The Annual Stated Meeting of the Trustees of the University of Pennsylvania was convened on June 17, 2011 at 11:27 a.m. in Bodek Lounge, Houston Hall.


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

Chair David Cohen called the meeting to order. He remarked on the previous day’s festivities in honor of Executive Vice President for the Health System and Dean of the Perelman School of Medicine Arthur Rubenstein’s 10 years of service. He thanked trustees Ed Mathias and David Silfen for their ten years of service on the Investment Committee. He noted that the Local, National and Global Engagement Committee, which consolidates the previous work of the External Affairs and Neighborhood Initiatives Committees, held its inaugural meeting. He then announced that the FCC granted the transfer application for the WXPN license, which was previously held by the External Affairs Committee, to the full board of trustees effective June 16, 2011.

University Chaplain Reverend Charles Howard presented the invocation.

The minutes of the February 18, 2011 and May 12, 2011 meetings were approved as distributed.
Mr. Cohen presented the following resolutions, which were approved (full resolution text is appended):

- Resolution to Amend the Statutes of the Trustees of the University of Pennsylvania (p. 1)
- Resolution to Amend the Bylaws of Penn Medicine to Change the Name of the School of Medicine to “The Raymond and Ruth Perelman School of Medicine at the University of Pennsylvania” (p. 2)
- Resolution Adopting Certain University Compliance Policies (p. 4)

**Vice Chair’s Report**

Vice Chair David Silfen presented the following resolution, which was approved (full resolution text is appended):

- Resolution to Reelect David L. Cohen as Chair of the Board of Trustees (p. 5)

**Nominating Committee Report**

Mr. Cohen remarked on trustee John Clark’s remarkable service on the Executive Committee as he rotates off the Committee due to his election to emeritus status in November 2011. The following resolutions were presented and approved (full resolution text is appended):

- Resolution to Reelect David M. Silfen and George A. Weiss as Vice Chairs of the Board of Trustees (p. 6)
- Resolution to Elect the Executive Committee (p. 7)
- Resolution to Elect the Investment Board (p. 8)

Mr. Cohen noted trustee Raymond Ch’ien’s valuable role in Penn’s global engagement activities and presented the following resolution, which was approved (full resolution text is appended):

- Resolution to Reelect Raymond K.F. Ch’ien as a Term Trustee (p. 9)

**President’s Report**

President Amy Gutmann provided an overview of the year’s accomplishments, beginning with the opening of the George A. Weiss Pavilion and ending with Oscar-winner Denzel Washington as the Commencement speaker. She reported that, from an applicant pool 18% larger than the previous year, Penn’s acceptance rate was 12.3%. Dr. Gutmann reviewed campus construction, including the Translational Research Center, the Morris Arboretum Horticultural Center, the DuPont Marshall Laboratory acquisition, the Rare Book and Manuscript Library in Van Pelt, the Krishna P. Singh Center for Nanotechnology, and Penn Park.
Dr. Gutmann gave an update on the Making History Campaign. With 18 months remaining, the Campaign has raised 96% of the $3.5 billion goal. Recent major gifts and pledges to the campaign include a $225 million gift from Raymond and Ruth Perelman for the School of Medicine, the largest single gift in Penn’s history and the largest naming gift to a medical school in United States history. The gift will be used to create a permanent endowment for the School, renamed the Raymond and Ruth Perelman School of Medicine. Dr. Gutmann also noted a $15 million gift from an anonymous donor to support the renovation of the historic Arts, Research, and Culture House (ARCH). Two gifts, totaling $7.5 million have been made to the School of Arts and Sciences. Trustee Jim Kim donated $6 million to strengthen and expand Penn’s Korean Studies program, which will be renamed in his honor. An anonymous donor has given an additional $1.5 million to establish a post-doctoral fellowship in Korean Studies. Penn parents Fred and Robin Tedori gave $5 million for the Neurobehavioral Sciences Building, which will help foster research and education. Wharton Overseer Aditya Mittal and his wife Megha gave $3 million for undergraduate financial aid in Wharton. Finally, a $3.85 million grant from the Helene Fuld Health Trust to the School of Nursing will support undergraduate curriculum revision and major renovations to the School’s anatomy lab and other learning facilities. As a result of continued support, average aid per student increased 29% from FY2009 to FY2011.

Dr. Gutmann announced the 10-year renewal agreement between Penn, the School District of Philadelphia and Philadelphia Federation of Teachers to continue the collaboration at the Sadie Tanner Mossell Alexander University of Pennsylvania Partnership School (Penn Alexander School). She noted that this school provides high-quality K-8 education for children in West Philadelphia and is consistently ranked as one Philadelphia’s top 10 elementary schools. She thanked Principal Sheila Sydnor, her team at Penn Alexander and Dean of the Graduate School of Education Andrew Porter for their leadership on this model of local engagement in Penn’s community.

Dr. Gutmann presented the following resolutions, which were approved (full resolution text is appended):

- Resolution of Appreciation for Arthur H. Rubenstein (p. 10)
- Resolution to Reappoint Joan Hendricks as the Dean of the School of Veterinary Medicine (p. 11)
- Resolution to Appoint Leslie Laird Kruhly as Vice President and Secretary of the University (p. 12)

Secretary Leslie Kruhly expressed her enjoyment in working with trustees and thanked her staff in the Office of the University Secretary for their exemplary work and service.

**Academic Report**

Provost Vincent Price provided updates on the upcoming academic theme year, the new Interdisciplinary Arts Fund, and funding for international initiatives. He noted that the academic theme for 2011-2012 would be the “Year of Games” and would explore the physical and
cognitive aspects of games from ancient times to the present. The text for the Penn reading project will be *Reality is Broken: Why Games Make Us Better and How They Can Change the World*, by Jane McGonigal. Course offerings across the schools and centers will look critically at the various business, social and cultural uses of games in everyday lives. Dr. Price stated that the new Interdisciplinary Arts Fund supports collaborative initiatives that bring together multiple campus groups, especially those that encourage partnerships between Penn’s arts and culture centers and various academic departments. He noted that, through matching grants and school funds, Penn provided over $1 million to support international projects to 25 applicants, including faculty from 11 of the 12 schools. Furthermore, undergraduates will be conducting research over the summer in Argentina, Bangladesh, Botswana, China, Ghana, Haiti, India, Japan, Korea, Mongolia and South Africa. A number of distinguished international scholars will also be visiting Penn in 2011-2012.

Dr. Price presented the following resolution, which was approved (full resolution text is appended):

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

**Financial Report**

Executive Vice President Craig Carnaroli stated that the University anticipates concluding FY2011 with very strong operating performance, primarily due to growth in sponsored program research activity under the American Recover and Reinvestment Act (ARRA) and the Perelman gift to the School of Medicine. In addition, the favorable performance of the university endowment (up over 15% through April 30) provided for strong balance sheet growth. The University of Pennsylvania Health System anticipates generating an operating margin in excess of $200 million for FY2011. Mr. Carnaroli advised that the University has comprehensive capital plans, both for the academic and healthcare components, and was closely monitoring the effects on research and healthcare of reduced governmental funding.

Mr. Carnaroli provided a financial review of Dr. Rubenstein’s 10 years at the University of Pennsylvania Health System and School of Medicine: the revenue of the clinical enterprise increased from $1.5 billion to $3.2 billion; research activity increased from $300 million to $600 million annually; the assets of the UPHS increased from $1 billion to $3 billion; and unrestricted net assets grew from $100 million to $1.18 billion.

**Penn Medicine Report**

Dr. Rubenstein thanked Dr. Gutmann and her staff for their guidance during his time at Penn. He provided an update on the incoming class of students at the Perelman School of Medicine. Of the 168 class members, the gender split is equal, more than 25% come from underrepresented minorities in medicine and 40 will be doing combined degrees. Dr. Rubenstein added to Dr. Gutmann’s remarks about the Ruth and Raymond Perelman gift, which will impact student body diversity, educational opportunities, and faculty recruitment. He thanked both Raymond and Ruth Perelman for their generosity and Dr. Gutmann for her leadership. He added that the Health System had come a long way and that countless patients had expressed their gratitude for...
outstanding service. He concluded that Penn Medicine was well-positioned for the future and that its 20,000 faculty, students, and staff will continue to add to that legacy.

Admissions Report

Dean of Undergraduate Admissions Eric Furda provided an update on Penn’s Class of 2015. The most selective, accomplished, and diverse class in Penn’s history, the student body has an average combined SAT score of 2126. Mr. Furda noted that the number of enrolled African American and Latino students will increase 22% over the previous year’s class. He added that the third class of 36 QuestBridge students and the second Posse Foundation class from Miami will enroll in the fall. The incoming class is comprised of students from 49 states and 66 countries.

Dr. Gutmann thanked Mr. Furda for the new and accomplished Class of 2015.

Academic Policy

Academic Policy Committee Chair Deborah Marrow reported that the Committee examined Penn’s undergraduate curriculum in the School of Arts & Sciences, with a focus on the recent substantial revisions to the general education requirements. Dean of the College of Arts & Sciences Dennis DeTurck and Dean of the School of Arts & Sciences Rebecca Bushnell led the presentation and discussion, which emphasized the ways in which Penn’s College curriculum encourages undergraduates to explore new areas while also building expertise in a specific field. Instead of the core curriculum or the distribution requirement systems of peer universities, Penn’s curriculum combines the specialization of a major with generalized education courses and free electives. Implemented in 2006 after several years of experience with a pilot curriculum launched in 2000, the new curriculum divides courses into seven sectors that are designed specifically for entry-level students and are widely taught by standing faculty members, so that students have exposure to a range of Penn professors as they develop their academic interests. Discussion centered on the best ways to assess student learning and offer advising, as well as the relations between the general education curriculum and the University’s wider emphasis on interdisciplinary knowledge.

Mr. Cohen noted Dr. Marrow’s final report as Chair of the Academic Policy Committee and thanked her for her seven years of service in that capacity.

Audit & Compliance

Audit and Compliance Committee Chair Jay Fishman reported that the Committee heard a status report on the FY2011 Work Plans from Associate Vice President for Audit, Compliance and Privacy Mary Lee Brown. The Committee discussed the risk assessment and proposed Work Plan and ultimately approved the FY2012 Work Plan as submitted. Comptroller John Horn and Senior Vice President and Chief Financial Officer for the University of Pennsylvania Health System Keith Kasper reported on year end accounting and reporting matters and the Management Letter update for both the University and the Health System.
PricewaterhouseCoopers Engagement Partner John Mattie provided an update on the status of the FY2011 audit plan, which was on schedule.

Budget & Finance

Budget and Finance Committee Chair Mark Winkelman reported that, in addition to the financial statement, operating budget, and the capital plan reviews previously mentioned by Mr. Carnaroli, the Committee also received a report on liquidity management from the Debt Subcommittee. He stated that the University will increase its investments in the intermediate-term fund, which has a liquidity of approximately one week. Together with Penn’s cash position, this new investment is expected to allow adequate operational flexibility. The University will make an additional investment in the AIF, given the University’s liquidity requirements for that time period.

Mr. Winkelman presented the following resolutions, which were approved (full resolution text is appended):

- Resolution to Authorize a Revision to the Spending Rule for Endowments (p. 33)
- Resolution to Authorize the Fiscal Year 2012 Operating Budget for the University of Pennsylvania (p. 34)
- Resolution to Authorize the Fiscal Year 2012 Capital Plan for the University of Pennsylvania (p. 35)
- Resolution to Authorize the Fiscal Year 2012 Operating Budget for the University of Pennsylvania Health System (p. 36)
- Resolution to Authorize the Fiscal Year 2012 Capital Budget for the University of Pennsylvania Health System (p. 37)
- Resolution to Declare University’s Intent to Reimburse Capital Costs with Proceeds of Borrowings (p. 38)
- Resolution to Declare the University of Pennsylvania Health System’s Intent to Reimburse Capital Costs with Proceeds of Borrowings (p. 41)
- Resolution to Authorize and Approve a Master Lease Agreement and Guarantee for the Occupancy of an Ambulatory Care Building for Pennsylvania Hospital (p. 44)
- Resolution to Authorize Revised Scope and Budget for the Krishna P. Singh Center for Nanotechnology for an Additional $8,000,000 (Total Revised Budget of $88,000,000) (p. 46)
- Resolution to Authorize Design and Construction of Shoemaker Green in the Amount of $8,300,000 (p. 47)
• Resolution to Authorize Revised Budget for David Rittenhouse Labs High Bay Lab Renovation for an Additional $300,000 (Total Revised Budget of $1,800,000) (p. 48)

• Resolution to Authorize Full Design and Preconstruction Services for Steinberg Hall – Dietrich Hall West Entrance Addition in the Amount of $1,110,000 (p. 49)

• Resolution to Authorize Meyerson Hall Renovations Phase I Schematic Design in the Amount of $1,050,000 (p. 50)

• Resolution to Authorize Design and Construction of New Scoreboards for the Palestra in the Amount of $1,000,000 (p. 51)

• Resolution to Authorize Replacement of Fire Alarm Monitoring System (Ring of Fiber) in the Amount of $1,000,000 (p. 52)

• Resolution to Authorize the Design and Construction of Locust Walk 3600 and 3800 to 4000 Blocks for an Additional $550,000 (Total Revised Budget of $5,400,000) (p. 53)

Development

In the absence of Development Committee Chair George Weiss, Development Committee Vice Chair Andrew Heyer delivered the report. Mr. Heyer reported that the University had set an all-time high record for new commitments in a fiscal year: $584.7 million to date. In terms of receipts, Penn experienced its third best year in its history, with $387.8 million to date. With 18 months remaining in the Making History Campaign, Penn has raised $3.376 billion, 96% of its overall campaign goal.

Mr. Heyer reported that the Committee heard from John Zeller, Vice President for Development and Alumni Relations, who presented a comprehensive update on Campaign performance, with particular attention to core priorities. He noted the progress toward the aspirational goals for undergraduate scholarships, graduate and professional student aid, and faculty support. He also provided an overview of the Campaign’s final phase, conclusion activities, and post-campaign goals and priorities. Four Penn donors, Michael Mann (C’69), Donna Gerson (C’86), Seth Ginns (C’00), and Julie Seaman (C’86), shared their unique stories of why they give to Penn. Dr. Gutmann shared her personal perspective on the Raymond and Ruth Perelman gift to the School of Medicine. She noted in particular its significance in advancing all three principles of the Penn Compact through its support of student aid, faculty support and research. She also discussed the recent $15 million gift from an anonymous donor to support the renovation of the ARCH at Locust Walk and 36th Street.

Facilities & Campus Planning

In the absence of Facilities and Campus Planning Committee Chair Egbert Perry, trustee Scott Bok delivered the report. Mr. Bok reported that the Committee heard from Anne Papageorge, Vice President for Facilities and Real Estate Services, and Michael Dausch, Executive Director of Design and Construction, on major campus construction projects. Projects that were
highlighted include: the Krishna P. Singh Nanotechnology Center; Golkin Hall and Sansom Street Aerial Wiring; Vance Hall Renovations; Shoemaker Green; the Rare Book and Manuscript Library, Van Pelt Library; Information Commons at Franklin Field; Locust Walk Improvements; Window Replacements - Anatomy/Chemistry, Rosenthal, Duhring Wing and Sweeten Alumni House; College Hall West Wing Life Safety Improvements; and Residential Renovations - Kings Court/English House, Sansom Place East, and McClelland Hall Dining. In the second presentation, Ms. Papageorge and Mr. Dausch provided an overview of construction progress at Penn Park. As of June 15, 2011, the project was approximately 85% complete and still tracking on budget. Following the presentation, the Committee boarded shuttle buses to the site for a firsthand look at the Park.

Local, National and Global Engagement

Local, National and Global Engagement Committee Chair Susan Taylor reported that the Committee held its inaugural meeting. Dr. Gutmann welcomed the Committee’s members and explained the mission of the new committee: to support the University in its efforts to foster positive engagement from West Philadelphia to the global arena.

Dean of the School of Law Michael Fitts gave an overview of Penn Law’s global initiatives. Mr. Fitts reviewed the importance of Penn Law’s global relevance with regards to preparing students for careers in other nations, supporting research that examines issues in a global context, and realizing the School’s commitment to public service around the world.

Roger LaMay, General Manager of WXPN, presented an annual update about the radio station. As stated by Mr. Cohen, the former External Affairs committee was the FCC licensee for WXPN. At the meeting of the Executive Committee in May 2011, a resolution was passed reassigning XPN’s FCC license to the full board of Trustees with all annual reporting and oversight residing with the Local, National, and Global Engagement Committee. Mr. LaMay presented a brief overview of the year’s activities, gave a financial update for the station, and outlined future financial strategies.

Anthony Sorrentino, Executive Director, Public Affairs, Office of the Executive Vice President, discussed various elements of Penn’s recently released Economic Impact Report. He specifically addressed how Penn’s dual sectors of education and medicine foster Penn’s dominance as an economic anchor in the city and the Commonwealth. The report revealed that Penn creates a $26 million a day economic impact on the City of Philadelphia and a $38 million a day economic impact on the Commonwealth of Pennsylvania. This translates into a $9.5 billion per year economic impact to the City, supporting 57,200 jobs, and a $14 billion per year economic impact to the Commonwealth, supporting 145,500 jobs.

Student Life

In the absence of Student Life Committee Chair Julie Beren Platt, trustee M. Claire Lomax delivered the report. She reported that the Committee heard a brief overview of Penn’s campus housing policy updates from Vice Provost for Education Andrew Binns. A gender-neutral housing option will now be available to all students, including incoming freshmen. Dr. Binns
also highlighted campus resources for families, particularly the University’s new Family Resource Center, a hub for information, activities, and advocacy for students and post-doctoral fellows with children. In addition, Dr. Binns described several major policies and initiatives to support students with children, including childbirth/adoption leave, family leave, family grants for students with children, an emergency backup childcare pilot program for students and post-doctoral fellows, and student parent mentoring.

The Committee then heard presentations on the University’s efforts to welcome and integrate incoming undergraduate students into the Penn community both academically and socially. Presenters included Dean of Admissions Eric Furda, Director of Academic Initiatives David Fox, Associate Vice Provost for Equity and Access William Gipson, and Executive Director of Student Affairs Hikaru Kozuma. Orientation efforts featured included: Penn Previews; Pre-Freshman Program and PENNCAP; Pre-Orientation Programs such as PennArts, PennQuest, PennCORPS, PennGreen, and PENNACLE; New Student Orientation; Preceptorials; Residential Life Activities; and Student Groups and Programs.

**Investment Board**

Investment Board Vice Chair Andrew Rachleff delivered the Investment report on behalf of Investment Board Chair Robert Levy. He thanked Dr. Arthur Rubenstein for his incredible contributions to our wonderful university. Mr. Rachleff reported that the endowment has regained any and all losses incurred during the economic downturn and is on pace for a double digit return for the fiscal year due to positive returns in all classes, especially public equities. During its meeting, the Board discussed the University’s private equity portfolio and strategy going forward given the illiquidity of this asset class. He thanked retiring Board members David Silfen and Ed Mathias for their 10 years of exemplary service.

**Alumni Report**

Penn Alumni President Lee Spelman Doty advised that the Nominating Committee of Penn Alumni recommended the following slate of two candidates to fill Alumni Trustee positions for five-year terms beginning January 1, 2012: Osagie Imasogie (L’85) and Ann Nolan Reese (C’74). Mrs. Doty expressed her confidence that the candidates would continue their strong commitments to Penn. She added that she would be accepting candidate submissions for three 2013 positions until January 1, 2012.

Mrs. Doty provided highlights of the 2011 Alumni Weekend, which had total attendance of more than 8,700. She gave an update on YPenn, Penn’s young alumni programming. Events were held in 10 cities globally, with the intent to bolster the attendance of young Penn alumni at University events, to create new volunteer opportunities for young Penn alumni, to increase Penn Fund participation among younger alumni, to develop a network of future University leaders within the young Penn alumni community, and to strengthen the lifelong relationship that young alumni have with Penn. She also provided an update on Homecoming 2011, which will be infused with game-related festivities in conjunction with the 2011-2012 academic year theme. Mrs. Doty then thanked Assistant Vice President for Alumni Relations Hoopes Wampler, Penn Alumni Director Elise Betz, and their staff for their hard work.
Appointments to Penn Medicine, Overseer and Other Boards

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

- Resolution to Appoint Lorraine Carrady Quinn to the Board of Overseers of the School of Arts and Sciences (p. 54)
- Resolution to Appoint Ara K. Hovnanian to the Board of Overseers of the School of Design (p. 55)
- Resolution to Appoint Gustave K. Lipman to the Board of Overseers of the Graduate School of Education and to Re-Appoint Joel M. Greenblatt as Chair of the Board of Overseers of the Graduate School of Education (p. 56)
- Resolution to Appoint Katherine D. Crothall, Richard D. Forman, C. Michael Gooden, Alison Newman, and Michael D. Zisman to the Board of Overseers and to Re-Appoint Andrew S. Rachleff as Chair of the Board of Overseers of the School of Engineering and Applied Science (p. 57)
- Resolution to Appoint David H. Posluns, Louise A. Strauss, and Mark S. Zucker to the Board of Overseers of the Katz Center for Advanced Judaic Studies (p. 59)
- Resolution to Appoint Charles I. Cogut and Eric J. Friedman to the Board of Overseers and to Appoint Robert S. Blank as an Emeritus Member of the Board of Overseers of the Law School (p. 60)
- Resolution to Appoint Jill Siegel Yablon to the Board of Overseers and to Re-Appoint Thomas J. Cusack as Chair of the Board of Overseers of Penn Libraries (p. 61)
- Resolution to Appoint David Blumenthal to the Penn Medicine Board as Term Member (p. 62)
- Resolution to Appoint Frances M. Glomb, Charles J. Ingersoll, and Marc M. Rayfield to the Advisory Board of Managers of the Morris Arboretum of the University of Pennsylvania, to Appoint Jane Bradley Alavi as Vice Chair and to Re-Appoint Ann L. Reed as Chair of the Advisory Board of Managers, and to Appoint Elizabeth F. Somers as an Emerita Member of the Advisory Board of Managers of the Morris Arboretum of the University of Pennsylvania (p. 63)
- Resolution to Appoint Robert M. Baylis to the Board of Overseers of the Museum of Archaeology and Anthropology (p. 65)
- Resolution to Appoint Nancy L. Adelson and Kim Reisman Dickstein to the Board of Overseers of the School of Nursing and to Re-Appoint Rosemarie B. Greco as Chair of the Board of Overseers of the School of Nursing (p. 66)
• Resolution to Appoint Margaret H. Duprey to the Board of Overseers of the School of Veterinary Medicine (p. 67)

• Resolution to Appoint Elizabeth McKee Anderson, Daniel K. Fitzpatrick and Lawrence V. Stein to the Board of Trustees of The Wistar Institute (p. 68)

The meeting was adjourned at 12:30 p.m.

Respectfully submitted,

Leslie Laird Kruhly
Secretary of the University