University of Pennsylvania Board of Trustees
Stated Meeting

Meeting of October 19, 2007

MINUTES

A Stated Meeting of the Trustees of the University of Pennsylvania was convened on Friday, October 19, 2007, at 11:43 a.m. in the Woodlands Ballroom in the Inn at Penn.


Administrators and guests present were: Marlene Arnold, David Auten, Robin Beck, Judy Berkowitz, Judy Bollinger, Mary Lee Brown, David Brush, Craig Carnaroli, Richard Censits, Ronald Daniels, Lori Doyle, Bonnie Gibson, Kristin Gilbertson, Mary Ann Greenawalt, Samuel Greenawalt, Jack Heuer, John Hover, Charles Howard, Edward Kane, Eric Kaplan, Gene Kohn, Leslie Laird Kruhly, Dawn Maglicco Deitch, Margy Meyerson, Marguerite Miller, Medha Narvekar, Lawrence Nussdorf, Anne Papageorge, Susan Phillips, John Porter, David Pottruck, John Prendergast, Thomas Robertson, Gregory Rost, Arthur Rubenstein, Maureen Rush, Sara Senior, David Soo, David Sweet, Hoopes Wampler 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.

Chairman Riepe called the meeting to order at 11:43 a.m.

Chair’s Report

Chairman Riepe welcomed everyone to the fall full board meeting of the Trustees. He acknowledged the approximately two dozen former Trustees on campus for the annual reunion. Mr. Riepe advised that the new academic year features outstanding new leadership at Wharton and at the Graduate School of Education as well as at the Museum. He also lauded the previous night’s Annenberg lecture, which featured former Secretary of State George Shultz.
Mr. Riepe stated that the University is in excellent condition and Penn’s finances are particularly strong. He thanked the Investment Board and the Investment Office for their efforts. He noted that for FY2007, Penn’s endowment registered its best performance in a decade on an absolute basis. With a total market value of $6.5 billion, the endowment has grown by almost two-thirds in the last three years.

Mr. Riepe recognized the loss of longtime Law School Overseer Howard Gittis. He noted that Mr. Gittis’ philanthropy included the establishment of the Law School’s Gittis Center for Clinical Legal Studies as well as Gittis Hall. Mr. Gittis’ dedication to the community included many activities in Philadelphia, such as serving as Chair of the Temple University Board of Trustees. Mr. Riepe also noted Mr. Gittis’ longtime association with Penn Trustee Ronald Perelman. On behalf of the Penn community, Mr. Riepe extended heartfelt condolences to the Gittis family and asked for a moment of silence in memory of Mr. Gittis.

Mr. Riepe noted that in addition to the homecoming festivities, the following night promised to be an extraordinary University-wide campaign celebration.

Mr. Riepe signaled the official invocation by Associate University Chaplain Reverend Charles Howard.

The minutes of the June 15, 2007 meeting were approved as distributed.

Mr. Riepe noted that two weeks ago the University community gathered to celebrate the life of Penn President Emeritus Martin Meyerson. Among the speakers was Trustee Paul Miller, who served as chair during much of Mr. Meyerson’s presidency. Mr. Meyerson’s friends and family also spoke eloquently of Mr. Meyerson and his many contributions to Penn.

- Memorial Resolution for Martin Meyerson (p. 1).

Margy Meyerson thanked the Trustees for the memorial resolution, President Gutmann for her eloquent speech, and Secretary Kruhly and her staff for the well-executed memorial service for Mr. Meyerson. She presented to the University a gift of a bronze goblet that had formerly been part of a statue by Alexander Sterling Calder in the Quad. Mrs. Meyerson noted that the goblet had been stolen at some time during the last century. Peggy Calder Hayes, the daughter of the sculptor and a friend of the Meyersons, found the mold for the goblet and had it recast. The Meyersons kept the recast goblet on their mantel for 30 years. Mrs. Meyerson thought it was time for it to “come home” to the University.

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

- Resolution of Appreciation for Henry R. Silverman (p. 3).
- Resolution of Appreciation for David W. Sweet (p. 4).
• Resolution of Appreciation for Jon M. Huntsman and Designation as Emeritus Trustee (p. 5).

• Resolution to Elect William L. Mack as Charter Trustee (p. 7).

• Resolution to Elect Lee Spelman Doty as Term Trustee (p. 8).

• Resolution to Elect Deborah Marrow as Term Trustee (p. 9).

• Resolution to Elect Pamela Daley as Term Trustee (p. 10).

• Resolution to Elect Perry Golkin as Term Trustee (p. 11).

Mr. Silverman, Mr. Sweet and Mr. Huntsman each spoke about their relationship with Penn and what their involvement with Penn as trustees had meant to them.

Mr. Riepe announced that Dr. Gutmann and the University had agreed to extend her role as President of Penn through 2014. He stated that Dr. Gutmann provides the necessary vision, energy and commitment that will make Penn a model university for the 21st century; and she has assembled an academic and administrative team that will ensure fulfillment of Penn’s ambitious goals. Given Dr. Gutmann’s tremendous accomplishments during the past three years and the fact that Penn is embarking of the most important fund-raising campaign in its history, Mr. Riepe indicated that it was most appropriate to solidify Penn’s leadership beyond the five year commitment initially made by Dr. Gutmann.

**President’s Report**

President Gutmann responded that the support she has from the Trustees, overseers and the alumni has been essential to Penn’s incredible progress. She stated that Penn is very well positioned to show what a great university can do in terms of teaching, research and public service. She also recognized and thanked her terrific team of senior leaders and deans.

Dr. Gutmann reported on academic leadership, noting that the first five Penn Integrates Knowledge (PIK) appointments are having an energizing impact on teaching, research and public outreach at Penn. They and many other Penn faculty members are addressing a diverse array of issues including the AIDS epidemic in Africa, obesity in America, and racial and ethnic conflict around the world. She advised that since she took office, Penn has hired more than 500 distinguished new faculty members, including 100 this fall. This fall, Penn also welcomed Andrew Porter, the new Dean of the Graduate School of Education, and Thomas S. Robertson, the new Dean of the Wharton School.

Dr. Gutmann turned next to campus development. She advised that the University is making great progress on academic research and multi-use real estate projects while preparing to develop the newly acquired postal lands. She predicted that Penn’s award-winning master plan for the campus will ensure the University’s ascendancy during this century. Dr. Gutmann highlighted several projects. The new home for the Annenberg
Public Policy Center is currently under construction on the former site of Hillel House. Also, transformation of the surface parking lot along Walnut between 33rd and 32nd streets into the new Center for Nanotechnology will soon commence, thanks to a $20 million gift from SEAS overseer Krishna Singh. Dr. Gutmann noted that another surface parking lot at 34th and Chestnut Streets has already been replaced by the Domus apartment complex. Construction on the Radian apartment complex is proceeding rapidly along 39th and Walnut Street. The Radian is scheduled to open in September 2008. During this academic year, the University will also begin work on an athletic and recreational park east of Franklin Field. Additionally, a new bi-level athletic and fitness facility under the north side of Franklin Field Arcade is currently in the design phase. Dr. Gutmann remarked that this facility will mark the first step in transforming the sports complex into the Palestra Green. The University is also completing plans to build a new $370 million medical research tower atop the Roberts Proton Therapy Center and next to the Perelman Center for Advanced Medicine. Having acquired the postal lands property, Penn has leased the Truck Terminal Annex site on 30th Street to Brandywine Realty Trust, which will develop an office and a parking complex on the site. Dr. Gutmann explained that the complex, to be designed by the architectural firm of Pelli Clarke Pelli, will stimulate economic development while furnishing Penn with 100,000 square feet of administrative office space. Dr. Gutmann reported that the University will soon begin clearing the parking lot south of Walnut Street to make way for Penn Park, which will feature athletic and recreational space. She noted that the following evening’s gala would be held on that parking lot site.

Dr. Gutmann reported that the University endowment grew to $6.6 billion, an increase of 20.2% for the fiscal year ended June 30th. The endowment has grown more than 65% during the past three years, thanks to strong investment returns, new gifts and the reinvestment of reserves. Earlier this year, Moody’s Investor Service upgraded Penn’s long-term debt rating from Aa3 to Aa2. University-wide fundraising completed another strong year, with nearly $450 million in new commitments and cash receipts of $397 million. Annual giving broke all records at $53.4 million with support for the Penn Fund at another record high of more than $24 million. Dr. Gutmann stated that Penn’s Trustees, alumni, parents and friends have “pulled together” to generate tremendous momentum going into the public campaign kick-off. In sum, Dr. Gutmann stated that the University is primed for a successful campaign launch.

- Resolution to Appoint Thomas S. Robertson as Dean of the Wharton School. (p. 12).

**Academic Report**

Provost Ronald Daniels gave the academic report. He first announced, on behalf of himself and Arthur Rubenstein, that School of Medicine professor Brian Strom has been appointed to the newly created positions of Vice Dean for Institutional Affairs in the School of Medicine and Senior Advisor to the Provost for Global Health Initiatives. As Vice Dean of the School of Medicine, he will lead the School’s longstanding relationship with the Philadelphia Veterans Administration Medical Center. He will also play a central
role in developing the research and educational missions of the Center for Public Health Initiatives, Leonard Davis Institute of Health Economics, and the new Biomedical Informatics Initiative. As Senior Advisor to the Provost, he will work closely with Mr. Daniels and his senior leadership team to implement the University’s global health initiatives. In addition, he will help coordinate a range of public health initiatives across the University.

Mr. Daniels also noted that Dr. Harvey Friedman has been appointed Director of the Botswana-Penn Partnership. In this role he will work directly with Mr. Daniels and the deans engaged in the University’s various Botswana initiatives to deepen Penn’s relationship with the University of Botswana. Additionally, he will serve as Deputy Dean for Academic Development at the University of Botswana Medical School. Mr. Daniels stated that Dr. Friedman has been very successful in obtaining capital gifts from private foundations for a new clinic, and has been actively working to expand the program in Botswana to a number of different areas.

Mr. Daniels then reported that he recently attended the 25th anniversary party for the Lesbian Gay Bisexual Transgender (LGBT) Center at Penn. He advised that since 1982, this campus center has thrived under the stewardship of Director Bob Schoenberg and his staff. Mr. Daniels said that he was honored to join Mr. Schoenberg and his staff in celebrating 25 years of progressive change and advancement towards equal rights.

Finally, Mr. Daniels gave an update on the School of Nursing. He reported that Dean Afaf Meleis has recently received a number of honors including an honorary doctorate of medicine from Linköping University in Sweden. Dr. Linda Aiken was named one of the most powerful people in healthcare for 2007 by Modern Healthcare Magazine. Sigma Theta Tau International honored two Penn Nursing professors this year: Loretta Sweet Jemmott received the highest honor for her research and theory-based strategies to reduce HIV risk-associated sexual behaviors; and Dr. Diana Spatz received the research utilization award for her work on evidence-based lactation breast feeding care for vulnerable infants. Mr. Daniels also announced that NewCourtland Elders Services Center has granted $5 million in support of the Center for Transitions in Health (now the NewCourtland Center for Transitions in Health). The Center will serve as a research and education center on the complex needs of people with chronic illnesses such as heart failure, diabetes, and depression. Lastly, Mr. Daniels reported that eight industrious nursing students have recently launched the Journal of Student Nursing Research. This entirely student-run publication promotes awareness of nursing research and provides an opportunity for students of all majors and disciplines to publish work related to patient care.

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

- Resolution on Faculty Appointments, Leaves and Promotions (p. 13).

Click here for full texts of resolution
Executive Vice President Craig Carnaroli delivered the financial report. He noted that in the fall meeting, typically two time periods are covered: FY2007 and the two month period that has been reported for FY2008. Mr. Carnaroli reported that for the audited financial results for FY2007, the consolidated University achieved significant growth in its net asset position. Net assets from operating activity grew by 41.7% and net assets from non-operating activities increased 50%. The total change in net assets for the year was over $1.3 billion. At the end of FY2007, Penn’s consolidated net asset position totaled over $8.7 billion. This was primarily fueled by the strong endowment growth and the strong level of contribution and philanthropy going into the campaign.

Specifically regarding the academic component, Mr. Carnaroli noted that the University also saw solid growth in its net asset positions as well as good growth in operating revenue. The operating revenue growth was somewhat offset by the reduction in sponsored program activity, which is something his office continues to closely monitor.

Mr. Carnaroli stated that the Health System registered strong gains for FY2007, building on its strong momentum. Admissions were up 6.3%. Mr. Carnaroli noted that outpatient activity now comprises 40% of all activity within the Health System and continues to grow, so conditions are promising for the opening of the Perelman Center for Advanced Medicine next spring. In addition, the Health System continues to rebuild its balance sheet with its overall liquidity position improving to 190 days from 150 days in the previous fiscal period. He reported that there is also significant capital activity at the Health System with the construction of both the Center for Advanced Medicine and the Roberts Proton Therapy Center, as well as with the prudent acquisition of Graduate Hospital. All financial indicators to the Health System are tracking positive with the exception of two ratios.

Mr. Carnaroli turned next to the two month period that has been reported for this fiscal year. He noted that, over the summer, the turmoil in the financial markets had light ripple effects in Penn’s financial statements with a modest net asset decline. However, he noted that by September, the University had already rebounded. He next advised that the postal land acquisition is complete and was reflected in the University’s two month financial statements and capital activity. Finally, he noted that the Health System continues to track well to its budget and is looking forward to another strong year.

Penn Medicine Report

Executive Vice President for the Health System and Dean of the School of Medicine Dr. Arthur Rubenstein noted that Penn Medicine has grown into a $3 billion enterprise.

Dr. Rubenstein reported that the School is making significant progress towards each of the goals in its strategic plan, particularly the plans to create outstanding clinical programs. He noted that the Perelman Center for Advanced Medicine will open next year, both on budget and on time. The Roberts Proton Center will open the following year. He added that a new research building will open in the summer of 2010. He thanked Mr. Riepe,
Penn Medicine Board Chair David Cohen, the Penn Medicine Board, the Board of Trustees, Dr. Gutmann, Mr. Daniels and Mr. Carnaroli for their strong support and roles in this progress.

Dr. Rubenstein stated that the Hospital continues to be full, patients coming both from Philadelphia and from far outside the city as well. He noted that this augers well for the future because the clinical facilities’ reputation continues to grow and physicians are increasingly willing to refer patients to Penn’s facilities. He also reiterated that the Medical School’s research grants are “holding their own” in a very competitive environment.

Dr. Rubenstein reported that the Medical School has issued the first Penn Medicine Community Benefit Report. Susan Phillips presented the report to the Neighborhood Initiatives Committee yesterday. Dr. Rubenstein noted that the key statistic from the report is that in FY2007 Penn Medicine contributed more than $250 million in services to the community.

Finally, Dr. Rubenstein announced that a record four members of the School of Medicine faculty have been elected to the prestigious Institute of Medicine: Dr. David Ash, Dr. Joel Cooper, Dr. Lee Fleisher, and Dr. Katherine High.

**Academic Policy**

Academic Policy Committee Chair Dr. Deborah Marrow reported that the Committee had discussed the issue of academic integrity, both in terms of education and dispute resolution. The topic was chosen because it is an issue widely discussed across all universities as well as in the media. During the discussion, Mr. Daniels had emphasized that the faculty and the administration continually examine expectations, norms and policies to ensure that the University creates a climate conducive to supporting academic integrity. Dr. Marrow stated that two sets of data provide information about academic integrity at Penn: first, the number of cases referred to the Office of Student Conduct (OSC); and second, the student course evaluations in which students are asked if they believe that any cheating or plagiarism took place in the course.

Dr. Marrow explained that the Committee heard presentations from four speakers, each addressing the issue of academic integrity from the perspective of the constituency they represent. University Honors Council Chair Caitlin Devlin discussed the Council, an undergraduate organization dedicated to increasing awareness and providing programming about issues of academic integrity. Associate Provost for Education Andrew Binns discussed important measures that have been developed in communicating appropriate norms and guidelines for graduate students, such as a handbook. Dennis DeTurck, Dean of the College of Arts and Sciences, discussed the ways in which faculty have worked to develop a pedagogical approach that minimizes student interest or ability to engage in cheating or plagiarism. Susan Herron, Director of the Office of Student Conduct (OSC), discussed OSC’s approach to determining whether violations have occurred and how to
respond to them. All violations of academic integrity are treated first as “teachable
moments” in which the University can impart a valuable lesson on what to do in the future.

Common themes among the presentations included the increased use of collaborative
approaches to learning, which can sometimes lead to confusion about expectations; and the
differences in learning styles and diverse backgrounds which students bring to Penn during
their freshman year. Both conditions reinforce the need for Penn faculty, administration
and students to communicate clearly the norms for academic integrity through education
and through increasing the use of those resources available to all students. Finally, the
Committee discussed technology. As Mr. Daniels had summarized, “while the Internet
may offer a greater temptation and opportunity for plagiarism, it also offers greater
detection mechanisms.” In the end, Dr. Marrow concluded that Penn is not complacent
regarding this issue and is continually looking for ways to improve communication and
understanding regarding academic integrity.

- Resolution to Revise the Policy for the Temporary Suspension or Exclusion of a
  Faculty Member (p. 47).

- Resolution to Revise the Procedure Governing Sanctions Taken Against Members
  of the Faculty (p. 48).

External Affairs

External Affairs Committee Chair Andrea Mitchell gave the report. She stated that Vice
President for Communications Lori Doyle had reported to the Committee that the
Admissions Office and the Office of Student Financial Services are working closely with
University Communications to increase the pool of qualified students from low- and lower
middle-income families applying to Penn. Ms. Doyle explained that through this plan and
other efforts, they are working to establish Penn as the Ivy League university most
welcoming to students from diverse backgrounds. Ms. Mitchell noted that the University
is also developing a video and brochure to be used by the President and the Admissions
Office to encourage the best and the brightest students from low- and lower middle-
income families to apply. Six current Penn students will be featured in the video.

Director of Web and Publication Services Deni Kasrel showed the Committee dramatic
enhancements to the Penn homepage. She also highlighted the new informative Penn
Digest feature.

Ms. Mitchell reported that the Committee heard from Van McMurtry, William Andresen,
and Paul Cribbons about Penn’s federal and state challenges in both Washington and
Harrisburg.

Audit and Compliance

Audit and Compliance Chair Jay Fishman gave the report. He noted that the Committee
received a report from the Penn Medicine Audit and Compliance Committee on its June 7,
2007 meeting. Associate Vice President of Audit, Compliance and Privacy Mary Lee Brown updated the Committee regarding FY2008 reported activities on open audit issues. Mr. Fishman noted that the work in that department is going smoothly and is systematic and thorough. The Committee reviewed and approved the financial statements for FY2007 for both the University and the Health System, and received reports from PricewaterhouseCoopers on those financial statements. Mr. Fishman also reported that PricewaterhouseCoopers will issue unqualified opinions with respect to both of those financial statements. The Committee received a report from PricewaterhouseCoopers affirming its independence with respect to the University. The Committee also reviewed the 2007 management letters for the University and the Health System and the progress on the 2006 letter for the Health System. Mr. Fishman reported that serious attention and focus had been given to the issues raised in those management letters. Mr. Fishman noted that the Committee also met in executive session.

- Resolution to Approve the Audited Financial Statements for Fiscal Year 2007 (p. 50).

**Budget & Finance**

Budget & Finance Committee Chair L. John Clark delivered the report. The Committee reviewed the consolidated audited financial results of the total University and the academic and Penn Medicine components for FY2007. Mr. Clark reported that Committee members also reviewed the unaudited financial results for the three components for the two months ended 31 August 2007, and the results were excellent. Mr. Clark noted that the Committee then received excellent presentations on the financial capacity of the University, an update on the student loan program, and a detailed report from the Debt Subcommittee on future financing as Penn enters the capital campaign.

- Resolution to Authorize the Financing of Certain Capital Projects for the University of Pennsylvania Health System and the Refinancing or Cash Defeasance of Certain University of Pennsylvania Health System Indebtedness (p. 51).

- Resolution to Authorize the Design and Construction of the High Rise College House Renovation Phase III in the Amount of $38.5 million (p. 55).

- Resolution to Authorize the Renovation of the Center for Human Modeling and Simulation in the Amount of $2.2 Million (p. 56).

- Resolution to Authorize a Feasibility Study for the New Nanoscale Research Facility in the Amount of $2.0 Million (p. 57).

- Resolution to Authorize the Design and Construction of the Wharton Vance Hall Basement Phase IV Renovations in the Amount of $1.2 Million (p. 58).
Development

Development Committee Chair David Silfen gave the report. The Committee received an update on campaign activities to date and discussed ongoing campaign plans. He reported that FY2007 fundraising built strong momentum for Penn’s campaign. He noted that the campaign kickoff will be announced officially tomorrow evening at two separate celebrations: one on College Green and the second on the recently acquired former postal lands. Mr. Silfen acknowledged the tremendous efforts of President Gutmann and her staff and John Zeller and his staff to ensure the success of these events.

- Resolution on Penn’s Comprehensive Campaign (p. 59).

Facilities & Campus Planning

Facilities and Planning Committee Chair Bill Mack gave the report. The Committee first discussed the new research building for the School of Medicine. Dr. Rubenstein and Dr. Glen Gaulton highlighted the opportunity for translational medicine inherent in the school’s new research building location adjacent to the Perelman Center for Advanced Medicine. Architect Raphael Vinoly presented the schematic design for the $366.6 million, 532,000 square foot research and clinical building that will rise above the Roberts Proton Therapy Center and the Perelman Center for Advanced Medicine. Mr. Mack noted that the lower five floors of the building will extend adjacent clinical space with two vivarium floors, five state of the art research lab floors and a mechanical space above. The new tower will open in the fall of 2010. It was noted that an integrated parking and traffic study will be initiated during the design and construction phase.

Vice President for Facilities Anne Papageorge highlighted three major projects: the $34.5 million interior renovations to the high rises, the site demolition and utility phase for the $34 million Annenberg Public Policy Center, and the ongoing $15 million renovation of the School of Nursing’s Fagin Hall. Facilities renewal projects included continued restoration of the historic Quad fence, accessibility and site work to the Civic House, annual classroom renovations and various exterior and façade renovations.

In real estate developments, Mr. Mack noted that rentals at the Domus residential apartments are greater than expected. The Radian residential project is progressing rapidly and will be available for student rentals by September 2008. He reported that sustainability efforts continue with the upcoming new green roof installation at English House, LEED certification being sought on four projects, and a new campus Advisory Committee being established.

Neighborhood Initiatives

Neighborhood Initiatives Committee Chair Susan Taylor gave the report. She stated that the Committee received updates on programs that reflect Penn’s commitment to local engagement and its mission of research and education. Dean Meleis reported on the School of Nursing’s Living Independently For Elders (LIFE) program, which enables clients to
continue living independently in their own homes in West Philadelphia. The program continues to grow and serves as a teaching and research laboratory for Penn faculty and students as well as for students in other schools in the region.

Senior Vice President of the Health System Susan Phillips provided highlights from a recent Penn Medicine report entitled “Simply Because.” Dr. Taylor explained that the report outlines the wide array of services provided by Penn faculty, staff and students to residents in the community.

Egbert Perry provided an update on the mission and research being undertaken by the Penn Institute for Urban Research, and provided an overview of the recent conference “Urban Anchors in the 21st Century”. Mr. Perry highlighted the significant impact of anchor institutions such as Penn and their impact on their communities. Dr. Taylor noted that the dialogue that began at the conference will continue at an Urban Anchors roundtable, which is being made possible through a generous gift from former Trustee Lawrence Nussdorf.

Ira Harkavay described the outstanding work the Netter Center for Community Partnerships is doing. He outlined the new opportunities and activities that will be institutionalized as a result of the transformative $10 million gift from Barbara and Edward Netter.

Finally, Dr. Taylor stated that the Committee recognized its former chair Gilbert Casellas. In appreciation for his outstanding leadership of the Committee from its inception in 1997, the Committee presented him with several framed photographs of the Penn Alexander School.

**Student Life**

Student Life Chair Alan Hassenfeld delivered the report. Interim Dean of Admissions Eric Kaplan was introduced to the Committee and guaranteed the Committee an “exceptional year” for admissions. Mr. Hassenfeld expressed his admiration for and confidence in Mr. Kaplan’s abilities.

The Committee discussed the issue of violence on college campuses. Vice President for Public Safety Maureen Rush gave a presentation on Penn’s new emergency notification system, UPennAlert, and gave the Committee a demonstration. The Committee felt confident in the preparedness of the University.

Provost Daniels presented on several initiatives in Penn Study Abroad.

Finally Dr. Ilene Rosenstein, Director of Penn’s Counseling and Psychological Services (CAPS), presented on the complexities of nurturing the mental health of Penn’s students. Mr. Hassenfeld noted that, particularly given the heightened demand and contemporary privacy laws, the presentation left the Committee with a sense of Penn’s sensitivity and professionalism in dealing with these matters.
Investment Board

Mr. Marks reiterated that Penn had a very good FY2007, with investment returns up just over 20%. The University had an above average absolute return. He stated that this evidences the success of the Board’s strategy and process. Strategically, the Board has revolutionized the portfolio from ten years ago, primarily through the additions of new asset classes and allocations. In addition, the Board has implemented a process through which the Office of Investments can make small, more adroit moves when called for. He lauded the progress of the Office of Investments in managing the portfolio under Kristin Gilbertson’s able leadership.

Mr. Marks noted that FY2008 got off to a “rough start” over the summer with the reduction in confidence and liquidity in the market. The University experienced a 1.1% decline in the first two months of FY2008 through the end of August, but by the end of September, Penn was up 2.2% for the fiscal year to date. He assured the Trustees that Penn has virtually nothing in the asset areas which were responsible for the negative headlines this summer. Mr. Marks noted that the Investment Board is wary about FY2008 but believes that Penn is well positioned to balance the profit potential with prudence.

Alumni Report

Penn Alumni President Paul Williams delivered the report. He noted that the Penn Alumni Committee had met the new Assistant Vice President for Alumni Relations, Fredrick Hoopes Wampler. Mr. Williams thanked Elise Betz for serving as Interim Director for Alumni Relations. Both Mr. Williams and Mr. Zeller believe that Mr. Wampler has the necessary qualities to excel in this new capacity and to bring Alumni Relations to a new level. Mr. Williams emphasized Mr. Wampler’s experience with a complex institution, highlighting his proven abilities to advance diversity, serve alumni and advance partnerships with leadership.

Mr. Williams reported that the Penn Alumni Board and Council representatives would vote the next day on three distinguished alumni to serve as alumni Trustees for the next five year terms commencing in January. Two of the new alumni Trustees, Judith Bollinger (W’81) and David Brush (C’82) are from the UK. The third, Joel Greenblatt (W’79), is from New York. Mr. Williams noted that all three alumni have distinguished themselves for years in terms of their service to the University, advancing Alumni Affairs and their personal generosity of both time and resources. On behalf of the Trustees, he welcomed them to the Board.

Mr. Williams explained that the Alumni Leadership Forum would take place that evening. He noted that Penn will receive the notable distinction of the Case Gold Circle Award for publications for the campaign case statement book. Mr. Williams acknowledged the efforts of Jen Rizzi in Alumni Relations and Michaela Ahern in Development for their work on this publication. He thanked the staff for its exceptional preparations for Homecoming, the Gala and the Celebration on the Green.
Appointments to Penn Medicine, Overseers and Other Boards

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

- Resolution to Appoint David Cermak, Barbara Kligeran, and Jonathan Saxon to the Board of Overseers of the Annenberg Center for Performing Arts (p. 60).
- Resolution to Appoint Paul Kelly to the Athletics Board of Overseers (p. 61).
- Resolution to Reappoint Martin D. Levin as Chair of the Board of Overseers of the School of Dental Medicine (p. 62).
- Resolution to Appoint Gary Siegler to the Board of Overseers of the School of Design and to appoint Keith L. Sachs as the Board’s Chair (p. 63).
- Resolution to Appoint Mark Fife to the Board of Overseers of the Graduate School of Education and to appoint Joel M. Greenblatt as the Board’s Chair (p. 64).
- Resolution to Appoint Charles Block, Lori Reinsberg, and Bryan Verona to the Board of Overseers of the Institute of Contemporary Art (p. 65).
- Resolution to Appoint Margy Ellin Meyerson and Sandra Grymes to the Board of Overseers of the University Libraries (p. 66).
- Resolution to Reappoint Members of the Penn Medicine Board (p. 67).
- Resolution to Reappoint Ann L. Reed as Chair of the Board of Managers of the Morris Arboretum (p. 68).
- Resolution to Appoint Geraldine Paier to the Board of Overseers of the Museum of Archaeology and Anthropology (p.69).
- Resolution to Appoint Peter A. Piven to the Board of Penn Praxis (p. 70).
- Resolution to Appoint George Vergis and Dani Bolognesi to the Board of Managers of the Wistar Institute (p. 71).

The meeting adjourned at 1:15 p.m

Respectfully submitted,

Leslie Laird Kruhly
Secretary of the University