A Stated Meeting of the Trustees of the University of Pennsylvania was convened on Friday, November 4, 2005, at 11:30 am in the Woodlands Ballroom at the Inn at Penn.


Administrators and guests present were: Bob Alig, Janice Bellace, Glenn Bryan, Craig Carnaroli, Alice Chou, Ron Daniels, Carol De Fries, Lori Doyle, Noah Drezner, Jim Gardner, Bonnie Gibson, William Gipson, Eduardo Glandt, Phil Gommels, Mara Gordon, Joanne Hanna, Joan Hendricks, Jack Heuer, John Horn, Lela Jacobsohn, Judith Kurnick, Sam Lundquist, Van McMurtry, Afaf Meleis, Joann Mitchell, Medha Narvekar, Molly Roth, Arthur Rubenstein, Maureen Rush, Duncan Van Dusen, Wendy White, Marie Witt, and John Zeller.

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.

Mr. James Riepe called the meeting to order. He acknowledged the former trustees who had returned to campus for the fourth annual former trustee reunion. He commented on the successful dinner held the previous evening to celebrate the renaming of Hamilton College House to Rodin College House, in honor of Dr. Judith Rodin’s many contributions to the University.

The minutes of the June 17, 2005 meeting were approved as distributed.

**Chair’s Report**

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

Resolution of Appreciation for Laurence E. Hirsch, Esq. (Page 1)

Resolution of Appreciation for John C. Hover II (Page 2)

Resolution of Appreciation for Warren Lieberfarb (Page 3)

Click here for full texts of resolutions
President’s Report

Dr. Gutmann reaffirmed the University’s resolve to keep students, faculty, and staff safe on campus and in the surrounding neighborhood and she remarked on the excellent work of Penn's Division of Public Safety officers. She stated that the University would restore a sense of safety and security to the Penn community.

Dr. Gutmann then highlighted the President and Provost’s response to the Minority Equity Report, outlining the measures the University would take to foster a more welcoming culture for minority faculty. She underscored in detail the importance of several initiatives established to move Penn forward as the premier American university for the 21st century, including the following:

* completing a new master plan for campus
* developing a plan for global engagement
* recruiting and retaining first-rate faculty
* securing increased funding for financial aid, and
* planning a fundraising campaign that focuses on Penn’s highest priorities.

Regarding financial aid, Dr. Gutmann stated that in addition to raising a record 140 new scholarships last year, the University had been able to ease the burden on middle and low-income undergraduate students and had also enhanced graduate and professional student aid packages. Dr. Gutmann stated that the University would make financial aid one of the top priorities in the upcoming fundraising campaign.

Dr. Gutmann indicated that planning for a five-year campaign has begun. She reported that during the last fiscal year total, cash receipts had totaled $394.2 million. This is the second highest figure in Penn history, exceeded only in 2002, which included a $100-million gift from the Annenberg Foundation. This total amount brings Penn into third place among the “Ivy-plus” group for fundraising.

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

Resolution to Appoint Joan Hendricks, VMD, Ph.D, as the Dean of the School of Veterinary Medicine (Page 6)

Resolution to Reappoint Eduardo D. Glandt, Ph.D, as Dean of the School of Engineering and Applied Science (Page 7)
Academic Report

Provost Daniels summarized recent administrative actions designed to streamline and rationalize Penn’s support for translational research within the University. With the resignation of Vice Provost Les Hudson, Vice Provost for Research Perry Molinoff will now be responsible for technology transfer activities. Mr. Daniels further indicated that Dr. John Zawad had been appointed Director of the Center for Technology Transfer.

The Provost also reported that former Associate Provost Janice Bellace had been appointed Deputy Provost. Mr. Daniels stated that Dr. Bellace would develop and implement a series of reforms to a number of academic personnel policies, including those with regard to recruiting, retaining, and supporting outstanding faculty.

Mr. Daniels called the Board’s attention to a national symposium in Washington, DC on December 1, 2005 that would focus on risk and disasters. He noted that Penn faculty from a number of different schools would meet with senior policymakers to discuss the ramifications of Hurricane Katrina. He stated that such symposia are a good mechanism for the University community to help shape public policy about important issues. He noted that the University of Pennsylvania Press would publish a book in January, to be distributed to every member of Congress, regarding the proceedings of the symposium.

Provost Daniels then reported on developments at the Museum of Archaeology and Anthropology, including a new conference program and two upcoming exhibits. He also reported that David Chipperfield Associates from London had been selected to design a master plan to assess the Museum’s public, storage, educational, and research space.

The Provost also reported that the School of Nursing had completed the first of three phases of renovation of the Nursing Building. In addition, he noted that the School had developed a faculty mentorship program, implemented an honors program, and is working with Thomas Jefferson University in developing bridges to the doctoral program.

Finally, Mr. Daniels announced that six faculty members had been elected to the Institute of Medicine: Marjorie Jeffcoat (Dean of the School of Dental Medicine), Larry Kaiser (Surgery), Virginia Man-Yee Lee (Pathology and Laboratory Medicine), Mary Naylor (Gerontology), Virginia Stallings (Pediatrics), and Stanley Plotkin (Professor Emeritus, Pediatrics). Mr. Daniels noted that the University community should be extremely proud of the election of so many Penn faculty in one year.

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

Resolution on Faculty Appointments, Leaves and Promotions June 15, 2005, and September 16-October 7, 2005 (page 8)
Financial Report

With regard to the University’s audited financial results for fiscal year 2005, Mr. Carnaroli reported that the University had experienced a very positive year due to contribution activity, particularly gifts to the endowment. He also noted the overwhelming positive response received from trustees, alumni and friends to the Penn Compact outlined by Dr. Gutmann. He went on to report that the Health System also experienced a very successful year, largely due to growth in patient activity and the success of its strategic plan. He reported that during the first quarter, this positive trend had continued and that research activity continued to grow, despite the tighter funding climate.

Penn Medicine Report

Dr. Rubenstein reported that the Penn Medicine continues to be guided by its strategic plan and that is is making significant progress with each goal, particularly in creating the outstanding clinical programs that are essential to its success.

Dr. Rubenstein commented on the Center for Advanced Medicine groundbreaking, which was held on October 20, 2005. He noted that the Center was scheduled to open in the fall of 2008 and it is anticipated to transform medical care in Philadelphia and the surrounding areas.

Dr. Rubenstein then drew the Board’s attention to a number of efforts in which Penn Medicine is engaged internationally. At this time, students have opportunities to observe how medicine is practiced in many countries, including Botswana, Gambia, and Nicaragua.

In conclusion, he expressed his pride in the Penn faculty appointed to the Institute of Medicine.

Dr. Gutmann concluded her report by acknowledging Mr. Riepe on his successful twenty-four year career at T. Rowe Price (Mr. Riepe retired from T. Rowe Price effective December 31, 2005). The Board joined the President in congratulating Mr. Riepe on his distinguished career as an eminent leader of the mutual-fund industry.

Committee Reports

Academic Policy

In Chair Deborah Marrow’s absence, Ms. Doty reported that student levels of satisfaction with the advising process at Penn vary greatly and that advising procedures differ at each school. She noted that the committee had heard a presentation by Dr. Tony Rostain, Associate Professor of Psychiatry and Pediatrics, on the characteristics of the current generation of students at Penn. In a discussion with the four undergraduate deans and the Provost, the committee had discussed the University’s goals for the advising system, the
changing needs of students, the balance between faculty and professional advisors, and University resources and priorities. The committee had learned about new initiatives including Webcasts and the pilot academic blog in the College. Suggestions for future improvement included surveying students regarding advising, utilizing graduate students as peer-plus advisors, learning more about such practices at other universities, utilizing alumni networks, and developing more interactive online information and advising resources.

Audit and Compliance

Mr. Paul Kelly reported that the Audit and Compliance Committee had reviewed the first quarter financial statements for both the Health System and for the University, as well as the audited financial statements for the past fiscal year ending June 30, 2005. Mr. Kelly recognized the Office of Audit, Compliance, and Privacy’s many contributions and support, and the many past contributions of Mr. O’Malley.

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

Resolution to Approve the Audited Financial Statements for Fiscal Year 2005 (page 39)

Budget and Finance

Mr. L. John Clark reported that the committee had reviewed the consolidated audited financial results of the University and Penn Medicine for the fiscal year ended June 30, 2005 and for the three months ended September 30, 2005, and approved the results.

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 the Fisher-Bennett Hall Renovations for an Additional $2.8 Million (for a Total Revised Budget of $23.7 Million (Page 40)

Resolution to Authorize the Installation of Sprinkler and Fire Alarms Systems in Sansom Place East in the Amount of $5.55 Million (Page 41)

Resolution to Authorize Design and Construction of the Law School Tanenbaum Hall Seminar and Office Renovations in the Amount of $4.0 Million (Page 42)

Resolution to Authorize a Lease for the School of Medicine Department of Psychology at the Abramson Research Building, 11th Floor, for the Net Present Value of $1.5 Million (Page 43)

Development Committee

Mr. Silfen reported that fundraising results for fiscal year 2005 had significantly exceeded projections. It was the second-best year in the history of Penn, with $443
million in new gifts and pledges, and $394 million in receipts. He also noted that in the first quarter of fiscal year 2006, the beginning of the planning phase for the comprehensive capital campaign, the University continued to be on track, with cumulative gifts and pledges to date at $67 million and cash receipts exceeding $68 million. Mr. Silfen stated that due to the demands of planning for the upcoming campaign, the committee had had two additional teleconference meetings since its June 2005 meeting, to discuss and approve policies concerning gift pricing standards and the proposed volunteer structure for the campaign. He reported that the committee had had a discussion of the positioning statement for the campaign with consultant Jan Krukowski. Mr. Silfen said that this positioning statement would be the basis for a number of discussions with potential donors to the campaign, as well as serve as a precursor to a more fully developed case statement to be finalized by the end of the year.

*External Affairs*

In Chair Andrea Mitchell’s absence, Mr. Hassenfeld reported that Daniel DeRosa, one of the committee’s undergraduate student liaisons, had updated the committee on Penn’s successful Model U.N. Competition, which attracted 1,100 students from all over the country. He stated that the committee had reviewed Athletics branding, noting that the new logos had been finalized and that the initial indication is good. Apparel sales are up about 11 percent year-to-date. Mr. Hassenfeld reported that the committee had asked to review the licensing and branding of the Penn logo at one of its next meetings. He noted that Assistant Provost for International Affairs JoAnn McCarthy had provided the committee an overview of Penn’s role in the global higher education marketplace and on the work of the Task Force on Global Engagement. The committee also heard reports from Lori Doyle on media updates and from Maureen Rush on the University’s methods of dealing with the recent incidents of crime.

*Facilities and Campus Planning*

Mr. Mack reported that the committee had received a full presentation on the proposed design of the Annenberg Public Policy Building by architect Fumihiko Maki. The building is made possible by contributions from Mrs. Leonore Annenberg and the Annenberg Foundation Trust. As planned, the four story building will feature a double skin glass curtain wall with sliding wood panels. The building’s main public gathering space, the agora, will facilitate integration among the Policy Center researchers, international guest speakers and the broader campus community. The Policy Center is scheduled to open in mid-2008 on the former site of Penn Hillel.

*Neighborhood Initiatives*

Mr. Casellas reported that the committee had received an update on year-end economic inclusion numbers on construction contracts, associated labor, and procurement efforts. He stated that the committee was advised that the Economic Inclusion Advisory Committee had formed an Unemployment and Workforce Development Subcommittee to
focus on strengthening Penn’s performance in this area. Mr. Casellas noted that the committee recommends that economic inclusion efforts be institutionalized across the University. The committee also learned about a newly-developing apprenticeship program to bring greater numbers of West Philadelphia minority and women residents into skilled and unskilled trade unions. Mr. Blaik provided the committee with updates on two projects underway, at 3400 Chestnut and 3900 Walnut, to provide additional student housing close to campus. Mr. Blaik also updated the committee on the progress of the Campus Development Planning efforts.

Finally, Mr. Casellas reported that Dean of the Graduate School of Education Susan Fuhrman and Associate Dean Nancy Streim had updated the committee on efforts to create a new international studies high school. He noted that plans for the high school included giving priority for admission to West Philadelphia students, with an additional priority being given to students from Penn-affiliated schools, i.e. Penn-Alexander, Lea, Wilson and Bryant.

Student Life

Mr. Riepe and newly-elected committee chair Alan Hassenfeld thanked Mrs. Susan Catherwood for her many years of service as chair of the committee. Mr. Hassenfeld reported that Provost Daniels had shared with the committee his vision of the “life experiences” of students at Penn. Mr. Hassenfeld also reported that at a dinner prior to the trustee meetings, and then during the committee meeting as well, the committee had been advised of five issues of key importance to the Undergraduate Assembly: the College House System, building a supportive community, enriching the academic experience, enhancing students’ relationships with the West Philadelphia Community and increasing space for undergraduate activities. Additionally, a representative of GAPSA had briefly highlighted its priority areas. Mr. Hassenfeld noted that graduate and professional students had been invited to meet with Trustee Student Life Committee members for a dinner meeting prior to the February 2006 Trustee meetings.

Investment Board

Mr. Marks reported that performance for the first quarter of the fiscal year was excellent, with the AIF returning 4.5 percent. He noted that big contributions came from international equities, emerging markets and one small new investment in natural resources.

Penn Alumni Report

Mr. Williams reported that the Penn Alumni Council of Representatives would vote the next day on the candidacy of two Alumni Trustee positions to begin in January 2006: Susan Danilow for the NY Metro area, and Julie Platt for the western region. He also acknowledged the commitment of two retiring alumni trustees: Larry Hirsch and Warren Lieberfarb. Mr. Williams indicated that the Penn Alumni Board and Council would be discussing a number of key issues at its meeting, including Campus Development.
Planning; the capital campaign; and the role, strategies, concepts, and service that might be provided to the University by alumni trustees and senior volunteers. Mr. Williams noted that the James Brister Society had held its second faculty of color reception on October 21st with a record turnout. Finally, he stated that the alumni gala would be held that evening at the World Cafe Live to celebrate the winners of the Alumni Award of Merit.

Nominating Committee

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

Resolution to Elect Scott L. Bok, Esq., as a Term Trustee (page 44)

Resolution to Re-elect David L. Cohen, Esq., as a Term Trustee (page 45)

Resolution to Elect L. John Clark as a Charter Trustee (page 46)

Appointments to Overseer and Other Boards

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

Resolution to Appoint Mark B. Davis, Esq., and Pamela S. Johnson, Esq., to the Board of Overseers of the Law School (page 47)

Resolution to Appoint Richard D. Feintuch to the Board of Overseers of the Annenberg Center for the Performing Arts (page 48)

Resolution to Appoint Nancy Horwich Rothstein to the Board of Overseers of the Graduate School of Education (page 49)

Resolution to Appoint Carrie Cox and Susan B. Danilow to the Board of Overseers of the University of Pennsylvania Museum of Archaeology and Anthropology (page 50)

Resolution to Appoint Ellen Moelis, to Reappoint Alberto Vitale, and to name Lawrence S. Schoenberg as Chair Emeritus of the Board of Overseers of the University Libraries (page 51)

Resolution to Appoint Jay Goldman, Cindy S. Moelis, and Mark Ostroff to the Board of Overseers of the School of Social Policy and Practice (page 52)

Resolution to Appoint David Pottruck to the Board of Overseers of the Wharton School (page 53)

Resolution to Appoint Pedro W. Lichtinger to the Board of Overseers of the School of Veterinary Medicine (page 54)
Resolution to Appoint John S. Middleton to the Board of Trustees of Penn Medicine (page 55)

Resolution to Appoint Annette Fierro to the Board of PennPraxis (page 56)

Chair Riepe ended the meeting by thanking everyone for attending.

Respectfully submitted,

[Signature]

Leslie Kruhly
Secretary of the University