Minutes of the Meeting of the Executive Committee of the
Trustees of the University of Pennsylvania
March 21, 2002

A meeting of the Executive Committee of the Trustees of the University of Pennsylvania was convened at 3:15 p.m., on Thursday, March 21, 2002, in the Woodlands B Ballroom, Inn at Penn, 3600 Sansom Street.


I. Call to Order—Mr. James Riepe

A. The minutes of the meeting of September 20, 2001, were approved as previously distributed.

II. President’s Report—Dr. Judith Rodin

A. Comments

Dr. Rodin commented on the exciting, recent $100 million gift from Philadelphia Health Care Trust for patient care research and education programs. Also, she mentioned the New York Times recent promotion of Philadelphia as a destination location.

Dr. Rodin noted the recent appointment of Vice Provost for Information and Technology Dr. James O’Donnell as Provost of Georgetown University, beginning in July. This is a wonderful opportunity for Dr. O’Donnell, who has been at Penn for 21 years and will serve as a good friend of Penn at Georgetown.

Dr. Rodin then announced that Penn is the first university in the Ivy League to establish the position of Chief Privacy Officer, a position of significant value to the University in ensuring the protection of personal information. The growth of electronic information has necessitated the implementation of strong measures to protect personal information, including medical records, financial data, and social security numbers.

Finally, Dr. Rodin congratulated Penn Quaker Men’s basketball team for a great season, having won both the Big Five and the Ivy League Championship titles.
B. Academic Report—Dr. Robert Barchi

1. Comments

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

Action………..1. Resolution to Create Two Additional Endowed Professorships Supported by the Roy F. and Jeannette P. Nichols Chair in American History Fund was approved as follows:

On October 21, 1983 the Board of Trustees approved a resolution establishing the Roy F. and Jeannette P. Nichols Chair in American History, which was funded from the lifetime gifts and estates of these two longtime members of the History faculty. To date, the fund has an accumulated balance of over $861,000. Its market value is $7,022,998, and it generates $266,808 in annual spendable income.

The School of Arts and Sciences proposes to reinvest the carryover and split the fund into three equally endowed chairs in American history that would be available for awarding at all professorial levels. The two new chairs would be called the Roy F. and Jeannette P. Nichols Chair in American History II and the Roy F. and Jeannette P. Nichols Chair in American History III.

Wendy White, Vice President and General Counsel and Virginia Clark, Vice President for Development and Alumni Relations have reviewed and approved this plan as has the Provost.

RESOLVED, that the Roy F. and Jeannette P. Nichols Chair in American History be split to fund three equally endowed chairs in American history--the Roy F. and Jeannette P. Nichols Chair in American History, the Roy F. and Jeannette P. Nichols Chair in American History II and the Roy F. and Jeannette P. Nichols Chair in American History III--to be awarded all professorial levels.

Dr. Barchi then commented on reviews of and searches for academic deans. The review for Gary Hack, Dean of the Graduate School of Fine Arts, is in process. Dean searches are about to begin for the School of Social Work, the School of Dental Medicine, and the Annenberg School for Communication. President Rodin and Dr. Barchi have appointed Dr. Stanton Wortham, Associate Professor of Education and Chair of the Educational Leadership Division, to serve as Acting Dean of the Graduate School of Education for the 2002-2003 academic year during Dean Susan Fuhrman’s one-year sabbatical leave. Dr. Wortham works in the area of Language and Education, having compiled an extraordinary research and publication record that deals with the intersection of language, mind, and sociocultural routine. Dr. Wortham’s research on verbal
interaction positioning has earned him a reputation as one of the premier young scholars in this area.

Dr. Barchi reported on activities of the Law School. The Law School has hired 10 new faculty members over the past two years, almost as many as it hired in the entire previous decade. The recruitment has focused on Health Law, Biotechnology, Intellectual Property, and Corporate Law. The Law School has had three high-profile retentions, with faculty turning down offers from Columbia, New York University, and University of Virginia. Over the past year, the Law School has received three new commitments for chairs. The last, which was made in fall 2001, was from Mr. Frank Carano, L'32. Last year’s fundraising was the most successful in the history of the Law School, with the lone exception of the year that Mr. Henry Silverman made his extraordinary commitment of $15 million to the School, then the largest figure ever committed to a law school. The Law School has also witnessed a 40% increase in applications compared to this same time last year, far higher than any other major law school in the country, with the exception of Yale. Finally, during the year, the Law School hosted David Boies for the Irving R. Segal Lecture. Boies represented Al Gore in Gore v. Bush and the United States (U.S.) in U.S. v. Microsoft.

Dr. Barchi then presented another resolution for approval by the Trustees.

Action…………2. A Resolution on Faculty Appointments, Leaves and Promotions was approved as presented in pages 2-26 of the meeting book.

C. Financial Report—Mr. John Fry

Mr. Fry gave the financial report for the period from July 1, 2001 to January 31, 2002 (the first 7 months of FY'02). The consolidated university academic component saw an increase in net assets of $5.2 million to the point of almost $4.6 billion. This increase is the result of a decrease in net assets from operating activities of $11.5 million, offset by a net increase in non-operating income. Plant assets, net of depreciation, have increased $52.5 million since June 30. This increase is primarily the result of capital costs incurred for Huntsman Hall, the Quadrangle, the University Museum, the Pottruck Fitness Center, and various other projects. The fair value of the University’s endowment, excluding the Health Services Component, was $2.85 billion on January 31, an increase of the approximately $9.4 million since June 30. The endowment achieved 1.3% return through the first seven of months compared to 2.6% lost for the first benchmark. For FY02, operating revenue increased 5.5% over the comparable period in FY01. The university continues to receive increased revenue from sponsored programs, increasing 10.7% over the same period in FY01.

Operating expenditures increased 9.2%, resulting from an increase in sponsored programs costs and an increase in salaries and benefits, which reflects an increase in the number of employees and the general wage increase productivity. While the university recorded an increase of 27.4% in its operating contributions from FY01 to FY02, it did
see a decline in non-operating contributions from $117.5 million in FY 01 to $42.3 million in FY02. This is principally due to several large one-time gifts for endowment in capital that were received during the first several months of FY01. Net cash provided by operating activities total $228 billion for the first 7 months of this fiscal year. This compares fairly to $182.7 billion received in the same period in FY01. The principal use of cash for the use of purchase of property planning and equipment of $100 million, which is $42.2 million less than the capital investment activity recorded in January of the last fiscal year.

Turning to the Health System-Health Services Component, through January 31, the health services component had an overall increase in unrestricted net assets (before reclasses and transfers to the University) of $49.5 million. The net operating gain was $13.4 million for the year, which is favorable to budget by almost $9 million. After accounting for non-operating revenue and other support, the Health Services Component had an overall excess of revenue, over expenses, of $47 million before an unrealized gain on its investments of $2.5 million. All cash and cash equivalents decreased by $21 million for the firsts seven months. This was better than budget performance by $14.4 million. Health Services Management continues efforts to improve accounts receivable collections: days of accounts receivable fell to 81 days, which compares to 86 days at June 30, 2001.

D. Health System Report—Dr. Robert Martin

Dr. Martin gave the Health System Report for Dr. Arthur Rubenstein.

Dr. Martin reported that March 21st marked a special day for graduating medical students, the day on which residency matches were announced. All of Penn's students continued to do extremely well and, in several departments, particularly Radiology, Obstetrics, Neurology, and Medicine, this is the best matching in several years. With respect to incoming graduate students, most of the departments reported that they are extremely pleased with their matches, most reporting the best year they have had in several, and all the slots were filled.

Dr. Martin reported on the National Institutes of Health's recent annual award totals, in which Penn ranks second to Johns Hopkins University, with a 20% increase in research awards from $270 million to $327 million—only $7 million less than Hopkins.

Dr. Martin noted that patient care continues to be very rewarding and robust. The Health System continues to be profitable, with activity volumes surging. Good progress is being made in the Health System's strategic planning efforts and the reorganization of the health care delivery system, for which more information will be provided in the next several months.
III. Trustee Committee Reports

A. Budget & Finance—Mr. L. John Clark

Mr. Clark reported that the Budget & Finance Committee met that day to review the University financial report and the University of Pennsylvania Health System-Health Services Component financial report for the seven months ended January 31, 2002. The Committee also reviewed a presentation on tuition fees and other student charges for the academic year 2002-2003. The reports were accepted, and the Committee reviewed and approved the following resolutions, which Mr. Clark presented for approval by the Trustees.

Action........1. Resolution on Tuition, Fees, and Other Student Charges for Academic Year 2002-2003 was approved as follows:

The Administration proposes to establish the following tuition, fees, and other student charges for Academic Year 2002-2003:

For undergraduates, tuition, fees, room and board will total $36,212. This includes tuition of $25,078, a general fee of $2,222, a technology fee of $488, a recreation fee of $200, an average room rate in the residence halls of $5,040, and an average meal plan charge of $3,184. For graduate students, tuition and fees will total $28,580. This includes tuition of $26,910 and a general fee of $1,670. For professional schools, tuition will be determined administratively to reflect the budget requirements of the various schools. The general fee for professional school students will be $1,318.

RESOLVED, that for Academic Year 2002-2003, total undergraduate charges will be $36,212, including tuition of $25,078, a general fee of $2,222, a technology fee of $488, a recreation fee of $200, an average room rate in the residence halls of $5,040, and an average meal plan charge of $3,184; tuition and fees for graduate students will total $28,580, including tuition of $26,910 and a general fee of $1,670; professional school tuition will be determined administratively to reflect the budget requirements of the various schools and the general fee for professional school students will be $1,318; and part-time tuition and fees rates will be determined administratively and will increase proportionately.

Mr. Clark noted that the $200 recreation fee is based on the assumption that the Pottruck Fitness Center will be operational in fall 2002. If it is not, the fee will be reconsidered.
Action………2. Resolution Authorizing the Initial Phase of the Implementation of PennERA -- Electronic Research Administrative Systems was approved as follows:

Over the last decade, the amount of research funding and expenditures at the University has increased dramatically. In order to maintain and support our current stature and increase our competitive standing, we need to ensure that our systems and processes for research administration are of similar quality to our research, and can meet the demands that this recent, tremendous growth has placed on our administrative resources.

Many federal agencies either have in place, or are rapidly moving to implement an array of electronic technologies for the purposes of accepting applications, monitoring awards and facilitating financial and technical reporting. For example, Federal agencies are beginning to mandate the use of electronic systems for the submission and management of research awards. Several agencies, with the National Science Foundation at the lead, are requiring the electronic submission of proposals. It will soon be necessary to be able to conduct electronic research administration to remain eligible and competitive for federal awards.

The rapid growth of research funding has placed substantial pressures on our ability to meet compliance standards for use of animal and human subjects, as well as radioactive and other hazardous substances. Compliance with regulatory requirements and the proper stewardship of funds are vital to generating new and continuing support through grants and contracts.

To meet the demands of federal requirements and University operational requirements, a major study of Penn’s electronic research administration (PennERA) needs was launched in November 1999. The study was designed to examine the entire range of computer and telecommunications based solutions, and where appropriate, to refine processes, technological tools, policies and organizational arrangements to improve sponsored research administration. The results of the study focused on improving three categories of research – Regulatory Protocols, PreAward activities and PostAward activities.

The University wishes to proceed with Phase I of PennERA which will focus on Regulatory Protocols and PreAward Activities. This includes the acquisition and implementation of new hardware and software systems with accompanying data transfer and conversion from existing systems. The system will allow for the development, approval, routing and tracking of grant applications, as well as the submission and review of proposals involving the use of human subjects, animals and hazardous materials. PennERA will be designed to provide optimal desktop information and relevant tools to enable both faculty and administrators to manage research and grant activities while assuring compliance with sponsor and University requirements. The system will ultimately be designed to facilitate
financial and technical reporting to sponsors, utilizing both currently available and anticipated electronic and telecommunication modalities.

Phase I of the PennERA project is estimated to cost $9.3 million and will be funded by the Division of Finance reserves ($5.0 million) and the Pennsylvania Health Research Formula Fund ($4.3 million, comprised of indirect cost recovery charges of $500 thousand /year for the fiscal years 2002-2004, and the repayment of a $2.8 million internal loan over a seven year period commencing with the completion of the project in fiscal year 2005).

RESOLVED, that the University hereby approves Phase I of the PennERA project which will result in the acquisition and implementation of new hardware and software systems estimated to cost $9.3 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 actions, execute such contracts and incur such expenses and obligations – not, however, in excess of 110% of the estimated cost as presented to the Budget and Finance Committee – as may, in their judgment, be necessary or desirable to accomplish the purposes of this resolution.

Action………..3. Resolution Approving an Increase in Project Cost for the Ambulatory Surgery Center and Physician Office at Penn Medicine at Limerick in the Fiscal Year 2002 Capital Budget of the University of Pennsylvania Health System (UPHS)-Health Services Component was approved as follows:

The Executive Committee of Penn Medicine and PHX and UPHS management recommend proceeding with the Ambulatory Surgery Center and Physician Office at Penn Medicine at Limerick (ASC). The ASC was initially planned for FY 2002 as a joint venture with community physicians, financed through a combination of physician investors and off-balance sheet financing. However, subsequent discussions with the Medical Staff and UPHS Finance suggest that the entire project should be funded by UPHS and PHX. If done in this way, there would be the need for an increase in the cost of the ASC project in the Fiscal Year 2002 Capital Budget of UPHS-Health Services Component.

The total ASC project costs are $9.27 million. PHX's FY 2002 capital budget included $1.54 million for the ASC. The PHX Board and management recommend increasing the FY 2002 capital authorization for the ASC project to $9.27 million. This increased project cost will be offset by reallocations from other projects contained in the Capital Budget, including $2.5 million in operating room renovations at PHX. The total Fiscal Year 2002 Capital Budget for UPHS-Health Services Component will remain unchanged.

The recommendation results from: (1) the need for immediate action because of the increased threat of competition; (2) continued strong support by the Medical
Staff of the need for the ASC; (3) the project's strong projected return-on-investment; and (4) the ASC being a key strategic priority necessary to sustain and further improve PHX's already strong 7.7% FY2002 projected operating margin in FY 2003.

Management believes the risks of not proceeding in this fiscal year are significant and could include: (1) threat of for-profit competition; (2) loss of first-to-market advantage; (3) continued loss of market share; (4) inability to attract surgeons and physicians to the area; (5) inability to fill vacant space at Penn Medicine at Limerick; and (6) likely decline in patient/physician satisfaction.

The Executive Committee of Penn Medicine has endorsed the ASC project in principle, but has deferred final approval of a complete plan of finance to its April meeting. In the interim, management seeks from the University of Pennsylvania Trustees' Budget and Finance Committee the approval of the increase in the cost of the ASC project to the amount of $9.27 million to initially be funded through cash operations or from other financing options that are subsequently developed and separately receive Trustee approval (with no increase in the total level of the Fiscal Year 2002 Capital Budget for UPHS - Health Services Component).

**ACCORDINGLY, IT IS HEREBY**

**RESOLVED**, that the University of Pennsylvania Trustees' Budget and Finance Committee approves the increase in the cost of the ASC project to the amount of $9.27 million to initially be funded through cash operations or from other financing options that are subsequently developed and separately receive Trustee approval (with no increase in the total level of the Fiscal Year 2002 Capital Budget for UPHS - Health Services Component).

*Action..........4. Resolution authorizing supplemental funding for several projects, commonly referred to as Finance Redesign Initiatives, from Fiscal Years 1998, 1999, 2000 and 2001 capital budget authorizations for University of Pennsylvania Health System – Health Services Component was approved as follows:*

At various periods as itemized below, the University of Pennsylvania Health System Trustee Board Executive Committee and subsequently the University of Pennsylvania Budget and Finance Committee approved several Finance Redesign capital initiatives. Health System leadership recommends the utilization of $5.3 million from the $8.0 million capital contingency authorization from Fiscal Year 2002. This request brings the total Finance Redesign Initiatives cost to $27.6 million. The increase is primarily attributable to a change in the scope of the original Lawson Information System implementation component of the Finance Redesign Initiatives, coupled with additional funding to insure successful deployment.
The Finance Redesign Initiatives, along with their original budget authorizations, are as follows:

<table>
<thead>
<tr>
<th>Project/Initiative</th>
<th>Date Approved By Executive Committee</th>
<th>Budget Authorization (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources System (Lawson) Implementation</td>
<td>June 20, 1997</td>
<td>$1.2</td>
</tr>
<tr>
<td></td>
<td>March 8, 1999</td>
<td>.7</td>
</tr>
<tr>
<td>Outside Vendor Database Replacement With Oracle System</td>
<td>June 7, 1999</td>
<td>2.5</td>
</tr>
<tr>
<td>Finance Office/Staff Consolidation</td>
<td>June 7, 1999</td>
<td>3.5</td>
</tr>
<tr>
<td>Managed Care Contract Management System Implementation</td>
<td>June 7, 1999</td>
<td>.5</td>
</tr>
<tr>
<td>Lawson System Implementation for All Health Services Entities (Excluding Phoenixville Hospital)</td>
<td>June 5, 2000</td>
<td>9.2</td>
</tr>
<tr>
<td>Decision Support System (McKesson Implementation)</td>
<td>June 5, 2000</td>
<td>4.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$22.3</td>
</tr>
</tbody>
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The major benefits of the Finance Redesign Initiatives are in the areas of:

- Integrated suite of financial modules (general ledger, payroll, accounts payable, and materials management)
- Standardization of core business processes, including policies and procedures
- Installation of a Health System-wide Human Resource and Payroll systems
- Installation of a common Decision Support system (McKesson) for the Health System resulting in integrated financial and patient activity (Siemens) systems
- Consolidated financial staff/offices for all city-based Health System entities
- Installation of managed care contract management software, resulting in improved collection of third-party receivables

The Executive Committee of Penn Medicine recommends to the University of Pennsylvania Budget and Finance Committee approval of supplemental funding for the Finance Redesign Initiatives request of $5.3 million from the FY 2002 University of Pennsylvania – Health Services Component Capital Contingency.
ACCORDINGLY, IT IS HEREBY

RESOLVED, that the supplemental funding for the Finance Redesign Initiatives request of $5.3 million from the FY 2002 University of Pennsylvania – Health Services Component Capital Contingency, be and the same is approved and that the Executive Vice President or other appropriate officers of the University be and hereby are authorized to take such actions, execute such contracts, and incur such expenses and obligations – not, however, in excess of 110% of the estimated cost as presented to the Budget and Finance Committee – as may, in their judgement, be necessary or desirable to accomplish the purposes of this resolution.

Action………..5. A Resolution Authorizing Additional Funding for the Completion of the Cinema Portion of the Hamilton Square Project at 40th and Walnut Streets and a Lease with National Amusements, Inc. for space at the Hamilton Square Project was approved as follows:

On October 30, 1998, the Trustees authorized the development of a mixed-use project known as Hamilton Square at 40th and Walnut Streets. The project, which included a fresh food market, a multi-screen cinema and a 700-car parking garage (for both academic and commercial demand), was intended to create a lively, active environment at the western perimeter of the University's campus in furtherance of the University’s goal of improving the quality of life in University City. Funding in the amount of $35.5 million was approved for this purpose. Of this total, approximately $15.5 million was intended to fund the cinema portion of the project. In addition, General Cinema/Sundance were to invest an estimated amount of $12.0 million.

In October of 2000, General Cinema Corporation, the funding partner of the University's original cinema tenant filed for bankruptcy protection. The insolvency of the original tenant and the bankruptcy of the General Cinema corporate guarantor of the original lease forced Penn to seek an alternate tenant and alternate funding sources for completion of the project.

The administration has concluded that the failure of the original cinema tenant was the product of a nationwide collapse in the film exhibition industry and that the 40th and Walnut Street site remains a highly feasible and desirable location for a nationwide cinema tenant. The University has executed a letter of intent with National Amusements, Inc., a large, private exhibitor and a lease (the "Lease") is now being finalized. National Amusements, Inc. would lease space formerly leased to the General Cinema/Sundance entity to operate an upscale, first run state of the art film theatre. Although the Lease will require National Amusements, Inc. to invest over $3.0 million in the project for furniture, fixtures and equipment, the University is now required to become 100% equity investor in the project. The University thus would invest an additional $13.0 million in excess of
the amount previously authorized by the Trustees to complete the development of the cinema space. Of this amount, $2.6 million would be funded by the settlement between the University and the Sundance/General Cinema entities signed in February 2001.

The additional costs of completing the cinema will initially be funded from internal University resources. However, the administration intends to seek financing for the Project from public and private sources that provide capital at a discount from commercial loan rates.

RESOLVED, that additional funding to complete the cinema portion of the Hamilton Square Project, estimated to be $13.0 million, for use as a movie cinema or for such other uses as the administration determines are most beneficial and appropriate, be and the same hereby is approved.

FURTHER RESOLVED, that the University is hereby authorized to enter into the Lease with National Amusements, Inc for space at Hamilton Square on such terms and conditions as the administration determines are necessary, appropriate and in the University's best interests.

FURTHER RESOLVED that the President, the Executive Vice-President, or any other appropriate officer is hereby authorized and empowered to execute and deliver the Lease together with any other contracts, agreements or other required documents and to take such further action as shall be necessary and incur such expenses and obligations - not, however, in excess of the estimated $13.0 million cost as set forth herein - as may, in their judgment, be necessary or desirable to accomplish the purposes of this Resolution, and that any actions previously taken by such officers to carry out the intents and purposes of this Resolution are hereby ratified and affirmed.
B. Investment Board—Mr. Christopher Browne

Mr. Browne presented the Investment Report for Mr. Howard Marks for the first eight months of FY02, ending February 28, 2002.

The Associated Investments Fund (AIF) gained 1.8% versus a loss of 3.3% for its composite benchmark, and a loss of 4.0% for hypothetical portfolio consisting of 70% stocks and 30% bonds. Penn’s domestic and international public equities were largely responsible for Penn’s relative out-performance, although the AIF’s investment grade bonds and absolute return investments were the only portfolio to produce meaningful positive gains. To put this into context, the same first eight months of our fiscal year, Standard & Poor's (S&P) 500 stock index was down 8.7%. The domestic equity portfolio ended the first eight months up 30 basis points, beating the Wilshire 5000 benchmark by almost 900 basis points, and the international equity portfolio, while down 1.6%, beat its benchmark by over 1000 basis points. Penn’s absolute return portfolio, underperformed its benchmark, but did produce a positive 5.7% return compared to the S&P 500 loss of 8.7% in this period. We continue to make progress building a private equity portfolio but it is still too early to judge performance as this board continues to seek out and identify the best managers in absolute return fields and other equity areas.

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

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

Action…………1. A Resolution on Appointments of William W. Braham, III, Ph.D., Craig R. Carnaroli, Sandra L. Garz and Scott W. Killinger to the Board of Directors of Penn Praxis was approved as follows:

On November 2, 2001, the Board of Trustees approved the creation of Penn Praxis, a 501c(3) subsidiary, to further the mission of the Graduate School of Fine Arts (GSFA) in the fields of architecture, planning, landscape architecture, community development, public art and historic preservation. Penn Praxis provides a vehicle for carrying out practical or applied projects for external clients under the direction of GSFA faculty. By creating a school-related entity, faculty efforts on projects with appropriate educational or community service may be integrated into the school’s program. Modeled in part on the Community Design Collaborative centers at other institutions, Penn Praxis is intended to provide opportunities for student and faculty education and development, strengthen community ties, and provide service to the community.

The bylaws of Penn Praxis provide for a five-person board of directors, who shall be appointed by the Dean of the Graduate School of Fine Arts subject to the approval of the Provost of the University. Of these five, the dean serves as a member ex officio, and is chair of the board. It is expected that at least one of the appointed directors shall be a faculty member of the Graduate School of Fine
Arts, at least one shall be a representative of the University of Pennsylvania from outside the Graduate School of Fine Arts, and at least one shall be a professional in the community with preference given to alumni of the Graduate School of Fine Arts.

All of the names being brought forward for initial appointment to the board have been approved by the Provost.

RESOLVED, that William W. Braham III, Ph.D., Craig R. Carnaroli, Sandra L. Garz and Scott W. Killinger be appointed to the Board of Penn Praxis for three-year terms, effective March 21, 2002.

William W. Braham III, Ph.D., GAR’83, GR’95, is an Associate Professor of Architecture in the Graduate School of Fine Arts who earned his B.S.E. in Architecture and Engineering from Princeton, and his Master of Architecture and Ph.D. in Architecture from Penn. He is a licensed and practicing architect and lighting consultant, has a notable publications record that includes a significant book, and is a scholar with a growing reputation. He teaches both design studios and technology courses, and has a significant record as an architectural consultant expert in visualization, color and lighting.

Craig R. Carnaroli, W’85, who received his MBA from Stanford University Graduate School of Business, has been Vice President for Finance and Treasurer at Penn for the past two years where he oversees the University’s financial planning processes and coordinates its fiscal activities. He is directly responsible for the offices of the Comptroller, Treasurer, Investments, Student Financial Services, Risk Management, Research Services and Acquisition Services. Mr. Carnaroli came to Penn from Merrill Lynch and Co., where he was Director of its Health Care Finance Department responsible for structuring and marketing tax-exempt and taxable debt issues for non-profit education and healthcare institutions. Prior to that, he served as Vice President, Municipal Securities Division, at CS First Boston.

Sandra L. Garz, GCP’75, is a graduate of the city planning program, with over 27 years of experience in the private, non-profit and government sectors. From 1994-2001, she served as Executive Director of the Philadelphia Chapter of the American Institute of Architects. Prior positions include Manager of Economic Development Research, PECO Energy; Director of Civic Affairs and Project Development, the Foundation for Architecture; Director of Planning and Marketing, P+A Associates Real Estate Development; and for twelve years, a professional with the Philadelphia City Planning Commission. Ms. Garz led the effort to create the highly successful Charter School for Architecture and Design, established three years ago, and currently chairs its board of directors.

Scott W. Killinger, GFA’66, GAR’66, GCP’66, is managing principal of the Hillier Group’s Philadelphia office, one of the largest architecture firms in the city.
(over 200 employees). Mr. Killinger has been responsible for many large planning, development and architectural projects, including the plan for Sadat City, a new town for one million in Egypt, the Camden Waterfront Master Plan, a Master Plan for the Philadelphia Naval Yard, and several sports facilities feasibility studies. He has also taught in the Graduate School of Fine Arts, although he is not currently doing so.

**Action**

2. A Resolution on Appointment of Raymond Perelman to the Penn Medicine Board was approved as follows:

Section 7.4 of the Statutes of the University of Pennsylvania and Section 3 of the Bylaws of Penn Medicine provide for the appointment of members of the Penn Medicine Board, upon nomination by the Chairman of the University Trustees, the Chairman of the Penn Medicine Board and the President of the University, acting jointly. The members shall be persons who, by their experience and expertise can further the mission of Penn Medicine. Pursuant to Section 3.3 of the Bylaws of Penn Medicine each of the initial members of the Board (other than *ex officio* members), may be appointed for one (1), two (2), or (3) year terms to provide for staggered terms and shall serve until his or her successor is elected and qualified, unless he or she sooner dies, resigns, is removed or becomes disqualified.

**ACCORDINGLY, IT IS HEREBY**

**RESOLVED,** that Raymond Perelman be appointed to the Penn Medicine Board, effective as of March 21, 2002, to serve in accordance with the Bylaws of Penn Medicine.

**FURTHER RESOLVED,** that the Chairman of the University Trustees, the Chairman of the Penn Medicine Board and the President of the University, acting jointly, shall establish the initial length of the term (one (1), two (2), or three (3) years) for Mr. Perelman.

There being no further business before the board, Mr. Riepe adjourned the meeting at 3:40 p.m.

Submitted by,

Leslie Laird Kruhly
Secretary of the University