A Stated Meeting of the Trustees of the University of Pennsylvania was convened at 11:29 a.m. on Friday, October 29, 2010 in the Woodlands Ballroom at the Inn at Penn.


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. Mr. Cohen noted the productive trustee meetings and the upcoming Homecoming weekend. He added that there were several leadership transitions of note, including Trustee Mark Winkelman replacing Penn Med Chair James Riepe, and that he would elaborate on others later in the meeting. He thanked Mr. Riepe and Mr. Winkelman for their past and future service, respectively.

University Chaplain Reverend Charles Howard presented the invocation.

The minutes of the June 17, 2011 and September 15, 2011 meetings were approved as distributed.

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

- Memorial Resolution for G. Morris Dorrance (p. 1)
Mr. Cohen called for a moment of silence on behalf of the late Honorary Trustee G. Morris Dorrance.

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

- Resolution of Appreciation for Paul S. Levy (p. 2)

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

- Resolution of Appreciation for Susan C. Taylor (p. 3)

**Nominating Committee Report**

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

- Resolution of Appreciation for L. John Clark and Designation as Emeritus Trustee (p. 4)
- Resolution to Elect William W.M. Cheung as Term Trustee (p. 6)
- Resolution to Elect M. Claire Lomax as Term Trustee (p. 7)
- Resolution to Re-elect Marc F. McMorris as Term Trustee (p. 8)

**President's Report**

President Amy Gutmann reported that the *Making History* Campaign had exceeded its $3.5 billion goal. Dr. Gutmann thanked the Trustees for their leadership during the Campaign. She added that the final 14 months of the Campaign would be focused on meeting goals in financial aid at all levels, faculty support, and facilities projects. She noted several recent faculty achievements. The White House recently announced that the National Medal of Science would be awarded to Ralph Brinster, Richard King Mellon Professor of Reproductive Physiology at the School of Veterinary Medicine, and the eighth Penn faculty member to win this award. Dr. Gutmann also noted that Claudia Valeggia, Associate Professor of Anthropology, School of Arts and Sciences, was selected as one of the Presidential Early Career Award for Scientists and Engineers, the highest honor by our nation for science and engineering professionals in the early stages of their career. She reported that Penn ranked as one of the top ten universities in the world in the QS World University Rankings. She reported that trustee emeritus Roy Vagelos and his wife Diana gave Penn a $13.6 million gift to establish the Vagelos Integrated Program in Energy Research (VIPER), an interdisciplinary program in the Schools of Arts and Sciences and Engineering and Applied Science in the areas of energy conservation and environmental sustainability.

Dr. Gutmann expressed her enthusiasm for incoming Vice President for University Communications Stephen MacCarthy and presented the following resolution (full resolution text is appended):
Academic Report

Provost Vincent Price provided an update on the recent ten-year anniversaries of two Penn programs. First, the Center for Undergraduate Research and Fellowships has significantly increased the number of students who apply for and receive grants and scholarships. For example, Penn has had 15 Rhodes and Marshall Scholars since CURF’s creation; previously, the University had only nine of these awards in the previous 61 years. The Center has also broadly expanded Penn’s undergraduate research portfolio and strengthened students' research and research mentoring. Dr. Price noted that CURF’s offices and meeting spaces will be upgraded as part of the ARCH renovation, which will begin over the summer of 2012. The Botswana-Penn partnership also recently celebrated its ten-year anniversary with a week-long series of events and symposia. This successful partnership has served as a model for other recent initiatives. Currently, the University sends more than 150 Penn-affiliated students, faculty, and staff to Botswana each year. Dr. Price noted that the partnership's annual statement to the government of Botswana was included in the Stated Meeting booklet.

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

- Resolution on Faculty Appointments, Leaves and Promotions (p. 10)

Financial Report

Executive Vice President Craig Carnaroli reported that the University’s operating performance was very strong in the first quarter of FY 2012 due to growth in enrollment, programs, and sponsored research activity, as well as continued gains in philanthropy. Total operating revenue was up 8.6%, while operating expenses were only up 5.5%, primarily due to sponsored program activity. Consistent with market volatility, the University experienced a decline in net assets from non-operating activities. Mr. Carnaroli noted that the Health System adjusted admissions were up for the quarter and had experienced a strong operating performance as well.

Penn Medicine Report

Executive Vice President for the Health System and Dean of the Perelman School of Medicine Dr. J. Larry Jameson stated that Penn Medicine was financially strong despite a challenging economic climate. He noted that this enabled Penn Medicine to focus on leadership in research, education, and patient care. He announced several changes in leadership: Director of the Abramson Family Cancer Research Institute Chi Van Dang; Chair of Pathology and Laboratory Medicine David Roth; Chair of Emergency Medicine Jill Baren; Chair of Medical Ethics and Health Policy Ezekiel Emmanuel; and Chair of Physical Medicine and Rehabilitation Timothy Dillingham. Additionally three Perelman School of Medicine faculty members – Vivian Cheung, Paul Offit, and Daniel Rader – had been elected to the Institute of Medicine. He announced that the individual on whom the nation's first bilateral hand transplant was performed was currently undergoing rehabilitation at Penn Medicine. He also noted the need for a new strategic plan in order to continuously improve. Working together with members of the university leadership, Trustees, and the Penn Medicine Trustees, the Health System hopes to develop a vibrant strategic plan in the changing healthcare environment in the areas
of reimbursement, funding, and research, and the changing regulations for training of medical students and residents. Dr. Jameson expressed his confidence that Penn Medicine’s clinical programs, education, and research would provide advances to transform healthcare and science globally.

**Academic Policy**

Academic Policy Committee Chair Scott Bok reported that the Committee examined the role of undergraduate research at Penn. Vice Provost for Education Andrew Binns presented on the efforts of the Center for Undergraduate Research and Fellowships (CURF) to engage undergraduates in research and fellowship opportunities. CURF houses the Benjamin Franklin Scholars and the University Scholars Programs and the new Integrated Studies program, which combines interdisciplinary research with a residential component. CURF also runs the Penn Undergraduate Research Mentoring Program, in which faculty members bring first and second year undergraduates into high-level research projects. In the years ahead, CURF and the Penn administration expect to engage even more undergraduates in research, and to develop more systematic means of identifying and developing the most promising fellowship recipients. Discussion ensued on the best methods of measuring the effectiveness and results of research funding for undergraduates, how to engage not only faculty but also graduate students as research mentors, and providing research opportunities that address the full range of disciplines across the campus.

Mr. Bok also reviewed the resolution to establish a Doctor of Science in Dentistry in the School of Dental Medicine endorsed by the Committee for full board approval. This program will combine an intensive five-year research program with a clinical dental specialty. The intention is to inspire the profession's best students to enter academic dentistry while enhancing the School's scholarly activities and advancing interdisciplinary research at Penn.

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

- Resolution to Establish a Doctor of Science in Dentistry in the School of Dental Medicine (p. 34)

**Audit & Compliance**

Mr. Cohen noted that Audit and Compliance Committee Vice Chair Perry Golkin would become the new Chair of the Budget and Finance Committee of Penn Medicine and that Trustee Lee Spelman Doty would assume the role of Chair of the Audit Committee of Penn Medicine.

Audit and Compliance Committee Vice Chair Perry Golkin presented the report on behalf of Committee Chair Jay Fishman. Mr. Golkin stated that Associate Vice President for Audit, Compliance and Privacy Mary Lee Brown reported on the FY2012 Workplan and the results and highlights from recent work in audit projects and other activities in Compliance and Privacy. 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. Lastly, Vice President for Information Systems and Computing and Chief Information Officer Robin Beck provided a report on governance structuring and delivery of information technology services at Penn.

**Budget & Finance**
Budget and Finance Committee Chair Mark Winkelman thanked Penn administrators, in particular Mr. Carnaroli, Vice President of Finance and Treasurer Stephen Golding, Vice President for Budget and Management Analysis Bonnie Gibson and Mr. Kasper for their professionalism and the deep commitment to Penn. Mr. Winkelman noted that Mr. Carnaroli had previously summarized the financial reports heard at the Budget and Finance Committee meeting. In addition, the Committee heard a report from Dean of the School of Nursing Afaf Meleis about the School. She reported that, during her tenure, the School has seen an increase in applications and the yield on the applications has increased. She described several of the School’s challenges going forward: the demands placed on the profession by an aging population; funding uncertainties, particularly from the federal government; and increasing the supply of faculty nationwide. Michelle Brown-Nevers, Associate Vice President for Student Services and University Registrar, reported on PhD and graduate financial aid. In FY2011, PhD students received an average stipend of $22,414. For those graduate/professional and PhD students who graduated in 2011, the average debt for all graduating graduate/professional students was $63,194; for all graduating PhD students, it was $15,289. The default rate on loans among Penn students is approximately 1%, compared to the national average of 8%. The debt burden of the high-cost of professional education and the incomes in certain fields are influencing lower-income students in their choice of specialty. Lastly, Dr. Jameson presented on the facilities renewal plan for the Health System. Since over 50% of Penn’s hospitals are over 40 years old, the Health System is embarking on a plan to renew these facilities. Due to the financial uncertainty surrounding the healthcare industry, spending will be spread over nine years in a series of “no-regret” moves. The first two steps include completing the South Pavilion of the Perelman Center and replacing a Penn Tower parking garage.

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

- Resolution to Authorize Development and Construction of the South Pavilion Extension onto the Perelman Center for Advanced Medicine in the Amount of $102,000,000 (p. 35)
- Resolution to Authorize Development and Construction of a Replacement Parking Garage on the Former Pennsylvania Hall Site in the Amount of $48,000,000 (p. 37)
- Resolution to Authorize Mayer Hall Renovations in the Amount of $8,700,000 (p. 39)
- Resolution to Authorize Fagin Hall Phase 5 Renovations in the Amount of $5,500,000 (p. 40)
- Resolution to Authorize Silverman Hall Renovations in the Amount of $5,400,000 (p. 41)
- Resolution to Authorize Design and Construction of Vance Hall Basement Classroom Renovations in the Amount of $2,920,000 (p. 42)
- Resolution to Authorize Neural Behavioral Science Building Design Development Phase in the Amount of $2,870,000 (p. 43)
- Resolution to Authorize Full Design and Precost Services for the Palestra Hutchinson Gymnasium Infill Building Phase I in the Amount of $2,418,000 (p. 44)
• Resolution to Authorize Chemistry 1973 Building Lighting Conversion Energy Reduction Project in the Amount of $1,765,000 (p. 45)

• Resolution to Authorize Design and Construction of the Levy Tennis Pavilion Renovation Phase I in the Amount of $1,125,000 (p. 46)

Mr. Cohen noted that Mr. Winkelman would be stepping down as chair of the Budget and Finance Committee and thanked him for his past service. He then announced that Trustee Andrew Heyer would assume the role of Chair and thanked him for agreeing to this new role.

Development Committee

Development Committee Chair George Weiss reported that the Making History Campaign had reached its $3.5 million goal on September 22, 2011 and had moved into its final phase. Its focus during the final months would be reaching the financial goals for core priorities for each School and Center while continuing efforts to increase alumni engagement. Mr. Weiss stated that at the Committee meeting, Dr. Gutmann had announced a number of recent major gifts to the Campaign. Vice President for Development and Alumni Relations John Zeller presented a comprehensive update on Campaign performance. He explained Penn’s strategic plan for the balance of the Campaign, outlining the overall approach, projected solicitations, and the Campaign conclusion plan for 2013. Assistant Vice President for Undergraduate Programs Kristin Davitt reported on annual giving across the University, which has been critical to the Campaign, as it has served as an effective stewardship tool to cultivate relationships and major gifts. Assistant Vice President for Alumni Relations F. Hoopes Wampler reported on alumni engagement efforts. He outlined the strategies for non-financial goals, including broadening and deepening variety, scope, and geographical location of alumni participation through various initiatives. Mr. Wampler reported that these strategies, as well as efforts to increase annual giving, would aid fundraising beyond the Campaign. Mr. Weiss expressed his confidence in the Campaign’s success and thanked the Trustees for their support and guidance.

Facilities & Campus Planning

Facilities and Campus Planning Committee Chair Egbert Perry reported on the three presentations heard by the Committee. In the first presentation, Architect Joel Sanders presented the design for the new Information Commons at Franklin Field. Located in the Mezzanine level at Franklin Field, the Information Commons will provide a 7,000 square foot study lounge for students. The study lounge will also feature group study rooms and study booths in a light-filled space overlooking the future Shoemaker Green. The project is under construction and scheduled to open in February 2012. Anne Papageorge, Vice President for Facilities and Real Estate Services (FRES) and Edwin Datz, Executive Director of Real Estate, then presented an overview of Penn’s FY2011 real estate performance, including operational highlights for the University's non-academic commercial and residential portfolio, and a review of commercial and retail development projects. The presentation summarized the University's real estate holdings and emphasized performance and their contribution to campus quality of life. The third presentation, by Ms. Papageorge and Kenneth Ogawa, Executive Director of Operations, outlined the University's successful policy regarding electrical energy purchase. In response to the lifting of electricity rate caps on January 1, 2011, Trustee authorization was given to procure electricity directly on the wholesale markets through the creation of a Load
Serving Entity (LSE). This presentation reviewed the status of the LSE and the first year results of the electricity hedging strategy. Penn’s current cost to purchase electricity is approximately 12-15% less than with the previous supplier and the LSE provides increased price stability. In the final presentation, Ms. Papageorge and Mr. Ogawa summarized an effective process improvement analysis and implementation within various trades at FRES. In 2009, FRES began re-engineering all of its maintenance work processes using lean Six Sigma, an industry accepted standard. Significant improvements have been achieved in the eight completed shops with 15 additional shops scheduled to undergo this effort.

Local, National & Global Engagement

Mr. Cohen noted that Local, National & Global Engagement Chair Susan Taylor would be stepping down as chair due to her term ending and Trustee Marc McMorris would be succeeding her as Chair of the Committee.

Dr. Taylor reported that Dr. Gutmann welcomed the Committee’s members and introduced two new members of the Penn community, Stephen MacCarthy, Vice President for University Communications, and Ezekiel Emanuel, Vice Provost for Global Initiatives. The Committee heard from three presenters who described their work in the local, national, and global arenas. Dr. Emanuel and Gayle Christensen, Advisor for International Initiatives, provided an overview of Penn’s International Internship Program. They discussed the current trend in international programs in relation to Penn’s current initiatives and the expanding student interest in international opportunities. Two past participants of Penn’s International Internship Program described their internships in Ghana and Guatemala. Walter Licht, Faculty Director of the Penn Civic Scholars Program, and David Grossman, Director of Civic House, presented an overview of the Penn Civic Scholars program. They discussed the overall program, students’ service pursuits, and what they have learned through their experiences, including the integration of their civic engagement and academic work. Two current Civic Scholars shared their perspectives.

Student Life

Student Life Chair Julie Beren Platt reported that the Student Life Committee had a conversation about student social life with a diverse panel of undergraduate and graduate students. One of the key areas discussed was how students characterize their interpersonal relationships and how they socialize, including their reflections on orientation and first-year experiences. Students specifically referenced how invaluable pre-college group experiences and large-scale University-sponsored programming have been. The presenters stated that these programs and activities have helped them develop “small scale communities,” and ties to campus resources, which have been beneficial throughout their lives at Penn and have also nurtured lasting relationships with upper-class mentors. Students also suggested ways to support students’ engagement and development further as they form an optimal academic and social life balance, particularly in the areas of new student orientation activities, communications, peer mentoring and academic advising.

Alumni Report

Penn Alumni President Lee Spelman Doty advised that the Penn Alumni Board and Council of Representatives would be voting to elect two new Alumni Trustees to five-year positions beginning January 1, 2012: Osagie Imasogie (GL’85), Philadelphia; and Ann Nolan Reese (CW’74), New York. She noted that Alumni Trustees William Chung and M. Claire Lomax would end their Alumni
terms due to their election to Term positions and thanked them for their service to Penn Alumni. Ms. Doty announced that three additional positions will become open in 2013 and asked that the Trustees submit recommendations and nominations.

Ms. Doty provided an update on alumni events on campus and around the country, including Penn on the Road, Engaging Minds, and Penn to You, a new weeknight academic program. She reported that the Office of Development Alumni Relations would be partnering with the Office of Admissions to strengthen the work done by Penn’s Secondary Schools Committee in an effort to engage more alumni volunteers to complete more interviews and to lend greater support to the admissions effort. She noted the upcoming Homecoming Weekend activities, including the Alumni Award of Merit Gala, and thanked Mr. Wampler and his staff for their efforts.

**Appointments to Penn Medicine, Overseer and Other Boards**

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

- Resolution to Appoint Jamie Osman Handwerker, William A. Kussell, Gillian Meltzer Miniter and Richard A. Wolf to the Board of Overseers of the School of Arts and Sciences (p. 47)
- Resolution to Appoint Georges Tawil to the Board of Overseers of the School of Dental Medicine and to Re-Appoint William W. M. Cheung as Chair of the Board of Overseers of the School of Dental (p. 48)
- Resolution to Re-Appoint Keith L. Sachs as Chair of the Board of Overseers of the School of Design (p. 49)
- Resolution to Appoint Joshua M. Berlin and Wendy Marcus Greenfield to the Board of Overseers of the Graduate School of Education (p. 50)
- Resolution to Appoint Alex T. Krueger to the Board of Overseers of the School of Engineering and Applied Science (p. 51)
- Resolution to Appoint Theodore W. Coons, Jr., Hilarie Lauter Morgan and Mildred Goldsmith Palley to the Board of Overseers of the Institute of Contemporary Art (p. 52)
- Resolution to Appoint Members of the Penn Medicine Board as Emeriti Members (p. 53)
- Resolution to Appoint Members of the Penn Medicine Board as Charter Members (p. 54)
- Resolution to Reappoint Members of the Penn Medicine Board as Term Members (p. 55)
- Resolution to Appoint Mark O. Winkelman as Chair of the Penn Medicine Board (p. 56)
- Resolution to Appoint or Reappoint Members of the Penn Medicine Executive Committee (p. 57)
• Resolution to Appoint Mark D. Spitzer and Amy Attas to the Board of Overseers of the School of Veterinary Medicine (p. 58)

• Resolution to Appoint Brendan J. Cahill to the Board of Trustees of the University of Pennsylvania Press (p. 59)

The meeting was adjourned at 12:26 p.m.

Respectfully submitted,

Leslie Laird Kruhly
Vice President and Secretary of the University