A meeting of the Executive Committee of the Trustees of the University of Pennsylvania was convened on Thursday, May 14, 2009 at 1:55 p.m. in the Bodek Lounge, Houston Hall.

Trustees present at the meeting were: James Riepe (Chair), Chris Browne, David Cohen, Amy Gutmann, Andrew Heyer, William Mack, Deborah Marrow, Andrea Mitchell, David Silfen, George Weiss and Mark Winkelman.

Administrators and guests present were: Corbett Brown, Mary Lee Brown, Craig Carnaroli, Lori Doyle, Thomas Farrell, Bonnie Gibson, John Heuer, Eric Kaplan, Leslie Laird Kruhly, Marguerite Miller, Ralph Muller, Anne Papageorge, Vincent Price, Gregory Rost, Arthur Rubenstein, David Soo, 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.

Chairman James Riepe called the meeting to order.

Chair’s Report

Mr. Riepe welcomed everyone to the May meeting of the Executive Committee. He noted many exciting upcoming events and celebrations including Alumni Weekend and Penn’s 253rd Commencement.

The minutes of the September 18, 2008 meeting were approved as distributed.

President’s Report

President Amy Gutmann commented on the accomplishments of the graduating class of 2009, which had a record senior class gift participation rate of 69.8%. Dr. Gutmann also noted the strong slate of honorary degree recipients: Commencement speaker Eric Schmidt, Chairman of the Board and CEO of Google; Yvon Chouinard, founder of Patagonia and pioneer in green business practices; George Crumb, Penn Professor Emeritus and avant-garde composer; Yvonne Mokgoro, a South African constitutional court justice; Susan Solomon, a Nobel Laureate and world-famous atmospheric chemist; and Muhammad Yunus, a microfinance Nobel Laureate.

Dr. Gutmann reported that Penn’s applicant pool for the Class of 2013 was even more accomplished and diverse than the previous year and that strong recruitment programs continue to reap dividends. She reminded the Committee that members of the Class of 2013 would be the
first in Penn’s history to benefit from the new no-loan initiative, which has been well-received by parents and students alike.

Dr. Gutmann advised that she and Interim Provost Vincent Price would be recommending the reappointment of Richard Gelles as Dean of the School of Social Policy & Practice at the June Trustees’ meetings. She thanked Dean Gelles for his visionary leadership in transforming the School’s mission, programs and identity, and looked forward to further enhancements in the School’s strength, national stature and visibility.

Academic Report

Dr. Price reported that the Annenberg School for Communication would be celebrating its 50th anniversary this coming fall and that it received a $7.5 million grant to support its Center of Excellence in Cancer Communication from the National Institutes of Health through the National Cancer Institute.

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

- Resolutions on Faculty Appointments, Leaves and Promotions (p. 1)

Financial Report

Executive Vice President Craig Carnaroli provided an overview of the impact of the economic turmoil on the University’s net asset position, which declined on a consolidated basis by $1.5 billion since June 30, 2008. The endowment for the nine months ended March 31st, 2009 was down 24.5%, which was consistent with internal benchmarks. Mr. Carnaroli noted that the University was on schedule with its efforts to reduce expenditures, including in the human resources, current expense and capital projects areas. He added that sponsored program activity for the year was up approximately 3.5%, due in large part to the faculty’s overwhelming response to the opportunities under the American Reinvestment and Recovery Act, with over 787 grants submitted totaling in excess of $424 million.

Penn Medicine Report

Executive Vice President for the Health System and Dean of the School of Medicine Dr. Arthur Rubenstein provided an update on the University’s response to the H1N1 virus epidemic. Within a very short time, the Health System, together with the University, purchased 15,000 specially-designed masks for staff and 8,000 doses of Tamiflu. The molecular lab operated seven days a week, rather than the usual five, and tested 400 individuals over a ten-day period, rather than the usual 40 patients. These tests found four positives which were identified and treated rapidly. Dr. Rubenstein stated that these efforts were made possible by the Health System working together with the University. The proactive efforts to manage the potential epidemic removed worry in the community.

Dr. Rubenstein concluded with several School of Medicine statistics. In U.S. News and World Report, the School of Medicine ranked third in a tie with Washington University, up from fourth
in 2008. In *Philadelphia* magazine, Penn doctors comprised 14 out of the 64 top area doctors under the age of 40. He also commented on the School’s successful admissions season, with 6,200 applicants, resulting in a new and impressive class of 152 students.

**Budget and Finance Committee Report**

Budget and Finance Committee Chair Mark Winkelman reported that the Committee received two updates from Mr. Carnaroli: a financial status update of the University, academic component and Health System, and an update on the University’s response to adverse changes in the economy. Dean Richard Gelles also presented a report on the School of Social Policy & Practice.

The following resolutions, already reviewed and approved by the Budget and Finance Committee, were presented and approved (full resolution text is appended):

- Resolution to Authorize the Execution of the Line of Credit in the Amount of $100,000,000 (p. 40)

- Resolution to Authorize the Law School Construction Documentation and Bid Phase for a New Sansom Street Replacement Building in the Amount of $3,400,000 (p. 41)

- Resolution to Authorize Goddard Labs 3rd and 5th Floor Renovations for the Center for Cognitive Neurosciences in the Amount of $3,300,000 (p. 42)

- Resolution to Authorize Johnson Pavilion Dayton General Systems Control Replacement in the Amount of $1,450,000 (p. 43)

**Appointments to Other Boards**

Mr. Riepe presented the following resolution which was approved (full resolution text is appended):

- Resolution to Appoint Stacey Rosner Lane to the Board of Overseers of the Museum of Archaeology and Anthropology (p. 44)

The meeting was adjourned at 2:10 p.m.

Respectfully submitted,

Leslie Laird Kruhly
Secretary of the University