OPEN STATED MEETING
OF THE
TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA

January 10, 1975

An open Stated Meeting of the Trustees of the University of Pennsylvania was held at 2:00 p.m. on Friday, January 10, 1975 in the Council Room of the Furness Building.

Present were: Mr. Donald T. Regan (Chairman), Gustave G. Amsterdam, Esq., Mr. Samuel H. Dallam Jr., Mr. Julian S. Ders, Mr. I. W. Burnham, II, George R. Burrell, Jr., Esq., Mr. Orville H. Bullitt, Mr. Henry M. Chance, II, Dr. Gloria Twine Chisum, Mr. Paul J. Cupp, Dr. Edgar Lee Dessen, Mr. Charles D. Dickey, Jr., Mr. Robert G. Dunlop, Mr. John W. Eckman, Mr. Thomas S. Gates, Mr. H. Samuel Greenawalt, Jr., Mr. Warren S. Griffin, Dr. F. Otto Haas, Judge A. Leon Higginbotham, Jr., Dr. Carl Kaysen, Mr. William J. Kennedy, III, Miss Laureine Knight, Mr. Robert P. Levy, Mr. Myron M. Mainthow, Mrs. Margaret R. Mainwaring, Mr. John A. Mayer, Mr. C. B. McCoy, Mr. Paul F. Miller, Jr., Anthony S. Minisi, Esq., Mr. William D. Patterson, Bernard G. Segal, Esq., Mr. Wesley A. Stanger, Jr., Mrs. Ione A. Strauss, Mrs. Marietta Tree, The Honorable John H. Ware, 3rd, Mrs. Jacqueline Wexler, Morton H. Wilner, Esq., Mr. Charles S. Wolf, President Martin Meyerson, Provost Eliot Stellar, Vice Presidents Paul O. Gaddis, John C. Hetherston, Thomas W. Langfitt, Harold E. Manley and E. Craig Sweeten, Dr. Margaret Beckman, Mr. Stuart H. Carroll, Mr. Robert Coryell, Mr. Raymond Denworth, Dr. Alice F. Emerson, Mrs. Karen Gaines, Dr. John N. Hobstetter, Chaplain Stanley E. Johnson, Dr. D. Bruce Johnstone, Mr. Edwin M. Ledwell, Jr., Mr. Michael Neiditch, Dr. Almarin Phillips, Mr. Curtis R. Reitz, Mr. Donald T. Sheehan, Dr. Edward J. Stemmier, Dr. Jon S. Strauss, Mr. Donald M. Stewart, Assistant Secretary Richard M. Sherman, Associate Secretary Robert G. Lorndale and Secretary William G. Owen.

Chaplain Johnson opened the meeting with a prayer.

Chairman Regan extended a welcome to the following new Alumni Trustees: H. Samuel Greenawalt, Myron M. Mainthow, George R. Burrell and Laureine Knight.

Secretary
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The minutes of the October 25, 1974 meeting were approved.

President Meyerson requested Provost Stellar to report on certain personnel matters. Attention was directed by the provost to curriculum vitae for Edward J. Stemmler and Almarin Phillips; the following resolutions were adopted:

RESOLVED, That Edward J. Stemmler be named Dean of the School of Medicine to serve at the pleasure of the president for an initial term through June 30, 1981, this election to be effective immediately.

RESOLVED, That Almarin Phillips be named Dean of the School of Public and Urban Policy to serve at the pleasure of the president for an initial term through June 30, 1981, this election to be effective immediately.

Deans Stemmler and Phillips were invited into the meeting and each expressed appreciation for his new position of responsibility.

President Meyerson called attention to a memorandum on the position of the executive director of the University budget. He pointed to this as an important step in the planned revision of the budget process and said that this person will formally report to him, but work very closely with the provost as head of the responsibility and the academic indirect cost centers, with the vice-president for management as senior officer over the remaining administrative and indirect cost centers, with the comptroller as the principal officer in charge of day-to-day operations and control of the University's financial affairs, and with other officers.

He said that the director would also work closely with the associate provost for academic planning to insure a budget which reflects the University's priorities. The following major responsibilities of the position were identified: (1) overseeing and continuing development of the University's operating budget system, (2) formation of the annual operating budget of the University, (3) coordination of the annual budget with the development of forward-year operating...
and capital budget plans, and (4) development and implementation of financial and other information systems as a basis for resource allocation within the University. The president said that after a vigorous search, both inside and outside the University, Dr. Jon Strauss, director of university computing activities, has been selected to fill the position. He pointed out that although the appointment does not require formal trustee approval, he deemed it of sufficient importance to merit the understanding and approval of the trustees. The following resolution was adopted:

RESOLVED, That upon the recommendation of the president, the position of Executive Director of the University Budget be established, and that Dr. Jon S. Strauss be appointed to this position effective immediately.

Dr. Strauss expressed his appreciation for the appointment.

President Meyerson reported upon the following matters:

1. The University is indeed fortunate to secure the services of the following trustees for the important assignments indicated in the continuing development of boards of overseers:

   - Thomas S. Gates - Chairman, Board of Overseers for The Faculty of Arts and Sciences.
   - Marietta Tree - Chairman, Board of Overseers for the Graduate School of Fine Arts.

By formal action, the trustees ratified these appointments.

The following resolution was adopted:

RESOLVED, That the following persons be appointed to the respective boards of overseers and elected associate trustees (where appropriate):

- College of Engineering and Applied Science
  - William Baker
  - President
  - Bell Laboratories

- Board of Overseers of Engineering and Applied Science
  - Henry M. Chance II
  - United Engineers and Constructors, Inc.

- Faculty of Arts and Sciences
  - Thomas S. Gates

- Graduate Fine Arts
  - Marietta Tree
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Edward J. Gornowski  
Vice President  
Exxon Research and Engineering Company

Ralph Landau  
President  
Halcon International

Sarkes Tarzian  
Sarkes Tarzian, Inc.

Harry J. Woll  
Vice President  
HCA Corporation

George Bugliarello  
President, Polytechnic University of New York

Daniel C. Drucker  
Dean of Engineering, University of Illinois

Walter A. Rosenblith  
Provost, Massachusetts Institute of Technology

Donald S. MacNaughton  
Chairman  
The Prudential Insurance Company of America

William A. Marquard, Jr.  
President  
American Standard, Inc.

Paul F. Miller, Jr.  
Miller, Anderson and Sherrerd

Edmund T. Pratt, Jr.  
Chairman  
Pfizer, Inc.

Edgar B. Speer  
Chairman, Board of Directors  
United States Steel Corporation

2. The President said that it has been just three years since his report of January 1972 in which he outlined some of the major choices before the University and proposed a University Development Commission to help set an agenda for the seventies and beyond. He noted that two years ago the Commission presented its report with 94 recommendations for strengthening the financial base, the management, and most of all the academic quality of the University. During the past two years, he said, with the help of the University Council, the Faculty Senate, and the deans and their school and departmental planning bodies, each recommendation has
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been worked on and many have been made policy. Some have brought about fundamental changes in the University, while others have become part of the plans for the upcoming fund drive. He then referred to the draft of a second report on implementation, (copies of which were distributed) which documents the impact the Commission has had on the University and the status of the agenda yet before us.

The President went on to give special emphasis to the challenge of selectivity which, he said, remains by and large unfinished business. "Alongside the challenge of raising more money than ever before in our history," he said, "we have the challenge of making harder decisions than ever before. But as we face these hard decisions, let us remember that we select primarily for rather than against that selectivity must mean growth and enrichment of that which is superlative or could and should become so." The President completed his comments by reading the following words of Edmund Burke in his writing to the Duke of Bedford: "It may be new to his grace, but I beg leave to tell him that mere parsimony is not economy. It is separable in theory from it; and in fact it may, or it may not, be a part of economy, according to circumstances. Expense, and great expense, may be an essential part in true economy. If parsimony were to be considered as one of the kinds of that virtue, there is, however, another and higher economy. Economy is a distributive virtue, and consists, not in saving, but in selection. Parsimony requires no providence, no sagacity, no powers of combination, no comparison, no judgment. Mere instinct, and that not an instinct of the noblest kind, may produce this false economy in perfection. The other economy has larger views. It requires a discriminating judgment, and a firm, sagacious mind. It shuts one door to impudent importunity, only to open another, and a wider, to unassuming merit."
Provost Stellar reaffirmed the importance of the University Development Commission report to the future of the University, and Vice President Gaddis referred to the challenge which is presented to the University to implement this higher kind of economy. Mr. Regan said that the trustees would scrutinize carefully the document on implementation and respond to the administration.

3. A recent research study by Peter Blau and Rebecca Margulies on the reputations of American professional schools, as perceived by the deans in the fields, has received national attention and deserves some comment. This study reflected the following ranking for certain of the University's professional schools among the top ten: Architecture-#4, Business-#4, Dentistry-#6, Engineering-not included, Law-#9, Medicine-not included, Nursing-not included, Social Work-not included, Veterinary Medicine-#3. The President noted peculiarities of certain of these rankings and responded to questions. The point was made by Dr. Kaysen that in the case of professional schools it is important to note a distinction between the quality of education offered and the quality of research opportunities offered. Based upon the degree of interest expressed in the study, it was agreed that copies of the report should be sent to all Trustees with some commentary by the respective University deans.

4. Counsellor Curtis Reitz introduced attorney Ray Denworth of Drinker Biddle & Reath, who commented upon the implications of a recent ruling by U. S. District Court in connection with the case which alleges discriminatory action on the part of the University toward Dr. Phyllis Rackin, a former member of the English department. The nature of the ruling, he said, was to find that the University is engaged in state action and that this has profound implications in presenting a challenge to the University's authority to select and promote members of the faculty. He said that a
recent decision of the United States Supreme Court indicates that the standard to be applied is one of more critical analysis; the attorneys have asked for an interlocutory appeal. Meanwhile, he noted, strenuous efforts are continuing to be made to reach a fair compromise with the plaintiff and the University is in the final stages of preparing for trial, probably before summer.

The point was made by Mrs. Wexler that although she does not advocate the interference in such matters by external agencies on a one to one basis, she urged the trustees to face the central question of how they can be responsible for policy-shaping that will better support good recruitment, retention and tenure policies. The trustees, she said, should press hard for information about any department where women are available in large numbers and have not been appointed, to the end that trustees can be in a position to speak up as shapers of policy.

Referring back to the discussion on the education of women which took place during the October meetings of the trustees, President Meyerson said that the administration will report formally on this subject during the ensuing months. He made the point that the administration should report yearly on this subject, that trustees should judge the results and then act accordingly. The chairman suggested that the eventual report should be submitted to the Educational Policy Committee, which can then bring it to the trustees.

5. At a recent meeting of the Ivy presidents, decisions were made calling for a reduction in the number of coaches in certain sports and making freshmen eligible for participation in three varsity sports. Mr. Levy said that the minutes of the Thursday meeting of the Subcommittee on Recreation and Athletics would be sent to all trustees in order to provide them with an overview of the present status and future outlook.

The chairman requested that a full report on the subject of recreation and athletics be made to the trustees in June.
6. The following resolution was adopted:

WHEREAS, the Honorary Degrees Committee of the University Council recommended in 1974 that serious consideration be given to awarding an honorary degree to I. F. Stone in recognition of his accomplishments as an independent journalist; and

WHEREAS, the Department of Philosophy subsequently recommended that Mr. Stone be restored to his class (College 1928) through the granting of the Bachelor of Arts degree in faculty; and

WHEREAS the Dean of the Faculty of Arts and Sciences has endorsed this action; be it

RESOLVED therefore that approval be given to the granting of the Bachelor of Arts degree in faculty to I. F. Stone.

Provost Stellar reported upon various personnel searches which are still underway. The following resolution was adopted:

RESOLVED, That the academic appointments and promotions for the period from December 5, 1974 to December 18, 1974 be approved.

At the request of Mr. Chance, Vice-President Manley presented information concerning a proposed undergraduate rent schedule for 1975-76. The following resolution was adopted:

RESOLVED, That the attached schedule of proposed dormitory rentals for 1975-76 be approved. (Appendix A)

On behalf of the Investment Committee, Mr. Stanger made the following report.

The results of the account were relatively satisfactory considering the state of the market. This was primarily due to the fact that we became conservative over a year ago, which resulted in the composition of the account now being 52 per cent of its current value of approximately $72,500,000 in bonds and cash or equivalent. We intend to pursue present policies.

It was reported by Mr. Mayer that the Audit Subcommittee had held its first meeting that morning to review functions and responsibilities, discuss the present status of the relationship with the University's auditors, discuss the proposed technical qualification to be included by the auditor in his closing certification for fiscal 1974, and to set a tentative schedule of meetings. He said that the subcommittee will next meet in June.

For the Educational Policy Committee, Provost Stellar reported
that a session had been held on Thursday morning devoted to a consideration of graduate and professional education at the University; it was followed by a very interesting visit to the laboratories of the Institute for Environmental Medicine.

Mr. Ballam noted, on behalf of the Health Affairs Committee, that Vice-President Langfitt's proposals relating to the health affairs sector had been reviewed by the trustees at their meeting on Thursday afternoon and that specific attention has continued to be given to the impact of hospital operations on the University budget. He referred to the agreement reached between the two hospitals and the Blue Cross of Philadelphia and he acknowledged the election of Dr. Stemmler to the deanship of the School of Medicine as representing a permanent strengthening of the corps of officers who are directly concerned with the present and future welfare of the health affairs division.

Upon presentation by Mr. Gates, the following resolution was adopted:

RESOLVED, That the Trustees' Honorary Degree Committee be authorized to select candidates for receipt of honorary degrees at the May Public Commencement ceremonies and any other convocation which may be scheduled between this date and the next meeting of the Trustees, with the understanding that their action will be confirmed at the next meeting of the Trustees.

For the Alumni Trustees, Mrs. Strauss reported upon a discussion at the Friday breakfast meeting; she described next summer's alumni college program, cited the need for increased attention to the University in the local press, and voiced a concern about the policy governing the admission of children of alumni to the University. On the latter point, Provost Stellar and Acting Dean Johnson noted that the University's policy is a positive one and they offered to make existing policy known directly to the trustees.

For the Development Operating Committee, Mr. Eckman summarized recent subscriptions, gifts, bequests and receipts and noted that the fiscal year total as of January 9 was $20,209,000. He expressed a need to sustain this momentum.
In his report for the Nominating Committee, Mr. Segal stated that in the case of the dates of expiration associated with Term and Alumni Trustees, as listed in the directory, it is intended that incumbent trustees be invited to attend the trustees' meeting which follows closely upon the stated expiration date of the term of office.

The following resolution was adopted:

RESOLVED, That Charles D. Dickey, Jr., be re-elected to a five-year term as Term Trustee effective this date.

Upon presentation by the Secretary, the following resolutions were adopted:

The Board of Managers of The Wistar Institute at its December 13, 1974 meeting has asked me, on behalf of the Board, to present for your approval the following slate for election to the Board of Managers of The Wistar Institute of Anatomy and Biology:

- Mr. Frank G. Binswanger, Sr.
- Mr. Herbert W. Blades
- Mr. Paul B. Branin
- Dr. John R. Brobeck
- Mrs. T. Wistar Brown
- Mr. John T. Dorrance, Jr.
- Mr. Joseph N. DuBarry, IV
- Dr. Harry Eagle
- Mr. John W. E flam
- Mr. Robert A. Fox

Further, The Academy of Natural Sciences has designated Dr. Ruth Patrick and Dr. H. Radclyffe Roberts as its representatives to the Wistar Institute Board of Managers.

Further, Dr. Donald Vail Rhoads continues to be the duly appointed nominee of Sir John Valentine Wistar Shaw, the oldest, living male heir of the fourth generation of Caspar Wistar, M.D.

RESOLVED, That a mandamus be issued by the Corporation to the President, Provost and Professors for a Convocation of University Council for the conferring of degrees on May 18, 1975, and at any Special Convocations called during the balance of the year 1975.

In his final remarks, Mr. Regan said that Trustee Reginald Jones will be honored as the gold medal recipient by the Poor-Richard Club of Philadelphia on Benjamin Franklin's birthday, January 17, and that Founder's Day will be celebrated by alumni of the University on Saturday, January 18. Finally, he noted that the next meetings of the Trustees will be held on June 5 and 6, 1975.

Adjourned.

William G. Owen, Secretary