A meeting of the Executive Board of the Trustees of the University of Pennsylvania was held on Friday, December 19, 1969 at 3:30 p.m. in the Board Room of The First Pennsylvania Banking and Trust Company.

Present were: Mr. William L. Day (Chairman), Mr. Howard Butcher, III, Mr. Paul J. Cupp, Robert Dechert, Esq., Mr. Robert G. Dunlop, Mr. John W. Eckman, Ernest Scott, Esq., Mr. James M. Skinner, Jr., Robert L. Trescher, Esq., Dr. Carl C. Chambers, Dr. David R. Goddard, Dr. Gaylord P. Harnwell, Mr. John C. Hetherston, Mr. Harold E. Manley, Mr. E. Craig Sweeten, Mr. John A. Russell, Jr. and Mr. William G. Owen (Secretary).

Messages of absence were received from Mr. Henry M. Chance, II, Dr. Carl Kayson and Bernard G. Segal, Esq.

The minutes of the meeting held on November 14, 1969 were approved with following corrections:

1. The resolution appearing on page 8 of the published minutes which grants authorization to University officers to enter into certain financial arrangements is to be replaced with the following resolution:

   RESOLVED, That the President, any Vice President or the Treasurer of The Trustees of the University of Pennsylvania be authorized, subject to approval of University Counsel to enter into arrangements from time to time with such banks or financial institutions as they may select to sell, factor, borrow upon, or pledge there to, with or without recourse, patient accounts receivable of the Hospital of the University of Pennsylvania and of The Graduate Hospital in such amounts on such terms as may be deemed suitable and necessary.

2. The first paragraph on page 10 of the published minutes is to be replaced by the following paragraph:

Amendment to resolution regarding patient accounts receivable

Amendment to minutes of 11/14/69

SECRETARY
With reference to the preceding resolution, Mr. Ballard noted that in view of letters written by Mr. Amsterdam to President Harnwell and to the Philadelphia Redevelopment Authority on this matter (copies of which were ordered filed with the minutes of this meeting) there appears to be no potential conflict of interest problem relating to the University which should prevent the University from proceeding in accordance with this resolution. He indicated his confidence that the Redevelopment Authority and its counsel, in possession of all the facts, would avoid any improper conflict of interest problem relating to that agency.

Mr. Ballard reported that after the meeting of November 14, he had checked further into the legal situation with respect to the acquisition by a member of the Redevelopment Authority of a direct or indirect interest in a redevelopment project. While expressing no opinion on the legality of such an acquisition, he indicated that he had become convinced that an argument could be made to the effect that the statute governing the Redevelopment Authority prohibited it regardless of the disclosures that might be made and regardless of the fairness of the arrangements. He stated that he was concerned that the University might receive unfavorable publicity if the Greenfield Company's involvement were ever challenged and pointed out that a similar arrangement had been questioned in connection with the investigation of the Special Grand Jury into the project at 15th and Market Streets. Mr. Ballard related that he had reported his concern to Mr. Day and that the latter had advised him to request that the proposed arrangement with the Greenfield Company as managing agent be eliminated from the agreements being negotiated between the University and Messrs. Fox and Posel. Mr. Ballard reported that he had made this request to Mr. Amsterdam and that the latter had indicated that he would be back in touch with University counsel if there was any difficulty in having the proposed arrangements changed to eliminate the Greenfield Company.
The Chairman indicated that the Nominating Committee will meet on December 22 to consider the filling of Trustee vacancies. Authority was granted to the Committee to present nominations at the Stated Meeting on January 16, with the understanding that such nominations will be circulated to the Trustees in advance of that meeting.

Upon presentation by the Secretary, the following resolution was adopted:

WHEREAS Rosalind Willard has given $50,000.00 to the University for creation of a scholarship in memory of Ethel Darby Noble and Dr. Joseph W. Noble, with the understanding that the Trustees shall be guided by the preference expressed by the donor that the holder of the scholarship be a blind female student who has at the time a particular church affiliation (Protestant) and be of American birth and with the further understanding that the Trustees shall be accorded discretion in the award of the scholarship to a particular recipient; and

WHEREAS these understandings have the approval of University Counsel; be it therefore

RESOLVED, That the gift from Mrs. Willard be accepted by the Trustees in accordance with the understandings reached.

President Harnwell presented certain details relating to the development, construction, and operation of a closed circuit television system by the Engineering Schools for the live broadcasting of graduate engineering classes. Off-campus participation would be by engineers employed in local industry. This has been shown to be educationally sound by several other universities. The capital outlay for the system would be approximately $600,000, and it appears feasible to raise this money from the participating industries. Operating costs would be covered by increasing the tuition above that regularly charged. To carry out initial investigative and planning steps, it will be necessary to commit up to $25,000. As of now, $5,000 is required to start technical planning and to satisfy the initial requirement of the F.C.C.: this sum will be taken from the President's Contingency Fund.

SECRETARY
Executive Board, December 19, 1969

In a review of relationships with the Commonwealth, Mr. Sweeten noted that a recent visit to the campus by the Secretary of Education, the Commissioner of Higher Education, and the Chairman of the State Board of Education had provided an opportunity to inform these key officials of the University's fiscal situation and to enlist their sympathetic understanding. It is hoped that from this meeting it will become possible for University financial officers to meet with Commonwealth representatives on the subject of criteria for reimbursement for services rendered the Commonwealth by the University and sponsorship of the University's case before the legislature by the Department of Education.

Mr. Hetherston reported upon the meeting held that morning with Deans, Directors and Department Chairmen concerning budgetary planning, the highlights of which will be published in the "Almanac" for broad faculty consumption.

Upon presentation by Provost Goddard, the following resolutions were adopted:

WHEREAS the Law School faculty has duly adopted certain recommendations pertaining to the first professional degree awarded; and

WHEREAS the University Council at its meeting on December 10, 1969 concurred in these recommendations; be it therefore RESOLVED, THAT

1. The degree of J.D. (Juris Doctor) be substituted for the degree of LL.B. (Bachelor of Laws);

2. There be authorized the issuance to graduates of the Law School, who have previously been awarded the LL.B. degree and who apply for the J.D. degree, the J.D. degree, nunc pro tunc, upon payment of a fee to be determined by the Secretary of the University in consultation with the Dean of the Law School in order to cover the cost of changing records and issuing new documents;

3. Upon issuance of the J.D. degree to a prior graduate he may not thereafter represent that he had earned both the LL.B. and J.D. degrees at this University.

Degree of J.D. substituted for LL.B.
Executive Board, December 19, 1969

RESOLVED, That the recommendations for academic appointments and promotions for the period from November 12, 1969 through December 16, 1969 be approved (Appendix A).

Mr. Russell reported upon the resolution of a particular problem which had been encountered with a group of Black students concerning an admissions recruitment program.

COMMITTEE REPORTS

Finance Committee - Mr. Skinner

RESOLVED, That the sum of $35,000 be appropriated from the Department of Chemistry Building Fund for preliminary expenses for this project.

RESOLVED, That the renovation of 3905 Spruce Street be approved as a capital project and that it be authorized to proceed through the preliminary drawing stage; and be it further

RESOLVED, That the sum of $5,160 be appropriated from University General Fund for preliminary expenses.

RESOLVED, That with the approval of Counsel the appropriate officers of the University are authorized to transfer cash from the principal of restricted current funds to the administration cash account with the understanding that the principal of the restricted current funds will be guaranteed by the assets of the following unrestricted funds:

- College General Fund
- Ford Foundation Accomplishment Fund
- Ford Foundation Faculty Salaries Fund
- Gaylord P. and Mary L. Harnwell Professorship Fund
- William Welsh Harrison College Fund
- Gustave C. Kummerle Memorial Professorship Fund
- Ford Foundation School of Medicine Fund
- School of Medicine General Fund
- School of Medicine Salaries Fund
- William Welsh Harrison College Fund
- Frank G. Zimmerman Fund
- School of Dentistry Fund

AND BE IT FURTHER RESOLVED, That the transfer of cash between restricted current funds and administration cash account be made only as necessary when the University's approved bank line of credit has been exhausted or when the use of such funds will eliminate all current bank borrowing.

SECRETARY
Executive Board, December 19, 1969

Appropriation from Kline Fund toward Pathology renovations

RESOLVED, That the sum of $443,085 be appropriated from the C. Mahlon Kline Medical School Fund toward the cost of Pathology Renovations, Phase I in the Medical School, with the understanding that this sum will be repaid to the Kline Fund within five years in accordance with the terms of the agreement between The Trustees of the University of Pennsylvania and the Trustees of the Kline Estate.

Investment Committee - Mr. Butcher

Upon presentation by Mr. Butcher the following resolution was adopted:

RESOLVED, That the investment transactions taken during the period October 27, 1969 to November 21, 1969 be approved (Appendix B).

Alumni Affairs and University Development - Mr. Skinner

Capital Campaign funds have reached $5,735,346. Annual Giving has reached $497,000 and is $100,000 ahead of last year. Other gifts and grants bring the total for the year to $7,163,905.

University Counsel, Mr. Ballard, reported that there is being prepared for presentation in the legislature, in collaboration with Mr. Sweeten, a statute which would permit the allocation to income of realized capital gains up to and not exceeding 7%; this would have the effect of benefiting all eleemosynary institutions. In the ensuing discussion, the points were made that such a provision should be considered for emergency use only; that the specific percentage figure should be carefully researched; and that the time of such a proposal should be carefully considered in the light of present relationships with the Commonwealth.

Adjourned.

William G. Owen
Secretary