An open Stated Meeting of the Trustees of the University of Pennsylvania was held at 2:00 p.m. on Friday, June 6, 1975 in the Council Room of the Furness Building.

Present were: Mr. Donald T. Regan (Chairman), Mr. Robert P. Adler, Gustave G. Amsterdam, Esq., The Honorable Walter H. Annenberg, Mr. Julian S. Bers, Dr. Detlev W. Bronk, Mr. I. W. Burnham, II, George R. Burrell, Jr., Esq., Mr. Howard Butcher III, Mr. Henry M. Chance, II, Dr. Gloria Twine Chisum, Dr. Edgar Lee Dessen, Mr. Charles D. Dickey, Jr., Mr. Robert G. Dunlop, Mr. John W. Eckman, Mr. H. Samuel Greenawalt, Jr., Mr. Warren S. Griffin, Dr. F. Otto Haas, The Honorable A. Leon Higginbotham, Jr., Mr. Reginald H. Jones, 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, Robert L. Trescher, Esq., The Honorable John H. Ware, Mr. Ernest L. Whitney, Morton H. Wilner, Esq., Mr. Charles S. Wolf, Mr. William J. Zellerbach; President Martin Meyerson, Provost Eliot Stellar, Vice Presidents Paul O. Gaddis, Thomas W. Langfitt, Harold F. Manley, Fred A. Shabel, and E. Craig Sweeten; Dr. Margaret B. Beckman, Mr. Stuart H. Carroll, Mr. Robert Coryell, Dr. James E. Davis, Dr. Alice F. Emerson, Mr. William J. Hickey, Mrs. Karen Gaines, Mr. Wm. Richard Gordon, Dr. John N. Hobstetter, Mr. Michel Huber, Mr. J. Jerrold Jackson, Dr. D. Bruce Johnstone, Mr. Scott C. Lederman, Mr. Edwin M. Ledwell, Jr., Mr. Mark Levitan, Dr. Donald S. Murray, Mr. John Pyne, Jr., Mr. Curtis R. Reitz, Mr. Gerald L. Robinson, Mr. Donald T. Sheehan, Dr. Jon Strauss, Dr. Humphrey Tonkin, Mr. Robert G. Lorndale (Associate Secretary) and Mr. William G. Owen (Secretary). John Ames Ballard, Esq. represented Counsel.

The meeting was called to order and the chairman requested a moment of silence in memory of Dr. George A. Coleman. He requested the secretary to prepare an appropriate memorial resolution.
WHEREAS, George A. Coleman, D.D.S. '13, was dedicated to the higher purposes of the University of Pennsylvania throughout his life and served this board as an active Trustee for ten years and as an Emeritus Trustee for seven years; and

WHEREAS, Dr. Coleman gave leadership to his alma mater as president of the Organized Classes of the General Alumni Society, as president of the Dental Alumni Society, and as chairman of the Pennsylvania Plan; and

WHEREAS, Dr. Coleman devoted himself tirelessly to the upbuilding of the School of Dental Medicine, only one evidence of which may be found in the Dr. George A. and Mary Coleman Preventive Dentistry Clinic; and

WHEREAS, his fellow Trustees are deeply grieved by his death on May 26, 1975; be it therefore

RESOLVED, That the Trustees record this official minute in affectionate memory of George Coleman, thereby reflecting the esteem of his many friends and admirers in the University family; and that the Secretary be asked to convey to his family on behalf of the Trustees appreciation for his bountiful and constructive allegiance to the University of Pennsylvania.

The minutes of the January 10, 1975 meeting were approved.

In the report of the president, Mr. Meyerson commented upon the following matters with actions being taken as indicated:

1. The administration and counsel are examining the new legislation governing pension plans and the possible effects upon the early retirement plan which was adopted last year. The actions taken by the Executive Board on February 10, 1975, as represented in paragraphs 1 through 4 in the policy statement on administrative staff, are hereby revoked; new provisions concerning the schedule of retirement dates will be brought to the trustees in due course.

2. Dr. Strauss described the salient features of the proposed budget for fiscal 1976 and compared it to the fiscal 1975 budget and projected actual budget. He noted that the proposed budget calls for an anticipated surplus of $626,000, and he described this as a very conservative budget in the light of the following uncertain variable factors: the state appropriation; enrollments for next year; upcoming negotiation of union agreements; investment income projections and the state of the economy; indirect cost recoveries; and utility costs. Various questions were responded to, following which Mr. Chance moved adoption of the proposed budget, Mr. Eckman offered a second to the motion, and the budget was approved.

3. The administration was complimented on the 1975 commencement and the following resolutions were adopted:

WHEREAS the association of the University of Pennsylvania and the office of the President of the United States dates back to the time of George Washington, who was present at our 1775 Commencement which was commemorated on May 18, 1975; and

WHEREAS President Ford's participation in our University's Bicentennial ceremonies had special meaning for us not only because he came to our Commencement 200 years after the first President of the United States celebrated it with us but because he was the first President of the United States both to be our speaker and receive our honorary degree; be it therefore
RESOLVED that the Trustees of the University express to President Gerald R. Ford their profound gratitude for his contribution to the 219th Commencement of the University, the first of our Bicentennial events, remarking with pride that the pleasure of his company was demonstrated through the warmth of the welcome given him by the entire University community.

WHEREAS the University of Pennsylvania commemorated on May 18, 1975, its extraordinary 1775 Commencement which was attended by the Continental Congress in one of the last gatherings of town and gown before the American Revolution; and

WHEREAS our sister institutions from the English-speaking world that were in existence before 1776 joined in our celebrations and most especially our British cousins from the English and Scottish universities that graciously brought us the symbolic company and greetings of their colleagues from across the Atlantic; be it therefore

RESOLVED that the Trustees express their pleasure in our coming together for a historical event, sending their lasting appreciation to the academic heads and university representatives whose presence helped us recognize anew our common intellectual heritage and membership in an international community of learning and refreshed our commitment to its timeless ideals.

President Meyerson noted that Professor Anthony Garvan is in the process of formulating a schedule of special academic convocations during the bicentennial year, in which various departments and schools will bring together at the University outstanding scholars in their disciplines for the conferring of honorary degrees.

4. The following resolution was adopted, with the understanding that the president does not wish to grant authority to sell any of these objects until he has been assured of the best method of sale, that there are no legal impediments, that the relation of the objects to collections in other museums has been ascertained, and that the importance of objects in University collections is clearly understood; and with the further understanding that the president will report to the trustees at their next meeting on the final resolution of this matter;

RESOLVED, That, upon the recommendation of the President and the Board of Managers of the University Museum, the President or the Provost be authorized to approve the sale of: a group of Chinese paintings, two large Chinese carpets, a large collection of Mandarin squares, a collection of 18th century Chinese export china, a collection of 18th century figurines and vases and a collection of Japanese Netsukes, belonging to the University Museum; and be it further

RESOLVED, That the proceeds from the sale of these collections be used for capital improvements of the University Museum as designated by the President and the Board of Managers of the Museum.

5. At the end of this academic year, Mr. Reitz will give up his role as University Counsellor and resume full-time teaching in the Law School. The trustees concurred in the recommendation of the president that Mr. Stephen Burbank be appointed to the position of University Attorney effective with his assumption of this position in the autumn.
6. President Meyerson expressed his appreciation to Dean of Students Alice Emerson and Vice Provost for Undergraduate Life Humphrey Tonkin for their individual and unique contributions to the University during their tenure in academic administration.

7. Stephen Biddle, an undergraduate, described briefly the activities of a coalition of private university students who are endeavoring to influence legislation at the state and federal levels in support of their institutions.

Provost Stellar reported upon the following matters with actions being taken as indicated:

1. A new director of intercollegiate athletics and recreation has been appointed. Personnel searches for the deanships of law and graduate education, the directorship of the University Museum and vice provostship for undergraduate study and University life have not yet been consummated.

2. WHEREAS the faculty of the Wharton School accepted a report of an evaluation committee calling for approval of the Bachelor of Business Administration degree which has been offered on an experimental basis by the Evening School, provided that the program be strengthened and improved in quality in several specific ways, and

WHEREAS the Educational Policy Committee of the University Council recommended approval of the degree with provision for monitoring certain concerns about it, and

WHEREAS the University Council has endorsed these actions, with the understanding that provision will be made to examine the proposals for strengthening the program as delineated in the original report, therefore be it

RESOLVED, that upon the recommendation of the President and Provost, the Bachelor of Business Administration degree program in the Wharton Evening School be approved with the understanding that the program will be reviewed in three years.

3. RESOLVED, That the name of the Department of Statistics and Operations Research be changed to the Department of Statistics, with the understanding that subsequent action will be taken to modify the titles of faculty members holding appointments in that department to reflect the change in departmental name.

4. WHEREAS, the late Dr. Stuart Mudd and his wife, Dr. Emily B. H. Mudd, have been distinguished members of the faculty of the University of Pennsylvania for more than four decades, and have made major contributions in medical research and family study, and to the intellectual life of the entire University community; and

WHEREAS, a generous bequest is provided in the will of Dr. Stuart Mudd for the establishment of an endowed professorship; be it therefore

RESOLVED, that the Trustees of the University of Pennsylvania establish THE STUART AND EMILY B. H. MUDD PROFESSORSHIP in the fields of family relations, human reproduction and social interaction in the department of Obstetrics and Gynecology.

5. The academic appointments and promotions for the period from March 21, 1975 to May 20, 1975 were approved.

6. A preliminary report on the undergraduate freshman class for September reflects an appreciable increase in the number of applications and maintenance of the same academic report to the trustees in October.
Reporting for the Finance and Operations Committee, Mr. Chance moved the following resolutions, which were adopted:

WHEREAS, the Trustees have heretofore approved and authorized the construction and equipping of certain proposed improvements, additions or betterments to the existing facilities of the Hospital of the University of Pennsylvania to be known as the Silverstein Pavilion;

WHEREAS, the Trustees wish to seek the assistance of the Hospitals Authority of Philadelphia (the "Authority") of the cost of constructing and equipping such improvements, additions or betterments through the Authority's issuance of Hospital Revenue Bonds in an aggregate principal amount not exceeding $35,000,000, and to that end propose to execute and deliver to the Authority an agreement (the "Application Agreement") containing the University's application for such assistance and providing for the University's payment of an application fee to the Authority;

WHEREAS, representatives of The Trustees of the University of Pennsylvania (the "University") have conducted preliminary negotiations with representatives of the Authority as to the terms and conditions under which the Authority will issue its Hospital Revenue Bonds for such purpose;

WHEREAS, the Authority proposes to designate and undertake as a project the leasing from the University of a tract of land, with all buildings and improvements thereon (the "Leased Premises"), which Leased Premises will consist of all of the premises presently occupied by the Hospital of the University of Pennsylvania;

WHEREAS, the Authority proposed to authorize the issuance of its Hospital Revenue Bonds in order to finance the obtaining of a leasehold interest in the Leased Premises from the University in order that the proceeds of such Bonds shall be applied to the cost of the aforesaid improvements, additions or betterments;

WHEREAS, the Authority and the University propose to enter into a certain lease (the "Lease Agreement") under which the Authority, in consideration of the application of the proceeds of the Hospital Revenue Bonds to the cost of the Improvement Project hereinafter referred to, will obtain a leasehold interest in the Leased Premises and in all future improvements, additions and betterments thereto (collectively, the "Hospital Facilities") and pursuant to which the University will be enabled to construct and equip on the Leased Premises certain capital improvements, additions and betterments to the Hospital of the University of Pennsylvania (the "Improvement Project"), and the Authority and the University further propose to enter into a sublease (the "Sublease") under which the Hospital Facilities, so improved, would be sublet to the University during the construction of the Improvement Project and thereafter for the operation thereof, which Sublease would provide, among other things, for the University's payment to the Authority of rentals sufficient to pay, when due, debt service on and all other sums payable by the Authority with respect to the Hospital Revenue Bonds to be issued to finance the Improvement project (the "Series of 1975 Bonds") together with certain expenses of the Authority and of the Trustee under the trust indenture (the "Trust Indenture") securing the Series of 1975 Bonds;

WHEREAS, as security for payment of the Series of 1975 Bonds, the Authority proposes to pledge and assign to the Trustee under the Trust Indenture all rentals and other amounts payable by the University under the Sublease or on account of the Sublease or on account of the Hospital Facilities;

WHEREAS, as additional security for payment of the Series of 1975 Bonds, the University proposes to execute and deliver an agreement with the Trustee under the Trust Indenture (the "Guaranty Agreement") under which the University will guarantee to the holders from time to time of the Series of 1975 Bonds and the bearers of interest coupons appertaining thereto, payment of the principal of, redemption price and interest on such Bonds;
WHEREAS, it will be necessary for the University to furnish to the Authority certain financial and other information concerning the University and the Hospital of the University of Pennsylvania for inclusion in the Offering Circular to be prepared by the Authority for use in connection with the offering and sale of the Series of 1975 Bonds;

WHEREAS, the aggregate principal amount of the Series of 1975 Bonds of all maturities to be issued, the several maturities of such Bonds, the aggregate principal amount of such Bonds of each such maturity to be issued, the respective interest rates to be borne by such Bonds of each such maturity, the terms of any sinking fund for such Bonds, the underwriting fees or discounts, and the public offering price of such Bonds are each to be determined immediately prior to the offering of such Bonds by agreement between the University and the Authority; and

WHEREAS, drafts of the Application Agreement, the Lease, the Sublease, the Trust Indenture and the Guaranty Agreement have been presented to this meeting:

THEREFORE BE IT RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the Vice President and Treasurer or the Executive Director, University Hospitals and the Secretary or any Assistant Secretary are hereby authorized and directed to make application to the Hospitals Authority of Philadelphia for issuance of Hospital Revenue Bonds in an aggregate principal amount not exceeding $35,000,000 and to execute and deliver to the Authority on the University's behalf an Application Agreement in substantially the form of the draft thereof presented at this meeting, with such changes therein and additions thereto as the signers thereof shall approve, such approval to be evidenced by their signatures thereon;

BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the Vice President and Treasurer or any Assistant Treasurer of the University be authorized to pay such fees to the Hospitals Authority of Philadelphia as may be required by the aforesaid Application Agreement;

BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the Lease Agreement, the Sublease, the Guaranty Agreement and the Trust Indenture, as presented to this meeting, be and they hereby are approved, and the Vice President and Treasurer or the Executive Director, University Hospitals and the Secretary or any Assistant Secretary are hereby authorized and directed to execute and deliver, on behalf of the University, a Lease Agreement, Sublease and a Guaranty Agreement in substantially the respective forms of the drafts thereof presented at this meeting, with such changes therein and additions thereto as the Trustees, at one or more open meetings called for such purpose, shall approve by resolution duly adopted at such meeting;

BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the Vice President and Treasurer and the Executive Director, University Hospitals be and they hereby are authorized and directed to prepare and to furnish to the Hospitals Authority of Philadelphia such financial and other information concerning the University and the Hospitals Authority of Philadelphia, for inclusion in the offering circular to be prepared by such Authority for use in connection with the offering and sale of the Series of 1975 Bonds as such officers shall deem to be necessary or desirable in the circumstances;

BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends that the Trustees hold such further and other open meetings as may be necessary or desirable for the purpose of giving final approval to the forms of the Lease Agreement, the Sublease, the Guaranty Agreement, the Trust Indenture and the material to be furnished by the University to the Hospitals Authority of Philadelphia for inclusion in its offering circular, for the purpose of approving and authorizing the aggregate principal amount of the Series of 1975 Bonds of all maturities to be issued, the several maturities of such Bonds, the aggregate principal amount of such Bonds of each such maturity to be issued, the respective interest rates to be borne by such Bonds of each such maturity, the terms of any sinking fund for such Bonds, the underwriting fees or discounts, and the public offering price of such Bonds;
BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the Vice President and Treasurer, the Executive Director, University Hospitals and the Secretary or any Assistant Secretary of the University are hereby authorized to take such other steps and to enter into such other agreements and execute and deliver such other instruments and documents as such officers, with the advice of counsel for the University, shall deem to be necessary or appropriate in connection with the matters contemplated by the Application Agreement, Lease Agreement, the Sublease, the Trust Indenture, the Guaranty Agreement and the offering circular;

BE IT FURTHER RESOLVED, that the Finance and Operations Committee recommends to the Trustees that the forms of the Application Agreement, the lease Agreement, the Sublease, the Trust Indenture and the Guaranty Agreement presented at this meeting shall be spread upon the minutes of this meeting.

(Mr. Minisi abstained from voting on the above resolutions).

RESOLVED, That the additional sum of $700,000 be advanced from current funds cash for preliminary expenses on the Silverstein Pavilion Project.

### School of Dental Medicine

<table>
<thead>
<tr>
<th>Field</th>
<th>Tuition</th>
<th>General Fee</th>
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<tbody>
<tr>
<td>Dental Hygiene</td>
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<td>$360</td>
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<tr>
<td>Dental Medicine</td>
<td>4,560</td>
<td>190</td>
</tr>
</tbody>
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### Division of Advanced Dental Medicine

- **First year**: 5,200 190
- **Second year**: 5,820 190

### Wharton Graduate Division

- **Second year MBA**: 3,430 190

It was reported by Dr. Johnstone, on behalf of President Meyerson, that certain concerns expressed by graduate students about the approved increase in the dissertation fee from $300 to $480 per year are receiving serious attention by Vice Provost Langenberg. It is hoped that some way can be worked out to enable students in dissertation status, who are in fact not drawing on the resources of the University at a given time, to take academic leaves under certain circumstances and thereby to avoid payment of the fee.

For the Audit Subcommittee, Mr. Mayer said that the subcommittee had met individually with both the auditors and University officers and had reviewed proposals of the auditors and considered as well certain problems encountered by them during the past year. The subcommittee has recommended, he said, that the firm of Coopers & Lybrand be re-employed for fiscal 1976; this recommendation was affirmed.

Mr. Amsterdam reported that the new Real Estate Subcommittee has been formed and certain major items have been examined. The trustees, he said, will receive a full report in due course.

Investment Committee chairman, Mr. Stanger, reported that the value of the A.I.F. is now on the order of $95,600,000, a figure which is above the book value.
The return, he noted, has increased by $2 million during the past year. The following resolutions were adopted:

RESOLVED, That the Trustees endorse the recommendation of the Executive Board calling for approval of amendments to the Statutes of the Corporation to change the designation ARTICLE XII (Amendments) to Article XV (amendments) and to insert a new Article XIII to read as follows:

ARTICLE XIII
Indemnification

1. Right to Indemnification. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigotive, by reason of the fact that he is or was a Trustee or officer of the Corporation, or is or was a member of the Executive Board or Investment Board or any other board, committee or other body of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, as follows:

   (a) if the action, suit or proceeding is not by or in the right of the Corporation.

      (1) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith to the extent that he has been successful on the merits or otherwise in defense of such action, suit or proceeding, or of any claim, issue or matter therein, and

      (2) against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection therewith if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

   (b) if the action, suit or proceeding is by or in the right of the Corporation.

      (1) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith to the extent that he has been successful on the merits or otherwise in defense of such action, suit or proceeding, or of any claim, issue or matter therein, and

      (2) against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement thereof if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation, except that no indemnification shall be made in respect of such expenses incurred in connection with any claim, issue or matter as to which such persons shall have been adjudged to be liable to the Corporation for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that a court of common pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit, or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity.
2. Procedure to be Followed. Any indemnification under paragraph (a) (2) or (b) (2) of Section 1 of this Article XIII (unless ordered by a court or made pursuant to a determination by a court as hereinafter provided) shall be made by the Corporation only as authorized in the specific case upon a determination that the indemnification to the Trustee, director, officer or member is proper in the circumstances because he has met the applicable standard of conduct set forth in such paragraph (a) (2) or (b) (2). Such determination shall be made (a) by the Trustees by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding or (b) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested Trustees so directs, by independent legal counsel in a written opinion. In the absence of a determination that indemnification is proper as aforesaid, the Trustee, director, officer or member may apply to a court of common pleas of the county in which the registered office of the Corporation is located or the court in which the action, suit or proceeding was brought, which shall determine whether the Trustee, director, officer or member has met the applicable standard of conduct set forth in such paragraph (a) (2) or (b) (2). If the court shall determine that he has, indemnification shall be made under such paragraph (a) (2) or (b) (2).

3. Payment of Expenses in Advance. Expenses incurred in defending an action, suit or proceeding referred to in Section 1 of the final disposition of such action, suit or proceeding, if authorized by the Trustees or by a court in the manner provided in Section 2 of this Article XIII, upon receipt of an undertaking by or on behalf of the Trustee, director, officer or member (regardless of his financial responsibility) to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article XIII.

4. Scope of Indemnification. The indemnification provided for in the preceding sections of this Article XIII shall not affect the liability of any Trustee, director, officer or member with respect to the administration of assets held by the Corporation pursuant to 15 Pa.S. Section 7549 (relating to authority to take and hold trust property).

5. Other Rights. The indemnification provided by these Statutes shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any agreement, vote of Trustees or disinterested Trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee, director, officer or member and shall inure to the benefit of the heirs, executors and administrators of such a person.

6. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a Trustee, officer, employee or agent of the Corporation, or is or was a member of the Executive Board or Investment Board or any other board, committee or other body of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of these Statutes or otherwise.

WHEREAS, the Investment Committee has considered various alternatives for the management and supervision of the University's investments, and

WHEREAS, based on such consideration, the Investment Committee has recommended that the Statutes of the University be amended to create an Investment Board as an "other body" under the Pennsylvania Non-Profit Corporation Law that would have complete responsibility for the investments of the University; and

WHEREAS, the Investment Committee has made certain recommendations as to how the Investment Board might provide for the management of the University's investments, and

WHEREAS, the Executive Board has approved and recommended that the Statutes of the University be amended in accordance with the foregoing recommendations: therefore be it
RESOLVED, That the Statutes of the University be amended, to add an ARTICLE XIV to read as follows:

ARTICLE XIV
INVESTMENT BOARD

The business and affairs of the University insofar as they relate to real or personal property held by the University at any time as an investment (not including property held for operational purposes) shall be vested in the Investment Board which shall be an "other body" within the meaning of the Pennsylvania Non-Profit Corporation Law and which shall have sole and complete responsibility therefor. The Investment Board shall consist of such number of persons as shall be fixed from time to time by the Trustees. A quorum of the Investment Board shall consist of the lesser of (i) half of such number of persons and (ii) a majority of the members in office. Members of the Investment Board shall be elected by the Trustees at a stated meeting thereof. The Trustees shall not elect any person a member of the Investment Board if, after giving effect to his election, a majority of the members of the Investment Board would not be Trustees.

and be it further

RESOLVED, That the Statutes of the University be amended to restate ARTICLE IV, Section 2 to read in its entirety as follows:

2. Unless otherwise determined by the Trustees, the Executive Board shall have full power to take all action which the Corporation or the Trustees are authorized to take, including but not limited to the purchase and sale of bonds, stocks, mortgages, and real estate, and the supervision of finances, property, buildings, and grounds; provided, however, that the Executive Board shall at no time be empowered to take or authorize any action the responsibility for which by these Statutes is vested in the Investment Board of which by these Statutes specifically requires the affirmative vote or consent of a specified proportion of the Trustees in office, or requires action at a designated meeting of the Trustees.

WHEREAS, the Statutes of the University have been duly amended to create an Investment Board as an "other body" under the Pennsylvania Non-Profit Corporation Law with full power and authority in connection with the management of the University's investments as more fully set forth in such amendment to the Statutes; and

WHEREAS, it is the intent of the Trustees that the members of the Investment Board shall serve simultaneously as Directors of Franklin Investment Company, a Pennsylvania non-profit corporation, of which the University is the sole member, through which the decisions and actions of the Investment Board will be implemented.

NOW, THEREFORE BE IT RESOLVED, that the following persons be and they hereby are elected as members of the Investment Board of the Trustees of the University of Pennsylvania and simultaneously therewith as the Board of Directors of Franklin Investment Company, a Pennsylvania non-profit corporation:

Wesley A. Stanger, Jr., Chairman
Gustave G. Amsterdam, Esq.
Julian S. Bers
Henry M. Chance, II
Paul F. Miller, Jr.
Adolph B. Kurz
William S. Woods, Jr.
Wm. Richard Gordon

and be it further
RESOLVED, that the Trustees of the University hereby confirm, endorse and concur in action to be taken by the Investment Board designating Franklin Investment Company as the agent and instrumentality of the University through which decisions and actions of the Investment Board with respect to the investments of the University shall be implemented.

For the ad hoc Committee on University Commonwealth Relations, Mr. Dunlop expressed a hope that the committee could be constituted and meet promptly to consider its charge and have a policy position developed for consideration by the trustees in the autumn.

For the Health Affairs Committee, Mr. Bers reported that steps are underway to begin the process of establishing the Graduate Hospital as an independent institution and that a joint University-community committee to address the details of the transition process will meet next week. He said that Mr. Levitan and his staff are taking all possible steps to minimize the deficit incurred at the Graduate Hospital and that two major appointments have recently been made to further strengthen the management of both hospitals. Finally, he noted that the board of women visitors of the University Hospital has been successful, through the antique show, in realizing approximately $118,000, which will be used for several essential renovation programs.

Dr. Kaysen reported that the Educational Policy Committee had met on Thursday morning to receive and discuss a report from the administration on the evaluation made of undergraduate education by the Middle States Association.

The president of the General Alumni Society, Mrs. Strauss, reported that the alumni trustees, at their meeting on Friday morning, had received reports on the new EuroPenn organization of European alumni; considered the electoral process for alumni trustees; and expressed their concern that the budget for the Alumni Relations Office not be impaired unduly in 1975-76 in the light of the impact of the various programs on the total welfare of the institution. She expressed her personal pleasure in having been associated with the Board of Trustees during these three years; Mr. Regan voiced appreciation on behalf of the board for the unusual verve and efficiency which have characterized Mrs. Strauss' tenure. The trustees joined in an ovation to Mrs. Strauss.

It was reported by Mr. Trescher, chairman of the Student Affairs Committee, that the following Subcommittee on Electronics Communication has been appointed and will address itself initially to problems associated with the University radio station: Morton Wilner (Chairman), Gloria Chisum, Laureine Knight, Henry Chance, C. B. McCoy, Anthony Minisi, Sarkes Tarzian.
Mr. Trescher reported also on the meeting of the Subcommittee on Recreation and Athletics and complimented Mr. Shabel upon his able administration. It was the consensus of the subcommittee, he said, that the University's athletic program should continue to be supported as in the past because it represents a highly visible evidence of excellence and should not suffer in quality as a new fund effort is undertaken. Mr. Levy supplemented the remarks of Mr. Trescher by referring to cost figures for various sports and the interest expressed among the Ivy Group presidents in reducing certain sports competition to local option in order to achieve savings in travel.

Mr. Eckman reported that the fiscal year total as of June 4 of subscriptions and gifts is $30,914,000, which represents an appreciable increase over the preceding year. He referred to the discussion session of Friday morning and the presentations made on academic planning by Dr. Hobstetter and on campaign planning by Mr. Sweeten and his colleagues. The following resolution was adopted:

WHEREAS, the Trustees of the University of Pennsylvania on January 11, 1974, declared their resolve to begin a major fund raising campaign in 1975, and directed the administration to refine the program planning, cost calculations and priorities for the University's academic objectives; and

WHEREAS, the academic and fund-raising planning have produced a profile of imperative needs and an outline of the organizational structure and effort required to meet them, and

WHEREAS, the early response of Trustees and others with whom the plans have been reviewed in behalf of the nucleus fund has been almost uniformly encouraging and frequently has been inspiring, and

WHEREAS, the Trustees are convinced of the importance of ensuring the continued existence of the University of Pennsylvania as a distinguished center of learning and research, and are further convinced that this will require a prompt and substantial infusion of funds from private sources; therefore be it

RESOLVED, That the Trustees affirm their commitment to a major development program over the next five years, with a dollar goal of inspirational size, to support specific academic programs and projects of the highest priority, and to place the University's fiscal structure on firmer, higher ground; and be it further

RESOLVED, That the administration be directed to proceed with preparations for public announcement of details of the total program on October 3rd, 1975, subject to the approval of the Trustees at that time.

The chairman extended congratulations to Messrs. Eckman and Patterson for their leadership of University development efforts during the current year.

Mr. Segal presented the following resolution on behalf of the Nominating Committee, and it was approved:

Development Campaign
RESOLVED, That upon the recommendation of the Nominating Committee and the Executive Board, the following trustees be elected for the terms indicated:

TERM TRUSTEE

Morton H. Wilner - as of May 1, 1975

William D. Patterson - as of June 30, 1975

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

RESOLVED, That the following persons be elected to the Board of Overseers for the College of Engineering and Applied Science and be designated Associate Trustees;

Dr. Robert D. Bent (CHE' 35) Senior Vice President of the Atlantic Richfield Company and the director of a number of other organizations. He received the Dr. Robert Yarnall Award from our Engineering Alumni Society, has been a member of the Steering Committee of the Fels Center Community Leadership Program, is Chairman of the Greater Philadelphia Chamber of Commerce, and a member of other organizations. He is also a Benjamin Franklin Associate.

Dr. Ernest J. Briskey - Vice President, Technical Administration, Campbell Soup Company. He is one of the principals in the Campbell Soup Company with respect to new ventures.

The chairman concluded the meeting by noting that the autumn meetings are scheduled to take place on October 2 and 3; that the Investment Board would convene for its organizational meeting in this room following adjournment; and that 40 of the 44 active life, term, and ex-officio trustees were present at this meeting.

Adjourned.

William G. Owen
Secretary