STATED MEETING OF THE CORPORATION
OF THE
TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA

October 10, 1969

A Stated Meeting of the Trustees of the University of Pennsylvania was held at 2:00 p.m., Friday, October 10, 1969, in the Council Room of the Furness Building.

Present were: Mr. William L. Day (Chairman), Mr. Malcolm Adam, Gustave G. Amsterdam, Esq., Mr. Julian S. Bers, Dr. Detlev W. Bronk, Mr. Henry B. Bryans, Mr. Orville H. Bullitt, Mr. I. W. Burnham, II, Mr. Howard Butcher III, Mr. Henry M. Chance, II, Dr. George A. Coleman, Windsor F. Cousins, Esq., Milton T. Daus, Esq., Robert Dechert, Esq., Mr. Robert G. Dunlop, Mr. John W. Eckman, Mr. Thomas S. Gates, Mr. James W. Gray, Jr., Judge A. Leon Higginbotham, Jr., Dr. Althea K. Hottel, Mr. Reginald H. Jones, Dr. Carl Kaysen, Mr. C. B. McCoy, Mr. Paul P. Miller, Jr., Mr. William D. Patterson, Dr. D. Sergeant Pepper, Mr. James A. Salinger, Ernest Scott, Esq., Mr. James M. Skinner, Jr., Mr. Sarkes Tarzian, Robert L. Treccher, Esq., Senator John H. Ware, 3rd, Morton H. Wilner, Esq., Mr. Charles S. Wolf, President Harnwell, Provost Goddard, Vice Presidents Angell, Chambers, Hetherston, Manley, Sweeten and Terry, Vice Provosts Hubstetter and Russell, Chaplain Johnson, Assistant Secretary Sherman, Associate Secretary Lorndale and Secretary Owen. David W. Maxey, Esq. attended as Counsel.

Messages of absence were received from: Mr. Richard C. Bond, Mr. Paul J. Cupp, Mr. Marcus A. Foster, Mr. Sydney E. Martin, Mr. John A. Mayer, Dr. Franklin D. Murphy, Mr. Walter F. O'Malley, Mr. Richard S. Reynolds, Jr., Maurice B. Saul, Esq., Bernard G. Segal, Esq., The Honorable Raymond P. Shafer, Mr. Henry T. Vancro, Dr. Alfred H. Williams and Mr. Harold L. Zellerbach.

The Chairman called the meeting to order and asked Chaplain Johnson to offer a prayer.

The minutes for the meeting held on May 2, 1969 were approved.
Welcome to new Trustees

Mr. Day extended a welcome to their first Stated Meeting of Messrs. Burnham and McCoy and welcomed back Mr. Daus.

Expiration of terms of Althea Hottel and Malcolm Adam and resolutions regarding them

It was noted by the Chairman that the respective terms of office of Dr. Althea K. Hottel and Mr. Malcolm Adam were expiring at this meeting, and he presented for action and read to the Trustees the following resolutions, which were duly adopted:

MALCOLM ADAM

WHEREAS Malcolm Adam happily became associated with this institution almost twenty years ago as a member of the Board of Managers of the Hospital of the University of Pennsylvania; and
WHEREAS he has since then actively participated in its affairs as Associate Trustee and Trustee, having been a member of the Executive Board and Chairman of the Medical and Hospital Affairs Committee and of the Board of Medical Education and Research; and
WHEREAS he also has had a distinguished career with the Penn Mutual Life Insurance Company and has unselfishly been concerned with the betterment of his city through energetic leadership in the United Fund, the Greater Philadelphia Movement, and considerable civic enterprises; and
WHEREAS his formal relationship with the Trustees is now drawing to a close; be it therefore
RESOLVED that these Trustees convey to Malcolm Adam their own formal expression of grateful appreciation for his thoughtful contributions to the University, with the hope that they may continue to enjoy his companionship and counsel in times yet to come.

ALTHEA KRATZ HOTTEL

WHEREAS Althea Kratz Hottel began her unique association with the University of Pennsylvania through the earning of three higher degrees, culminating in the Doctor of Philosophy; and
WHEREAS she brought to her institution special and cultivated womanly qualities as first Dean of Women for twenty-three innovative years; and
WHEREAS her valued counsel to many fields of education has been recognized through the conferring of numerous awards, including eleven honorary doctorates, one of which was from an admiring Alma Mater; and
WHEREAS she has shown untiring energy in working for professional and civic enterprises and is presently concluding ten productive years of service as a member of the University Trustees; therefore be it
RESOLVED that these same Trustees express to Althea Kratz Hottel their admiration for her imaginative guidance and generous devotion to the University and acknowledge their good fortune in having benefited from her assistance during these years of dynamic change.

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On behalf of the Nominating Committee and its Chairman, Mr. Segal, the Chairman presented the following resolutions, which were adopted:


RESOLVED, That Paul J. Cupp and Robert L. Trescher be elected Life Trustees, effective October 10, 1969.

A brief progress report was presented by Mr. Scott on the work of the Task Force on University Governance, in which he indicated that a preliminary draft report would likely become available in November and a final report next March. The point was made that any action on Task Force recommendations should be deferred until after the election of a new President.

Mr. Eckman reported on the work of the Commission on University-Community Development and reflected that progress achieved to date has been rather limited but that the Commission is continuing to serve as a forum of discussion on community problems.

The Secretary directed attention to a letter from the Treasurer reporting upon and certifying that the Trustees of the Corporation keep accurate accounts of all trust funds separate and apart from the other funds of the Corporation and, unless provided otherwise, the Corporation makes an annual report to its members concerning these trust funds.

In his report, the President referred briefly to questions of University governance and suggested that at Pennsylvania an attempt has been made to establish new patterns of conference committees between identifiable groups such as Trustees, administration, faculty, students and alumni; this pattern has been working successfully. He indicated also that a new Academic Planning Committee has been established which will have cognizance over academic program priorities and University financial planning.
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Provost Goddard reported upon the following matters:

Performing Arts Center and Visiting Professor of Communications and Theater

1. RESOLVED, That Herbert L. Shore be appointed Director of the Performing Arts Center and Visiting Professor of Communications and Theater, effective October 15, 1969.

Managing Director of Annenberg Center

2. RESOLVED, That Richard Kirschner be appointed as Managing Director of the Annenberg Center for Communication Arts and Sciences; this does not require Trustee action.

Winterstein Assistant and Professor of Electrical Engineering

3. RESOLVED, That the recommendations for academic appointments and promotions for the period from September 10, 1969 to October 7, 1969 be approved (Appendix A).

Professorship of Investment Banking renamed Professorship in Banking renamed

4. RESOLVED, That the Professorship of Investment Banking be renamed the Edward Hopkinson, Jr., Professorship of Investment Banking, effective October 10, 1969.

RESOLVED, That the University of Pennsylvania Professorship in Banking be renamed the Robert Morris Professorship of Banking, effective October 10, 1969.

Director of University Press

5. Mr. Fred Weick has been appointed Director of the University Press.

Search Committee for Director of Libraries

6. A search committee has been established to find a new Director of the Libraries. Attention is also being given to the reconstitution of the Board of Libraries which has been inactive for some time.

Extramural work for compensation and interest in outside organizations

7. The University Council has approved a document requiring faculty to report on continuing extramural professional work for services performed for compensation as well as on any significant investment or interest or official position they may hold in outside organizations, even though they do not perform work or services for it. A copy of this document will be sent to all Trustees.

Petition regarding cancellation of classes on October 15

8. In response to a petition received from senior members of the faculty relating to the cancellation of classes on October 15 in order to consider the Vietnam war and the University's relationship to that role, a decision was made not to cancel classes but to leave this to the consciences of faculty and students. Those Benjamin Franklin Professors who signed the petition have been asked to plan to convene an assembly on that date.

Ad hoc Committee on Afro and Afro-American Studies

9. The Steering Committee of the Council is in the process of reconstituting an ad hoc Committee on Afro and Afro-American Studies.
Committee Reports

Finance Committee - Mr. Dunlop

Copies of the published financial report for 1968-69 will be sent to the Trustees. It should be made a matter of record that the Finance Committee brings a word of commendation to the administration for the prudent and capable management of University fiscal affairs during the past year.

With reference to the Budget Survey 1969-70, the Chairman indicated that the Finance Committee will continue to enforce stringent control of expenditures, keeping in mind that there are approximately $1 1/2 million of deferred expenditures directly affecting people which must be kept in mind at all times.

Upon presentation, the following resolutions were adopted:

RESOLVED, That, upon the recommendation of the University Budget Committee, the operating budget for 1969-70 be increased in the amount of $69,000 to cover the following items:

1. Department of Recreation $45,000
2. Office of the Dean of the College - Business Administrator 12,000
3. Mathematics Department - Rental of computer terminals 7,500
4. History Department - Secretarial assistance 4,500

$69,000

RESOLVED, That the following actions of the Chairman of the Trustees' Finance Committee be confirmed:

1. Approval to appropriate $27,700 plus closing costs from the Redevelopment Property Purchase Fund for the acquisition of Parcel 12C North of the University City Urban Renewal Area 4.

2. Approval of the advance of $60,000 from University General Fund to establish the West Philadelphia Community Free School Program.

RESOLVED, That, upon the recommendation of the Medical and Hospital Affairs Committee of the Trustees, the sum of $375,000 to fund the preparation of working drawings for

(resolution continued on following page)
J.I.M. and preliminary drawings for the Hospital of the University of Pennsylvania be appropriated from the following funds:

1. C.C.F. - Medical $86,468
2. Clinical Teaching and Research Facility Fund 42,508
3. H.U.P. New Patient Care Facility Fund 23,166
4. Pennsylvania Fund 222,858

$375,000

RESOLVED, That the sum of $270,500 be appropriated from University General Fund for the following projects:

1. Engineering study - Rittenhouse Laboratory air conditioning $8,000
2. Engineering study - Replacement of expansion joints in steam distribution lines 22,000
3. Installation of new duct banks and feeder lines in electrical system 85,000
4. Provision of electrical service to 3005 Spruce Street and other buildings to remain in Student Housing Area 3 45,000
5. Additional funds for revision of fire alarm system 70,000
6. Spruce Street steam line by-pass 35,000
7. Radio equipment - Security Department 5,500

$270,500

WHEREAS, the Fannie E. Rippel Foundation on August 6, 1969 granted to the University of Pennsylvania the sum of $375,000 in accordance with the following terms:

1. This grant is made in response to a request by letter dated July 24, 1969, signed by Luther L. Terry, M.D., Vice President for Medical Affairs, and John N. Hobsbatter, Ph.D., Acting Provost, and to a proposal to the Fannie E. Rippel Foundation dated June 21, 1969, signed by Luther L. Terry, M.D., and Christian J. Lambertsen, M.D., Director, Institute for Environmental Medicine.

(resolution continued on following page)
2. This grant is to be used to help provide funds for the basic operating costs of the initial five-year period of the University's Institute for Environmental Medicine which are needed to effect the interdisciplinary use of Grant from Fannie E. Rippel Foundation systems for research in improved clinical and therapeutic procedures in the work of hospitals;

3. This grant is to be paid, subject to its terms, in equal annual payments of $75,000 over a five-year period starting September 1, 1969, and one of said equal annual payments shall be paid on or before March first in each year from 1970 through 1974, inclusive;

4. The Board of Trustees of the University of Pennsylvania or its Executive Committee shall adopt a motion or a resolution committing the University to provide $75,000 for the first half of each twelve-month period for five years, starting September 1, 1969, for the basic operation of the University's Institute for Environmental Medicine and its research program referred to above; and this grant shall immediately expire and become void if a certified copy of said motion or resolution shall not have been received by this Foundation by December 15, 1969;

5. Prior to January first of each year from 1970 through 1974, inclusive, a senior financial officer of the University of Pennsylvania shall certify in writing to this Foundation that the University has made available to its Institute for Environmental Medicine the annual provision of $75,000 as provided in paragraph 4 above; and, if said written certification shall not have been received by this Foundation by January first in any of said twelve-month periods, starting September 1, 1969, during the five-year period of this grant, the Foundation shall not pay the next equal annual payment of $75,000, as provided above, and the remaining unpaid portion of this grant shall immediately expire and become void;

6. The interdepartmental and interdisciplinary program for research in improved clinical and therapeutic procedures in the work of hospitals shall have been initiated by December 1, 1969; and this grant shall expire and become void immediately if written certification to this effect, signed by the Director of the Institute and a senior officer of the University or by two senior officers of the University, shall not have been received by the Foundation by January 1, 1970;

7. The Board of Trustees of the University of Pennsylvania or its Executive Committee shall, by formal resolution, accept this grant and all of its terms, and a certified copy of said resolution shall have been received by the Foundation by December 15, 1969; and this grant shall immediately expire and become void if said certification is not received by the Foundation by December 15, 1969.

THEREFORE BE IT RESOLVED, That the University of Pennsylvania accept the grant of $375,000 from the Fannie E. Rippel Foundation and agree to the requirements stipulated by the Board of the Foundation as stated above.
John Pyne appointed Associate Comptroller

RESOLVED, That John Pyne, Jr. be appointed Associate Comptroller of the University, effective October 10, 1969.

WHEREAS, under the laws of the Commonwealth of Pennsylvania, it is now permissible to amend a group life insurance policy so that an employee may assign his life insurance to a named beneficiary; and

WHEREAS, the Personnel Benefits Subcommittee has studied and recommended the availability of this benefit; and

WHEREAS, this optional arrangement can be made available without additional costs. Therefore be it

RESOLVED, That, effective October 1, 1969, the Group Life Insurance Program of the University of Pennsylvania be amended to allow personnel to assign their group life and accidental death and dismemberment policies to their named beneficiaries.

Investment Committee - Mr. Butcher

The Chairman presented a general review of investment policies and procedures, reflected upon the relative investment posture at this time and expectations for the future, and expressed the hope that individual Trustees would bring their suggestions to the attention of the Investment Committee. The point was made that brokerage business is currently distributed among some eighty firms on the basis of reciprocity relating to University interests.

The following resolution was adopted:

RESOLVED, That the investment transactions taken during the period from April 20, 1969 to September 29, 1969 be approved (Appendix B).

Development and Alumni Affairs - Mr. Skinner

Upon presentation the following resolutions were adopted:

RESOLVED, That the University's fund-raising efforts during the period immediately ahead be oriented toward annual statements of five-year objectives, as outlined by the Vice President for Development and Public Relations; and be it

RESOLVED, That the Trustees recognize the "Statement of Capital Needs" prepared by the Business and Financial Vice President under date of October 1, 1969, indicating that the University's proposed program over the years will involve needs totaling perhaps $200,000,000, including $43,000,000 in unrestricted funds to meet unprogrammed capital and operating needs and opportunities as they arise; and be it further

(resolution continued on following page)
RESOLVED, That these figures are to be regarded as a measure of Pennsylvania's planning and aspirations, rather than as a binding goal.

RESOLVED, That the Trustees congratulate and thank the volunteer leadership and workers of Alumni Annual Giving upon their achievement of the record sum of $2,609,659, during 1968-69 and pledge them full support in the continued pursuit of their standing goal of $3,000,000 a year.

WHEREAS the academic and fiscal strength of the University of Pennsylvania depends vitally on a rising flow of such income as is received through Alumni Annual Giving; and

WHEREAS an alumnus identified only as "Mr. Pennsylvania" challenged the generosity of his fellow alumni by offering to match certain increments in their contributions to Alumni Annual Giving during the year 1968-69; and

WHEREAS this act inspired thousands of alumni to give as they had never given before, to the end that Annual Giving registered the greatest single year's increase in its 42-year history; therefore be it

RESOLVED, That the Trustees declare their unbounded gratitude to "Mr. Pennsylvania" for this magnificent service to his alma mater.

Medical and Hospital Affairs - Mr. Miller

Upon presentation the following resolutions were adopted:

WHEREAS the Trustees have determined that the Graduate Hospital will continue to operate at its present location for the foreseeable future; and

WHEREAS a Graduate Hospital Capital Improvement Program has been formulated under the direction of a Committee of the Board of Managers of the Hospital and recommended by the Board of Managers for approval by the Trustees of the University: Therefore be it

RESOLVED, That the Graduate Hospital Capital Improvement Program be approved in principle with the following understandings:

1. That the portions of the proposal relating to borrowing of funds be referred to the Finance Committee with the endorsement of the Medical and Hospital Affairs Committee;

2. That the appropriate officers be directed to develop a timetable and priority of implementation of the various elements of the Program;

3. That the Program be endorsed as a project toward which the Development Department will make efforts to raise the required funds.

SECRETARY
WHEREAS The Trustees have previously authorized the preparation of preliminary drawings for new construction and major renovation of the Hospital of the University of Pennsylvania as well as final working drawings for service areas to be used jointly by the University and Children's Hospital; and

WHEREAS such authorizations were given with the understanding that during the planning process every effort would be made to reduce the outlay required for an initial stage of construction while at the same time providing for a functionally useful plan which would satisfy many of the major needs of the Hospital; and

WHEREAS it has been determined that funds previously thought to be available when in January 1969 the Trustees authorized up to $1,000,000 for Hospital planning purposes will not be available for this purpose; and

WHEREAS continuing architectural studies and financial analyses have identified a stage one plan with a total project cost of $63,500,000 including all fees and the expense of engaging an outside project management team. Therefore be it

RESOLVED, That the January 1969 action of the Trustees appropriating $1,000,000 for JIM and HUP construction planning purposes be rescinded; and be it further

RESOLVED, That as a basis for continued planning the figure of $63,500,000 be approved as the total project cost for the proposed HUP and JIM construction program; and be it further

RESOLVED, That the Medical and Hospital Affairs Committee recommend to the Finance Committee and the Trustees the appropriation of $375,000 to fund the preparation of final working drawings for JIM and preliminary drawings for HUP; and be it further

RESOLVED, That the Administration be directed to report on the status of the project at the January meeting of the Trustees; and be it further

RESOLVED, That the Development Department be encouraged to expand its efforts to secure resources to finance the first construction activity in regard to the plan; namely, JIM.

Student Affairs - Mr. Trescher

Reporting upon the joint breakfast held with student members of the University Council, he expressed the hope that such interchange would bring about a better understanding of the respective points of view represented.

In closing, Mr. Day referred to Mr. Bullitt's recent authorship of a book about the Museum's work at Sybaris. He noted that the next meetings of the Trustees would be held on January 15 and 16, 1970.

Adjourned.

William G. Owen
Secretary

SECRETARY