Minutes of the Meeting of the Executive Committee of the Trustees of the University of Pennsylvania
September 23, 2004

A Meeting of the Executive Committee of the Trustees of the University of Pennsylvania was convened on Thursday, September 23, 2004, at 1:30 pm in Bodek Lounge in Houston Hall.

Trustees present were Madlyn Abramson, Chris Browne, John Clark, David Cohen, Amy Gutmann, Paul Kelly, James Kim, William Mack, James Riepe (Chair), David Silfen, Michael Tarnopol, George Weiss, and Paul Williams. Administrators present were Craig Carnaroli, Peter Conn, Leslie Kruhly, Marguerite Miller, Joann Mitchell, Ralph Muller, Molly Roth, Arthur Rubenstein, and Wendy White.

The complete texts of all resolutions passed in the course of the meeting are appended to this document and are to be considered part of the official record of this meeting.

Chair’s Report

Mr. Riepe called the meeting to order and welcomed everyone to campus. The minutes of the May 13, 2004, meeting were approved as distributed.

The following resolutions were presented and approved (full resolution text is appended).

• Resolution to Apply for a Special Permit and to Segregate Annuity Reserve Funds in the State of New York (page 1)

• Resolution to Authorize the Change in Use of the Philip Fine Fulmer, Jr., Scholarship Fund of the Department of Ophthalmology of the Scheie Eye Institute (page 2)

President’s Report

Dr. Amy Gutmann began her first report as President of the University by stating how pleased she was with the leadership team that was in place to support her goals for the University. She reported that she had appointed Craig Carnaroli to serve as Executive Vice President. She also reported that the searches for Provost, Vice President of Development and Alumni Relations, and Dean of Arts and Sciences were all proceeding at a good pace. She noted that Arthur Rubenstein was chairing the Provost search committee and would be assisted by the search firm of Isaacson Miller.

Dr. Gutmann reported that the Riverview Center for Advanced Medicine had received an appropriation from the Commonwealth for $10 million and that the prospects were good that another $10 million would be awarded. She also commented that the Professional Development Center of the Graduate School of Education had received a $2 million appropriation from the Commonwealth.
Dr. Gutmann noted that *US News & World Report* had ranked the University fourth in its most recent survey.

Dr. Gutmann also noted that she had increased the graduate student stipend by 11% and felt that it was an important step to enhancing support for graduate education.

Dr. Gutmann ended her report by expressing her appreciation for the warm welcome she had received from the Penn community. She also stated how much she was enjoying working with other constituencies in West Philadelphia and the city as a whole, to continue to expand on Penn’s role as an active and good neighbor.

The following resolutions were presented and approved (full resolution text is appended).

- Resolution to Appoint Craig R. Carnaroli as Executive Vice President (page 3)
- Resolution to Appoint Joann Mitchell, Esq., as Vice President and Chief of Staff (page 4)

*Academic Report*

Interim Provost Dr. Peter Conn reported that the School of Social Work had received an endowment from Evelyn and Robert Ortner to establish the new Evelyn Ortner Unity Program for Family Violence. He noted that the program would serve as a vital resource for lawmakers, caseworkers and educators working on the issue of domestic violence. He stated that the School of Social Work had appointed two new faculty members, Dr. Laura McCluskey from Harvard University and Dr. Joan Davitt from Columbia University.

Dr. Conn also reported that Wharton School Publishing had printed its first book, *The Fortunate: The Bottom of the Pyramid, Eradicating Poverty Through Profits*.

Dr. Conn stated that the Jerry and Emily Spiegel Family Foundation had given the University one million dollars to create a new fund that would support contemporary culture and the visual arts. He noted that this money helped further Penn’s goals of making the University’s artistic and cultural venues and activities more accessible to students.

The following resolution was presented and approved (full resolution text is appended).

- Resolution on Faculty Appointments, Leaves and Promotions (page 5)

*Financial Report*

Executive Vice President Mr. Craig Carnaroli referenced the financial report as submitted to the Budget & Finance and Audit & Compliance Committees as his report.
**Penn Medicine Report**

Dr. Arthur Rubenstein reported on the Biomedical Graduate Studies Program. He commented that it offered a PhD in the sciences and was a cross-disciplinary program involving many schools of the University. He noted a significant increase in the number of students admitted to the program over the last few years. He credited much of the program’s success to the leadership of Dr. Susan Ross.

Dr. Rubenstein also reported on the School of Medicine’s incoming class. He noted that the matriculation rate had risen from 33% in 2002 to 48% in 2004. He stated that the incoming class represented 88 different colleges and universities and that again women made up more than half of the class. He also stated that ten percent were underrepresented minorities. He concluded his report by noting that twelve percent of the students are international. He noted that there had been a particular decline in applications from students in China and India.

**Committee Reports**

**Investment Board**

Mr. Carnaroli presented the Investment Board report on the behalf of Chair Howard Marks. He reported that the endowment had a return for the year of 16.8%, two and one-half percentage points above the benchmarks. He noted that the three-year return was three and one-half percentage points over the benchmarks. He stated that, as of June 30, the endowment had crossed the four billion dollar threshold.

**Budget and Finance**

Mr. John Clark reported that the committee had reviewed the FY04 performance, actual versus budget. He noted that the committee approved the financials.

The following resolutions were presented and approved (full resolution text is appended).

- Resolution to Authorize the Revised Scope and Budget for the Design and Construction of Bennett Hall Renovations – Phases 1 and 2 in the Amount of $4.5 Million (for a Total Revised Budget of $20.9 Million) (page 51)

- Resolution to Authorize the Merger of the University of Pennsylvania Balanced Pooled Life Income Fund into the University of Pennsylvania Pooled Life Income Fund (page 52)

The meeting was adjourned at 2:05 pm.

Respectfully submitted,
Leslie Kruhly
Secretary of the University