authorized to exercise all rights and powers vested in the University as a member of UCA.
Action………..6. Resolution on Appointment of Member Representative to OAP, Inc. was approved as follows:

OAP, Inc. (OAP), formerly a for-profit subsidiary of the University, has recently completed conversion to a not-for-profit, tax-exempt corporation. The University is now the sole member of OAP. To comply with the bylaws of OAP, and to expedite the corporate governance of OAP, the University intends to designate a member representative to act for and in behalf of the University on its capacity as a member of OAP.

RESOLVED, that the Executive Vice President of the University, or any officer or associate officer of the University designated by the Executive Vice President, is hereby appointed the Member Representative of the University to OAP, and, in that capacity, shall be authorized to exercise all rights and powers vested in the University as a member of OAP.

Action………..7. Resolution Authorizing University Officers to Execute and Deliver Documents with Regard to the University’s Liquor Licenses was approved as follows:

The University wishes to authorize and empower designated officers of the University to execute and deliver, on its behalf, all applications and documents required to be filed with the Pennsylvania Liquor Control Board regarding the University’s liquor licenses at the Inn at Penn and at the Wharton Executive Education Center.

RESOLVED, that the President or Executive Vice President or Vice President for Finance and Treasurer of the University, acting alone, are hereby authorized, directed and empowered to execute and deliver, on behalf of the University, all applications and documents required to be filed by the University with the Pennsylvania Liquor Control Board in such form and with such modifications or additions thereto, or deletions therefrom, as may be approved by such officer, in connection with the following liquor licenses:

LIQUOR LICENSE NO. H-5803 - The Inn at Penn
LIQUOR LICENSE NO. H-05444 - Wharton Executive Education Center

FURTHER RESOLVED, that this resolution shall continue in full force and effect until rescinded or amended by the Trustees.

FURTHER RESOLVED, that all prior actions of the University, taken in complying with Pennsylvania Liquor Control Board requirements, are hereby ratified, approved and adopted.
B. Academic Report—Dr. Robert Barchi

Dr. Barchi echoed Dr. Rodin’s enthusiasm and personal pleasure for welcoming Patrick Harker as Dean of the Wharton School. Dr. Barchi is confident that Mr. Harker will do an outstanding job as Wharton’s twelfth dean. He was very pleased at the outcome of this important search. It also was a pleasure for Dr. Barchi to formally welcome Dr. Eduardo Glandt as the Dean of the School of Engineering and Applied Sciences. It is always an honor to welcome such respected and talented individuals to the University’s academic team, and particularly gratifying when our most talented leaders rise up within our own ranks. Dr. Barchi also was privileged to welcome Peter Traber as Interim Dean of the Medical School and CEO of the Health System. As a clinical chair, Dr. Barchi has had the pleasure of working jointly with Dr. Traber for a number of years, and can attest personally to his superior academic credentials, strong leadership skills, and in-depth management experience. Dr. Barchi has every confidence that he, along with Dr. Robert Martin and Dr. Arthur Asbury will provide very strong leadership for the School of Medicine and the Health System and will tackle the serious challenges ahead of us.

Dr. Barchi gave a brief report on the response to the Food and Drug Administration (FDA) Form 483 observations and other related developments on the clinical trial regarding Jesse Gelsinger at the Institute for Human Gene Therapy (IHGT). First, it cannot be said often enough that Jesse’s death was a terrible tragedy. The University and Health System are determined to learn everything they can about it in order to find out what happened and what might be done to improve the safety and monitoring of clinical trials throughout the University of Pennsylvania, and at all institutions affiliated with it. Nothing less than the highest possible standards for the research and conduct are acceptable at the University of Pennsylvania. The University takes questions and concerns by federal regulators very seriously, and we charged a team of scientists and others to work around the clock to ensure that we responded fully and completely to both the FDA and the Office of Protection from Research Risks. The Institute for Human Gene Therapy formally responded to the FDA observations this week. In summary, the response to the FDA observations is that while it is of course true that Jesse Gelsinger’s death was a tragedy, the cause of which might never be fully understood, it was not foreseeable based upon the medical judgement and the best scientific information available at that time. The IHGT will continue to cooperate fully and completely with the FDA, the National Institutes of Health (NIH), and all other interested agencies in their respective reviews.

Dr. Barchi reported that on January 14, 2000, Dr. Rodin announced the formation of a ten-person committee of distinguished members of the Penn faculty to conduct a comprehensive review of all aspects of human research at the University of Pennsylvania, considering everything from the mechanics of the approval process to oversight and accountability to research outcomes. Dr. Barchi is chairing this committee and anticipates that it will submit a report to the President in the spring. Dr. Rodin also asked William H. Danforth, Chancellor Emeritus and Vice Chancellor of the Board of Trustees at Washington University in St. Louis, to chair an independent review panel that will conduct a comprehensive review of oversight and monitoring of clinical trials at the IHGT. The committee will report directly to the President. The independent panel is comprised of senior academic leadership and renowned research scientists who are completely unaffiliated with the University of Pennsylvania. The University is
committed to cooperating fully and completely with the appropriate regulatory agencies and public officials.

The Provost reported that a Locust Walk Advisory Committee was recently formed, comprised of students, faculty and staff, to review the University’s space needs related to Locust Walk. Dr. Barchi will chair the committee that ultimately apprises the President on those groups and programs that it recommends be situated along the Walk. Because a number of spaces are opening up along Locust Walk, such as the former Christian Association building, we have a terrific opportunity to shape the future of the Walk in a strategic and comprehensive way. The committee will consult with all of the relevant stakeholders, and also will work with the campus development plan. It will take those plans into consideration and think through the variety of options available to us. Members of the Locust Walk Advisory Committee include representatives from the Undergraduate Assembly (UA), the United Minorities Council (UMC), GSAC, GAPSA, the Faculty Senate, and University staff. Dr. Barchi expects the committee to issue its recommendation to President Rodin later this semester.

Finally, the Provost reported revisions to New Student Orientation (NSO). Last week, the Council of Undergraduate Deans (CUD) voted to extend the New Student Orientation for the fall 2000 semester. The proposal that CUD recommended to President Rodin, which she approved, will extend NSO for a full three days, from 3 days to 6 days, with students moving in on the Thursday before Labor Day, and classes beginning the following Thursday. The revision was triggered in large part by the lobbying efforts of the Student Committee on Undergraduate Education and by the UA. The new, improved NSO will give students more time to acclimate to Penn. The new NSO also includes more of an academic focus and includes improved advising opportunities. SCUE, the UA, and CUD recognized that it was an opportune moment to reconsider NSO’s schedule and improve its focus, while also slowing down the frantic pace for our freshmen. Dr. Barchi commends each of these groups for working so hard on this plan and thanks Deputy Provost Peter Conn for coordinating the result.

Dr. Barchi presented the following resolution for approval by the Trustees:

Action........1. A Resolution on Appointments, Leaves and Promotions as presented in pages 10-59 in the stated meeting book, was approved by the Trustees.

C. Financial Report—Mr. John Fry

Mr. Fry gave the financial report for FY 2000 through December 31, 1999. For the six-month period ending December 31, 1999, the University’s (excluding the Health Services component and independent operations) net assets, (unrestricted, temporarily restricted and permanently restricted) decreased by $17.9 million to a total of $4.3 billion. This decrease can be attributed entirely to net loss on investments of $81.4 million since June 30, 1999. This loss is comprised of realized gains, $57.2 million and unrealized losses of $138.6 million and represents an approximate 2.9 percent decline in the fair value of the University’s investments over the first six months of this fiscal year. This result was due in part to our ongoing effort to restructure the University’s asset allocation in order to achieve longer-term investment
objectives. This decrease in net assets was partially offset by other non-operating activities, primarily $63.3 million in contributions to the endowment and various capital projects.

The University increased its plant assets, net of depreciation, by almost $78 million since June 30, 1999. This is primarily the result of expenditures incurred from Perelman Quad, Sansom Common, the Quadrangle Renovations, Huntsman Hall, the Annenberg School, and the new chiller. Since June 30, 1999, there has been an increase in accounts receivable of approximately $25 million, which is entirely attributable to student receivables. Historically, these receivables are higher mid-year than at fiscal year end.

Through December 1999, operating revenue increased over 9 percent over the comparable period in FY 1999. Overall, tuition and fees increased about 5.7 percent, reflecting the tuition rate increase, a slight increase in the number of students enrolled, and increases in other special program revenue. The University continues to see significant increases in operating revenue derived from contributions and sponsored programs. Sponsored program revenue increased over 13 percent over the comparable period in FY 1999 to approximately $166 million. This increase reflects the continuing trend that the University has seen over the last several years in the number of new sponsored program awards received. The University also recorded an increase of 13 percent in operating contributions for FY 1999 to FY 2000. Overall, expenditures have increased 9.8 percent, primarily due to salaries and benefits related to the increased sponsored program activities.

Other than some uncertainty about the School of Medicine’s finances, we are not anticipating any significant variances from the planned budgeted or performance for any of the schools or resource centers under the budget principles and responsibility center management.

D. Health System Report—Dr. Peter Traber

Dr. Traber thanked the audience for its enthusiasm for his appointment as Chief Executive Officer of the Health System and Interim Dean of the School of Medicine. He stated that it was a privilege for him to take over the helm of the Health System and the School of Medicine and, having been on the job for thirty-six hours, for him to present to the trustees.

Dr. Traber announced a number of new administrative appointments. Recently, Mr. Peter L. DeAngelis, Jr. served as the Interim Chief Financial Officer (CFO), and has been appointed the permanent CFO of the Health System. Mr. Douglas E. Henson has been appointed the new Executive Director of the Clinical Practices of the University of Pennsylvania. Additionally, Dr. Arthur K. Asbury, who has served Penn with wisdom and great insight over many years, has agreed to serve as Deputy Dean of the School of Medicine.

Dr. Traber continued with a briefing on the financial situation of the Health System. He expressed confidence that with supportive interaction between the University, the School of Medicine and the Health System, the Health System will fully recover. On a clinical note, Dr. Traber reported that the top modern health care magazine, Modern Healthcare, rated the top one hundred integrated health care networks in the country, based on certain criteria, including
technology, integration, hospital utilization, financial stability, service and access, contracts, physicians, and overall system integration. The University of Pennsylvania Health System was ranked 13th out of that survey’s top 100 health care networks, indicating the great reputation Penn’s Health System and School of Medicine have across the nation.

Dr. Traber concluded his remarks by expressing his enthusiasm for working with the Trustees and the University in the future.

E. Antitrust Compliance Report—Mr. Peter Erichsen

In September 1989, the University received from the U.S. Justice Department a request for information in connection with its inquiry into potential agreements among colleges and universities relating to financial aid, tuition and faculty and administrative salaries. Cooperating fully with the investigation, Penn provided many thousands of documents to the Justice Department. The inquiry culminated in the entry, on September 20, 1991, of a final judgment in the U.S. District Court for the Eastern District of Pennsylvania. Under the terms of that judgment, Penn and the seven other Ivy League schools agreed not to exchange certain types of information, such as financial aid data and "plans and projections, including budget assumptions, regarding future student fees or general faculty salary levels." The University is required to maintain an enforcement program that communicates the rules set out in the judgment and monitors compliance with the antitrust laws. This report is a part of the required program.

In 1992, Congress modified the requirements of the final judgment by enacting legislation that allowed colleges and universities to agree to award institutional financial aid on the basis of need and to discuss and adopt principles for determining student financial need. The law, however, did not authorize them to discuss financial aid awards to specific common applicants. That law was replaced by legislation permitting colleges and universities that practice need-blind admission to agree to award aid only on the basis of financial need, to use common principles of analysis for determining need, to use a common aid application form, and to exchange certain limited financial data with respect to commonly-admitted applicants prior to making an aid award. The legislation defines “need-blind admission” as making admissions decisions without regard to the financial circumstances of the student. The law does not authorize colleges and universities to discuss specific aid awards to common applicants, and under the final judgment, the University is still required to maintain an enforcement program that disseminates the rules set out in the judgment and monitors compliance with the antitrust laws.

In accordance with the requirements of the final judgment, Wendy White, the new Deputy General Counsel for the University, has been designated Antitrust Compliance Officer with responsibility for implementing the antitrust compliance program. While complying with the final judgment is a priority, it should not impede appropriate communication among schools. Ms. White has distributed to you and to the University community (and distributes annually in accordance with the requirements of the judgement) the final judgment and the University’s guidelines on cooperative exchanges of certain University information. The Office of the General Counsel is available to answer your questions and those of the University community regarding compliance with the final judgment and the antitrust laws.
IV. Committee Reports

A. Academic Policy Committee—Ms. Natalie Koether

Ms. Koether gave a summary of the recent meeting of the Academic Policy Committee. Deputy Provost Peter Conn reported, for the record, that the School of Arts and Sciences has changed the degree accorded by the Program in Organizational Dynamics from a Master of Science Degree, governed by the Graduate Council Faculties, to a school-based professional Master’s Degree. This change does not require trustees action, and has been approved by both the Deputy Provost and the Provost.

The Academic Policy Committee also viewed three presentations that demonstrated the use of technology in and out of the classroom. Richard Herring, the Vice-Dean and Director of the Wharton Undergraduate Division, and several of his colleagues demonstrated E-talk, an online tool that enables newly-admitted Wharton students to not only get to know each other, but also to raise questions with people at Wharton and to get answers in order to prepare themselves for their arrival at Penn. The group also described a web café, a tool used in Management 100, that provides links to various web pages, sets up specific chat rooms, and scheduled chats with faculty and administrators.

Rebecca Bushnell, a professor of English and Associate Dean of SAS, described the digital library and how it is revolutionizing the study of Shakespearean Scholarship by giving interested individuals anywhere in the world access to original documents held on-campus in the Furness Library. Professor Bushnell is now working with a group of West Philadelphia high school teachers and scholars to show how this digitized material can be used and taught in the classroom. Professor Bushnell then demonstrated some examples of what can be done.

Professor Dennis DeTurck, Chair and Professor of Mathematics, talked about technology in support of mathematics education. To demonstrate that there are many interesting ways to learn about mathematics using technology, he handed out laptops to the members and asked them to try to beat the computer in a game. Ms. Koether was happy to report that some of the participants did, but unhappy to report that she was not one of them.

B. Audit and Compliance Committee—Mr. Paul Kelly

Mr. Kelly reported that the Audit and Compliance Committee met yesterday and discussed a number of matters of interest. Vice President Rick Whitfield gave a status update on initiatives recently completed and currently underway. Robin Beck, of the Information Systems area, reported that the University had come through the Y2K experience with no meaningful disruptions. All of the university staff who worked diligently to produce this excellent result are to be congratulated on their efforts.
PricewaterhouseCoopers reviewed the management letters for the University and the Health System, helping with the audit of the financial statements of the fiscal year ended June 30, 1999. We are pleased to report that there are no areas of disagreement between the auditors and management in regard to the steps that should be taken to improve financial reporting efficiencies. The financial management of the University and Health System, together with PricewaterhouseCoopers, reviewed the financial results for the interim six-month period ended December 31, 1999. PricewaterhouseCoopers also presented to the committee its plan for the FY2000 audit of the financial statements of the University. The committee, in turn, voted to recommend to the trustees that PricewaterhouseCoopers be engaged as auditors for the University for FY2000.

Mr. Kelly presented the following resolution for approval by the Trustees:

Action.........1. A Resolution on the Engagement of the Public Accountant was approved as follows:

Independent accountants are engaged annually to express an opinion as to whether the financial statements, as prepared by management, considered in their entirety, present fairly, in all material aspects, the University’s financial position, and the changes in its net assets and its cash flows, in conformity with generally accepted accounting principles. The Trustees of the University of Pennsylvania, through its Committee on Audit and Compliance, is responsible for engaging the independent accountants.

RESOLVED, that PricewaterhouseCoopers be and hereby is appointed as independent accountants to audit the financial statements of the University of Pennsylvania subject to negotiation of reasonable fees for Fiscal Year 2000.

C. Budget and Finance Committee—Mr. Lawrence Weinbach

Mr. Weinbach reported that the Budget and Finance Committee met this morning and had an opportunity to receive the financial reports form the University as well as the Health System. The committee had a number of questions and dialogue, and Mr. Weinbach assured the trustees that the committee will continue to monitor the fiscal results of the University and Health System on a very timely basis.

Mr. Weinbach presented the following resolutions for approval by the Trustees, all of which were already approved by the Budget and Finance Committee.

Action.........1. A Resolution on the Design and Construction and Renovations of the GE Building Track Level was approved as follows:

The Division of Facilities Services wishes to proceed with the design and construction of renovations to the track level of the former GE building at 3100-16 Chestnut Street. The project will provide a tenant fit-out of the GE building track level space to provide a
functional work environment for the relocation of the Division of Facilities Services and Mail Services. These entities will be relocated from their current locations in the Franklin Building and Franklin Annex. The renovated space will provide 63,055 square feet of contiguous space through tenant fit-out of a “shelled” space. The tenant fit-out will include: wall and floor finishes, HVAC and electrical distribution, lighting, telecommunications data, and construction of a Operational Control Center (OCC) control room, offices, conference rooms, support spaces, a mail room, and maintenance shops. The project is estimated to cost $6.0 million and will be funded by a $3.7 million one-time “Construction Allowance” by Dranoff Properties (the project developer) and an Internal Capital Project Loan of $2,324,055 to Facilities Services. Business Services will be responsible for covering $347,000 of this loan and Facilities Services will repay the $1,977,055 balance. The University will provide Facilities Services with incremental funding to cover debt service on the $1,977,055.

RESOLVED, that the design and construction of the GE building track level renovations, estimated to cost $6.0 million, be and the same hereby approved and that the Executive Vice President, or other appropriate officers of the University, be and they hereby are authorized to take such actions, execute such contracts and incur such expenses and obligations—not, however, in excess of 110 percent of the estimated cost as presented to the Trustees’ Budget and Finance Committee—as may, in their judgement, be necessary or desirable to accomplish the purposes of this resolution.

Action……….2. A Resolution on the Construction of the Wharton School’s Jon M. Huntsman Hall at 38th and Walnut Streets was approved as follows:

The Wharton School wishes to proceed with the construction of Jon M. Huntsman Hall on the site formerly occupied by the University Bookstore; that structure has been demolished and the site has been excavated and dewatered in preparation for the new construction. The $139.9 million project cost is the result of a competitive bidding and value engineering process. The scope of Huntsman Hall is a 320,000 gross square feet (gsf) structure (including servicing), which will rise three stories along Locust Walk, four stories along 38th Street, and nine stories at Walnut Street. It will include four large instructional spaces, 36 classrooms up to cohort-size, over 60 seminar and group study rooms, four computer teaching labs, 40 group computer workstations, a Faculty Colloquium floor for research seminars and other special events, student support spaces, including separate undergraduate and MBA lounges and cafes, and faculty offices for four academic departments and administrative spaces associated with the above uses. This project is estimated to cost $139.9 million and will be funded by a combination of gifts, School Operating Funds, and an Internal Capital Project Loan. Capital project expenditure cash flows are expected to be completed by the end of FY 2003. As of that time, the difference between expenditure ($140 million) and the total of gift receipts ($90.1 million) and anticipated Capital Funding Transfers ($27.7 million) is projected to be $22.2 million. Based on project spending and funding cash flows, the maximum amount of interim construction financing required for this project will be approximately $40 million in the first quarter of FY 2003. The Wharton School anticipates repaying the
Internal Capital Project Loan by the end of FY 2005, through the application of gift receipts collected after project closeout and additional School Operating funds. The Trustees previously approved $8.4 million (included in the total of $139.9 million) for design and related expenses on May 2, 1997 and $128 million (included in the total of $139.9 million) for construction on February 18, 1999.

**RESOLVED,** that the construction of the Wharton School New Academic Building, estimated to cost $139.9 million, be and the same hereby is approved and that the Executive Vice President, or other appropriate officers of the University, be and they hereby are authorized to take such actions, proceed with such construction, execute such contracts, and incur such expenses and obligations—not, however, in excess of 110 percent of the estimated cost of such construction as presented to the Trustees’ Budget and Finance Committee—as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

**Action………..3.** A Resolution on the Renovations of the Graduate School of Education Building was approved as follows:

The Graduate School of Education wishes to proceed with the design and construction of new classrooms, offices, laboratory areas, and student spaces in the existing building located at 37th and Walnut Streets.

The existing 48,000 square foot building will be renovated to provide the required administrative offices, academic offices, instructional spaces, and laboratory spaces within the existing building envelope. The scope of work also includes a lobby, resource room, student study carrel area, and student lounge, janitorial closets and building storage closets.

The renovation includes the installation of a new Walnut Street entrance; the replacement of windows; the installation of new floor, ceiling, and wall finishes, including acoustical treatment; the installation of new data and technology systems; and the installation of new lighting, mechanical, electrical and fire suppression systems, and associated controls.

This renovation will provide the necessary facilities to meet the needs for classroom, office, and laboratory space in support of the established graduate education programs. This renovation will enhance the University’s ability to maintain a competitive edge in providing education-related graduate programs. This project, estimated to cost $8.5 million, will be paid for entirely by the Graduate School of Education.

**RESOLVED,** that the renovation of the Graduate School of Education building, estimated to cost $8.5 million, be and the same hereby approved and that the Executive Vice President, or other appropriate officers of the University, be and they hereby are authorized to take such actions, execute such contracts and incur such expenses and obligations—not, however, in excess of 110 percent of the estimated cost as presented to
the Trustees’ Budget and Finance Committee—as may, in their judgement, be necessary or desirable to accomplish the purposes of this resolution.

*Action*……….4. A Resolution on the Design and Construction of University Museum Mainwaring Collections Storage Wing was approved as follows:

The University Museum of Archaeology and Anthropology wishes to proceed with the design and construction of the Mainwaring Collections Storage Wing. The new wing will be an addition to the University Museum and will be connected to the 1972 Academic wing at its north façade. The addition will primarily be a storage facility to house the University Museum’s collections. The project will provide “state of the art” mechanical systems to provide a controlled environment to conserve the collections. Offices and study and seminar rooms will also be provided within the program. The addition is comprised of 44,274 square feet of space. In addition, the Sharpe Courtyard will be re-landscaped. The project is estimated to cost $15.0 million and is to be funded through grants and gifts.

**RESOLVED**, that the design and construction of the University Museum Mainwaring Collections Storage Wing, estimated to cost $15.0 million, be and the same hereby approved and that the Executive Vice President, or other appropriate officers of the University, be and they hereby are authorized to take such actions, execute such contracts and incur such expenses and obligations—not, however, in excess of 110 percent of the estimated cost as presented to the Trustees’ Budget and Finance Committee—as may, in their judgement, be necessary or desirable to accomplish the purposes of this resolution.

*Action*……….5. A Resolution on the Acceptance of an Interest-Free Loan from The Pew Memorial Trust was approved as follows:

The University of Pennsylvania (the “University”) is interested in expanding the following three initiatives within the scope of its regular programs and functions: (1) cognitive neuroscience and genomics programs; (2) the Fontaine Fellowship program, which provides fellowships and related expenses to minority students desiring to become faculty; and (3) community outreach, a long standing and already successful program of making the resources and expertise of the University available to the adjacent urban areas.

In order to enable the University to accomplish these objectives, The Pew Memorial Trust has approved making a Program Related Investment (“PRI”) to the University in the form of a non-interest bearing loan of $8,500,000. The University will pay back the PRI in three consecutive installments of $2,000,000 each, commencing on the fourth anniversary of the loan, and a final installment of $2,500,000 on the seventh anniversary of the loan.

**RESOLVED**, that the Trustees of the University hereby approve the $8,500,000 non-interest bearing loan from The Pew Memorial Trust.
FURTHER RESOLVED, that the Executive Vice President, Vice President for Finance and Treasurer be and any one of them is hereby authorized and empowered to approve the form, conditions and terms of the loan and to execute and deliver on behalf of the University the loan commitment letter, the loan agreement, term loan note, and other documents required to be executed and delivered in connection thereto, the execution and delivery of the same to be conclusive evidence of approval thereof by the executing officer.

FURTHER RESOLVED, that the Secretary or her designee be and any one of them is hereby authorized and empowered to attest the signature on any document executed and delivered in connection with the loan on behalf of the University.

FURTHER RESOLVED, that the Executive Vice President, Vice President for Finance and Treasurer be and any one of them is hereby authorized and empowered to take any action or to do anything that shall be necessary to carry out the intent and purposes of this resolution.

Action………..6. A Resolution on Approval of the Sale of University of Pennsylvania Health System Real Estate Located at 580 Main Street, Trappe, Pennsylvania was approved as follows:

The Trustee Board of Clinical Care Associates of the University of Pennsylvania Health System (“CCA”) proposes to sell real estate located at 580 Main Street, Trappe, Pennsylvania (the “Property”). The Property and the general terms and conditions for the sale of the Property are described on the “Terms and Conditions Summary” attached to this Consent.

RESOLVED, that the CCA is hereby authorized to sell the Property substantially on the general terms and conditions set forth on the “Terms and Conditions Summary”, and to negotiate, execute, deliver, and perform definitive agreements regarding the transactions described on the “Terms and Conditions Summary”, with such additional terms and changes as the Senior Executive or the Executive Director and each of them considers appropriate and in the best interest of CCA; and

FURTHER RESOLVED, that the Budget and Finance Committee of the Trustees of the University of Pennsylvania approves that the Senior Executive or the Executive Director of the University of Pennsylvania Health System, and each of them is hereby authorized in the name and on behalf of CCA, to take such further action and to negotiate, execute, deliver, and perform such agreements and additional documents, consents, certificates, and instruments as such officer may determine to be necessary, appropriate or desirable to carry out the purposes of the foregoing resolutions, such determination to be conclusively evidenced by taking of such action or the execution of such documents.
D. Development Committee & Alumni Report—Mrs. Elsie Sterling Howard

Mrs. Elsie Sterling Howard, who co-chaired the joint meeting of Development Committee and Alumni Trustees this morning with Mr. Tarnopol, presented the Development Committee report in his place.

Mrs. Howard was pleased to report that fundraising is ahead of projections for this point in the fiscal year. As of January 31, 2000, gifts and pledges totaled $176.5 million toward the University’s fundraising goal of $300 million for the year. Receipts added to the University’s endowment for the first seven months of the year totaled $62.7 million, exceeding even last year’s recording-setting pace. Fundraising for Agenda for Excellence priorities currently stands at about $660 million. Target areas for Agenda fundraising this year include: financial aid, the College Houses, endowed faculty chairs, and academic programs and facilities.

The Development Committee held a joint meeting with Alumni Trustees that featured presentations and discussion on the fundraising plan for the Quad renovation portion of the College Houses project. Meeting participants also heard updates on a wide array of current programs and activities in Alumni Relations that are supporting increased communication with alumni. The Alumni Awards of Merit Gala was attended by 400 hundred people; the Leadership Summit attracted nearly 200 people. The on-line University-wide Alumni Directory and e-mail forwarding programs are now fully functional, with over 2,500 enrollees in the on-line community since December 15, 1999. Mrs. Howard and the committee look forward to a very busy Alumni Weekend, filled with class reunion activities, “Classes Without Quizzes,” affinity group meetings and receptions.

Mrs. Howard welcomed three new Alumni Trustees who began their service in January: Robert Blank, L’65, representing Pennsylvania; Lawrence Nussdorf, W’68, in an at-large position; and Paul Williams, W’67, representing the Central Region. Mrs. Howard invited nominations for Alumni Trustees representing the Southern, Western, and Metropolitan New York regions. She also announced Mr. Leonard Shapiro, W’64, as her nominated successor as President of the University of Pennsylvania Alumni Society.

Chairman Riepe noted that the Budget and Finances resolutions are recorded as actions of the Executive Committee as well.

E. Facilities and Campus Planning Committee—Mr. William Mack

Mr. Mack gave a summary of the items discussed at the recent Facilities and Campus Planning Committee meeting. The first subject discussed was a proposal by the Provost on the relocation and consolidation of the psychology and biology facilities, i.e. the Life Sciences Quad. The current facilities are extremely outmoded, and new research space and new places for our labs are desperately needed for these disciplines. While the plan is very conceptual, the project will be done in two phases, each approximately one hundred thousand square feet, and the committee will report to the full board as this conceptual plan goes forward.
The committee had a review by Ewing Cole Cherry Brott, the architects of the Quadrangle and dorm renovations, a project of approximately $75 million that focuses on the restoration and renovation of the Quad areas, the creation of new public space, as well as the exteriors of the buildings and landscaping, and new public space, and a general update of the interior. This project is proceeding in four phases, the first phase having been completed last summer, and approximately $15 million has already been expended on infrastructure and drainage. This project will be completed over the next three summers.

The committee had a long discussion on the update of the Fire and Safety Policy Procedures of the college houses and graduate residences. This is always of special interest, but of particular interest recently because of the disastrous fire at Seton Hall. The administration did a thorough review of the safety facilities and Mr. Mack was pleased to report that the University is more than in compliance with the local as well as state regulations. While many of the University’s facilities are fully sprinkled, those that are not fully sprinkled are hard wired such that if they go out, the appropriate personnel are notified immediately. The committee discussed fire drill procedures and other ways that the University can continue to uphold its high standards and improve its fire escape codes and plans to ensure that all residences over the next four years become fully sprinkled.

The committee also discussed the Hamilton Square Project, which proposes an 800-car garage and a fresh food market. The Hamilton Square Project is on time and on budget and will open sometime in July. The Sundance Theatre, which required additional engineering work, is expected to open in October. Huntsman Hall is expected to be ready for the fall 2002 semester.

Mr. Mack noted other projects that are expected to be completed in 2000. The Chiller Plant, a $65 million project, has come in $5 to $6 million dollars under budget and will be completed shortly. The Perelman Quadrangle is substantially on budget and is due to be completed in June. Mr. Mack also noted that the recently renovated Irvine Auditorium received the Preservation Alliance for Greater Philadelphia 2000 Preservation Achievement Award, of which the committee is extremely proud.

F. Investment Board—Mr. Richard Worley

For the current fiscal year to date, June 30, 1999 through December 31, 1999, the Associated Investments Fund (AIF) was down 0.8 percent. A benchmark of the various assets and categories in which we invest was up 8 percent. The major problem is in the U.S. equities and also in the international equities. There was a growth explosion in the second half of last year—the University was a bystander to that. However, there were some positive points. Our emerging market equities were up 79 percent, about 1200 points above the emerging markets benchmark, and our high-yield bond portfolio returned 8.5 percent versus our asset class benchmark of 1.7 percent. Hence, some of our assets have done well relative to other markets, but our largest weight in developed country equities had meaningful shortfalls. For a longer perspective, for five years, an AIF return of 16 percent in a world of 2 percent inflation is an extraordinary absolute return. However, relative to the opportunity in the markets, it was a poor performance—almost 400 basis points behind our benchmark. The market has been dominated
by growth for several years, but last year the market became even more narrow in its orientation, driven almost entirely by technology. The technology sector had a return of 74 percent last year. Without technology, the S & P, which returned 21 percent, would have returned only 7.5 percent. Mid-cap value stocks, which is where we are largely positioned, were particularly out of favor last year, returning -0.1 percent compared to 51.3 percent of mid-cap growth stocks. Hence, a value orientation clearly hurt us a lot last year.

For the month of January, the portfolio declined by –3.1 percent versus 2.8 percent decline in the benchmark—the turnaround has not occurred. In an effort to counteract such performances, four years ago, we hired a series of new U.S. equity managers, all of which outperformed their benchmarks for the five previous years and every one of which seemed to be on top on their game in their presentations to us. Unfortunately, not one of them has outperformed their benchmark since we hired them. We terminated one last year, and at the meeting this week, we decided to terminate another. We are putting 1/3 of the U.S. equity portfolio into a broad market index fund to make sure that with at least a portion of our assets we match and participate with what is happening in the market. The remaining 2/3 of the U.S. portfolio is currently invested with four active satellite managers who have a value orientation. The board focused at its meeting on Wednesday on U.S. equities and is going to focus its next meeting on its U.S. equity policy in the context of overall endowment objectives. Also, we will discuss whether the value bias should be maintained and, if so, to what extent we will also consider a satellite growth manager. We define a satellite manager as a small- to medium- sized firm, generally owner-operated, with a clear investment philosophy and process, and it is not benchmark-driven, but does what it does very well. We will obtain diversity by having four or five of them instead of just one or two.

G. Student Life Committee—Mrs. Susan Catherwood

Mrs. Catherwood was pleased to report on the presentation and discussion from yesterday’s Trustees’ Student Life Committee meeting. The focus of the presentation was how the university life of Penn students has changed, through institutional and technological innovations. Staff from the Office of the Vice Provost for University Life and outstanding students gave a presentation that focused on three advances in technology in student life at Penn, including PENN InTouch, the Penn web calendar, and a novel Penn performing arts tool, the Penn lighting lab. Through PENN InTouch, students can check their academic records, register for courses, check class schedules, and review financial information 24 hours a day, 365 days a year, from any computer on campus, from their homes, or even from their study abroad locations across the world. In the coming weeks, Advisor InTouch, a part of PENN InTouch 2000, will be implemented, allowing academic advisors to review a student’s admissions information, academic record, and advisor notes. The committee also was given a presentation about PENN Web, a calendar that can be viewed by sponsor, event, schools, or the actual day, week, month or year. It provides a central, comprehensive event-listing source for the entire Penn community. Since it has been redesigned, the number of events listed on the web calendar has steadily increased, currently at about 500 events per week. Web calendar providers currently input activities from over 85 schools and student organizations. All providers can submit their events directly to the calendar. The Virtual Lighting Lab is a computer program that provides a
simulated theatrical lighting design feature; it enhances the visual quality of student performing arts and classes, allowing students in the lab to create solutions, using this new technology, which includes light boxes and animations. We were delighted to see students, faculty and staff have collaborated to use technology in such innovative and challenging ways for this new millennium. All students present evidenced their delight with these new systems, and perhaps the most telling comment from the student presenters was the following, “I cannot imagine Penn life without these tools. Transfer students I know from other schools are amazed; they are still standing in lines for everything, in their residence halls and in their academic departments.”

IV. Appointments to Overseer and Other Boards—Mr. James Riepe

Mr. Riepe presented the following resolutions for approval by the Trustees.

Action………..1. A Resolution on Appointment of the Board of Managers of The Wistar Institute was approved as follows:

**RESOLVED**, that the following individuals be appointed for one-year terms to the Board of Managers of the Wistar Institute, effective February 18, 2000.

Vincent G. Bell, Jr.; Thomas Peter Bennett, Ph.D.; Ian J. Berg; Robert S. Blank; Ira Brind; David L. Cohen; Barry S. Cooperman, Ph.D.; Harold M. Davis; Peter C. Doherty, Ph.D.; Brian H. Dovey; Robert A. Fox; Roger S. Hillas; James N. Ihle, Ph.D.; Jerry L. Johnson; William N. Kelley, M.D.; Hilary Kopolowski, M.D.; Faye S. Olivieri; Albert Ominsky; Ruth Patrick, Ph.D.; Seymour S. Prentice III; Donald Vail Rhoads, M.D.; Robert H. Rock; Gerald B. Rorer; Adele K. Schaeffer; Edward Sickles; Arthur Stokes, M.D.; Doris Taxin; Kevin Tucker; and David V. Wachs.

Action………..2. A Resolution on Appointment of Neil S. Braun, Rebecca C. Matthias and Gary D. Rose to the Board of Overseers of the School of Arts and Sciences was approved as follows:

**RESOLVED**, that Neil S. Braun, Rebecca C. Matthias and Gary D. Rose be appointed to the Board of Overseers of the School of Arts and Science for three-year terms, effective February 18, 2000.

Neil S. Braun (C’74) is the former President and Chief Operating Officer of iCast Corporation, an entertainment company with its roots in the Internet, and the former President of NBC Television Network. Mr. Braun has also held senior positions at Viacom, Home Box Office, Imagine Films, and International Film Investors. He is a member of the United Way’s Marketing Committee, the Board of Directors of Westhampton Performing Arts Center, and the Advisory Board of the Children’s Health Fund. Mr. Braun also is a Trustee of the Rheedlen Centers for Children and Families.

Rebecca C. Matthias (CW’75) is Founder, President and Chief Operating Officer of Mothers Work, Inc., a manufacturer and retailer of maternity apparel, based in
Philadelphia. She has recently published a book about her business experiences entitled, Mothers Work: How a Young Mother Started a Business on a Shoestring and Built It Into a Multi-million Dollar Company. After graduating from Penn in 1975, she earned advanced degrees in architecture and civil engineering at Columbia University and Massachusetts Institute of Technology. In 1986, Fortune Magazine named her one of the “People to Watch;” Inc. Magazine and Merrill Lynch named her Regional Entrepreneur of the Year in 1992; and, in 1997, she received Pennsylvania’s 50 Best Women in Business Award. Ms. Matthias serves on the Board of Trustees of Drexel University.

Gary D. Rose (C’67) is a Limited Partner at Goldman Sachs & Co. and has been with the firm since 1974. Prior to joining Goldman Sachs, Mr. Rose was an attorney at the Securities and Exchange Commission in Washington, DC. He is a Trustee at the Rose Family Foundation, a Trustee of the Harvard A. Silverstein Foundation, and former Chairman of the Board of the Newark Academy. Mr. Rose also is a member of the board of the Corporation for Supportive Housing. He has served on the gift committee for his 25th class reunion.

Action………..3. A Resolution on Appointment of Vernice Ferguson, Rosemarie Greco and Robert Roy to the Board of Overseers of the School of Nursing was approved as follows:

RESOLVED, that Vernice Ferguson, Rosemarie Greco, and Robert Roy be appointed to the Board of Overseers of the School of Nursing for three-year terms, effective February 18, 2000.

Vernice Ferguson currently serves as the President of the International Council of Oncology Nurses. Ms. Ferguson was Senior Fellow in the School of Nursing at Penn, holding the Fagin Family Chair in Culture Diversity from 1993 to 1996. She served as Assistant Chief Medical Director for Nursing Programs in the Department of Veteran Affairs from 1980 to 1992, and also was Chief of the Nursing Department, Clinical Center, The National Institutes of Health. Ms. Ferguson is past President of the American Academy of Nursing, Sigma Theta Tau International and the International Society of Nurses in Cancer Care. She also is a fellow in the Royal College of Nursing of the United Kingdom, the second American nurse to be bestowed this honor. In addition to serving on the Board of Directors of The Bon Secours Health Care System and the Washington Home, Ms. Ferguson is on the Board of Directors of the National Institutes of Health Alumni Association and the Board of Visitors of the School of Nursing, Indiana University.

Rosemarie Greco is a Director of General Accident Insurance Group, the Preit-Rubin, Inc., Sun Company, Inc., and PECO Energy Corporation. She is a Trustee at St. Joseph’s University, the Franklin Institute and the Board of the Philadelphia Award. In addition, Ms. Greco is Chair of the Philadelphia School-to-Career Leadership Council and a member of the Board of Greater Philadelphia Works Executive Committee, the City Planning Commission, the Board of Education, Woman’s Way, and the Philadelphia Orchestra. She is the former President and Chief Executive Officer of CoreStates Bank,
N.A. Ms. Greco also is the former head of the Private Industry Council of Philadelphia and led the Welfare to Work effort.

Robert Roy (W’59) is Owner and President of Jofran, Inc., which he founded in 1972. Jofran, Inc. is based in Plainville, Massachusetts and is a company which imports American-designed furniture. Mr. Roy also is a Penn parent.

Action………4. A Resolution on Reappointment of Wendy Mann Hornick to the Board of Overseers of the School of Social Work was approved as follows:

RESOLVED, that Wendy Mann Hornick be reappointed, after a year’s sabbatical, to the Board of Overseers of the School of Social Work for a three-year term, effective February 18, 2000.

Wendy Mann Hornick (C’73, SW’75) was formerly a social worker with the American Cancer Society in New York. A member of the professional advisory board for Candlelighters, she also has served on the planning committee for the Ronald McDonald House. Mrs. Hornick is active with the New York City Division of the American Cancer Society and has served in numerous volunteer capacities with the organization, including Volunteer Chair of its Service and Rehabilitation Department. In 1994, Mrs. Hornick received the Meritorious Service Award from the New York Chapter of the American Cancer Society.

Action………5. A Resolution on Appointment of William Wai Man Cheung to the Board of Overseers of the School of Dental Medicine was approved as follows:

RESOLVED, that William Wai Man Cheung be appointed to the Board of Overseers of the School of Dental Medicine for a three-year term, effective February 18, 2000.

William Wai Man Cheung (DMD’81) has had a private practice in General Dentistry since 1982 in Hong Kong, and was a part-time Clinical-Lecturer at the Conservative Dentistry, Faculty of Dentistry, University of Hong Kong, from 1983 to 1987. Dr. Cheung has been a member of the Board of Directors of Servants in the Name of Christ since 1997. He is a founding member of the Board of Directors of the Executive Ministries (HK), Limited, as well as a member and former Chairman of the Evangelical Community Church in Hong Kong. Dr. Cheung received a DMD from Penn in 1981, a B.S. from Wilkes University in Wilkes-Barre, PA and a Master’s degree from Cornell University.

Action………6. A Resolution on Appointment of Gregory S. Bentley to the Board of Overseers of the Graduate School of Fine Arts was approved as follows:

RESOLVED, that Gregory S. Bentley be appointed to the Board of Overseers of the Graduate School of Fine Arts for a three-year term, effective February 18, 2000.
Gregory Bentley (W’76, WG’77) is President and Chairman of the Board of Bentley Systems, Inc., a worldwide leader in enterprise engineering software for large-scale projects in building/plant engineering, geoengineering, and manufacturing engineering. The company is listed as the second-largest privately held company of the 1997 Softletter 100. Mr. Bentley joined the company in 1991. Previously, he founded and served as Chief Operating Officer of Devon Systems, the leading provider of derivatives trading software products. He is a board member of SunGuard Data Systems, Inc.

Action………..7. A Resolution on the Appointments of David R. Goodhand and Harry C. Groome III to the Board of Overseers of the University Libraries was approved as follows:

RESOLVED, that David R. Goodhand and Harry C. Groome III be appointed to the Board of Overseers of the University Libraries for a three-year term, effective February 18, 2000.

David R. Goodhand (C’85) is a consultant for Microsoft Corporation. The Maryland-based entrepreneur joined Microsoft shortly after his graduation from Penn, and he held various management positions at the firm. While at Penn, Mr. Goodhand was a Franklin Scholar, and a member of the Undergraduate Assembly and of the Daily Pennsylvanian and 34th Street Magazine.

Harry C. Groome III (C’63) is the retired Chairman of SmithKline Beecham Consumer Healthcare Division. Mr. Groome began with SmithKline Beecham in 1963, when the company was SmithKline & French, in a special Writer’s Training Program. When the program ended six months later, Mr. Groome accepted a position in its Sales Promotion Office. There, he wrote marketing campaigns, promotional pieces, and medical articles. He spent the remainder of his career with the company. He now is pursuing a Masters of Fine Arts in Creative Writing at the University of Vermont. While at Penn, Mr. Groome taught ROTC for two years.

Action………..8. A Resolution on the Appointment of Shaun F. O’Malley to the University of Pennsylvania Health System Trustee Board and to the Health System Trustee Board Executive Committee was approved as follows:

RESOLVED, that Shaun F. O’Malley be appointed to the University of Pennsylvania Health System Trustee Board and to the Health System Trustee Board Executive Committee for a three-year term, effective February 18, 2000.

Shaun F. O’Malley is the retired Chairman of Price Waterhouse LLP. From 1988 through 1995, he served as Chairman and Senior Partner of that firm. Mr. O’Malley spent most of his career serving multinational companies in a wide range of industries.

The President of the Financial Accounting Foundation from 1990 to 1992, Mr. O’Malley currently serves on the Board of Overseers of the Wharton School, the board of the SEI Center for Advanced Studies in Management at Wharton, the Board of the Ethics Resource Center in Washington, DC, and board of the Monell Chemical Senses Center.
He also serves as a Director of Horace Mann Educators Corporation, Coty Inc., Vlasic Foods International, Regulus Group LLC, Finance Company of Pennsylvania, the Philadelphia Belt Line Railroad Company, and the Philadelphia Contributionship. He is Vice Chairman of the Curtis Institute of Music, a Trustee of Chestnut Hill College, and Chairman of Greater Philadelphia First Corporation’s Regional Marketing Committee.

Action………..9. A Resolution for Filling Vacancies in the Membership of the Board of Managers of the Pennsylvania Hospital of the University of Pennsylvania Health System was approved as follows:

Sections 3.3 and 3.6 of the Bylaws of the Pennsylvania Hospital of the University of Pennsylvania Health System provide for the filling of vacancies on the Board of Managers.

With the resignations of Dr. Mark A. Kelley and Mr. John C. S. Kepner from the Board of Managers, the Health System leadership has identified Ms. Leslie C. Davis, Associate Vice President for Marketing and Network Development, and Mr. Alan N. Rosenberg, Associate Vice President for System Development and Physician Recruitment, as superb candidates for the Board of Managers. As members of the Board, they would serve with the already existing Board members as follows:

Morris Cheston, Jr., Esq. (Chairman)
Leslie C. Davis
Peter L. DeAngelis, Jr. (Ex-officio)
I. William Ferniany, Ph.D.
Gail W. Hearn, Ph.D.
William N. Kelley, M.D. (Ex-officio)
Harry R. Kimball, M.D.
David E. Longnecker, M.D.
Terrence R. Malloy, M.D.
Robert D. Martin, Ph.D. (Ex-officio)
Alan N. Rosenberg, Esq.

RESOLVED, that Ms. Leslie C. Davis and Mr. Alan N. Rosenberg be appointed to the Pennsylvania Hospital Board of Managers.

There being no further business to come before the board, the meeting was adjourned at 3:47 PM.

Respectfully submitted,

Rosemary McManus
Secretary of the University