An open meeting of the Executive Board of the Trustees of the University of Pennsylvania was held at 2:30 p.m. in the Council Room of the Furness Building with Mr. Thomas S. Gates, its Chairman, presiding.

Other Trustees present were: Donald T. Regan (Chairman), Robert C. Dunlop (Vice Chairman), Samuel H. Ballam, Jr., Henry M. Chance, II, John W. Eckman, Carl Kaysen, Bernard G. Segal, Wesley A. Stanger, Jr., Robert L. Trescher, Morton H. Wilner, Others present were: Martin Meyerson, Paul O. Gaddis, Stephen B. Burbank, Wm. Richard Gordon, John N. Hobstetter, J. Jerrold Jackson, Stanley E. Johnson, D. Bruce Johnstone, Thomas W. Langfitt, Mark S. Levitan, Harold E. Manley, Patricia A. McFate, William C. Owen, Curtis R. Reitz, Gerald L. Robinson, Fred A. Shabel, E. Craig Sweeten, and Donald I. Sheehan (Secretary). John Ames Ballard, Esq., attended as Counsel.

A moment of prayer was observed in memory of Emeritus Trustees Dr. Detlev W. Bronk and Robert Dechert, Esq.

The minutes of the September 12, 1975 meeting were approved.

The following action was taken upon the recommendation of President Meyerson and Provost Stellar:

Resolved, That Louis Pollak be named Dean of the Law School to serve at the pleasure of the President through June 30, 1978. This election to be effective immediately.

Dean Pollak was then introduced to applause from the Executive Board. In response, he expressed confidence in a "great law school in a great city."

President Meyerson expressed thanks to all who had been involved in the settlement of the recent strike and called upon Mr. Gaddis to review the terms of the settlement, as follows:
1. Three holidays with pay, to be taken prior to the end of December 1975. This is a "one-time" provision, and will not be a part of the continuing contract. The three days may be cashed in if the employee chooses to work. (The members of these two locals have not enjoyed the University Christmas holiday schedule as have some other unions and faculty and staff).

2. 6% increase on January 1, 1976.

3. 6% on July 1, 1976

4. 2% on January 1, 1977.

Mr. Gerald L. Robinston, Executive Director of Personnel Relations, noted that all of the University's new labor agreements are compatible with our announced salary policies, and the major contracts provide us with some measure of labor stability into the summer of 1977. So far as can be foreseen, these settlements will also be compatible with the budget we are now constructing for fiscal year 1976-77, he added.

President Meyerson then called upon Professor Curtis R. Reitz, chairman of an ad hoc committee to advise on the future of radio station WXPN to provide an updated report on the status of the station's license vis-a-vis the Federal Communications Commission. Prof. Reitz reviewed the history of the case and stated that the Electronic Communications Subcommittee of the Trustees' Student Affairs Committee recommended that the University take all appropriate steps to keep the license. Pending receipt of a "notice of apparent liability" from the FCC for two violations of the obscenity law in January 1975 broadcasts and calling for a forfeiture of $2,000. Prof. Reitz said it was difficult to discuss details of the Commission's recent action as was reported in the press. Accordingly, the Administration had not as yet formulated recommendations to the Trustees but will do so after the formal communication from the FCC has been studied.

Trustee Morton H. Wilner, Esq., Chairman of the Electronic Secretary
Communications Subcommittee, stated that there was little to add to Prof. Reitz's account and recommended petitioning the FCC for an extension of time until after the January 16-17, 1976 meetings of the Trustees for a response to the formal FCC notification.

At the invitation of the Chairman of the Executive Board, Mr. Gates, the manager of WXPN, Jamie Garner, was given an opportunity to present arguments why the Trustees should not only defend the license but should fight the $2,000 obscenity fine as a test to refine FCC guidelines. Other institutions might join as members of a consortium for this purpose, he added. Mr. Garner distributed a memorandum to the Executive Board in support of his recommendations and also made available copies of letters from listeners in support of the station.

Mr. Wilner questioned the need for a national test case in view of an Illinois Citizens ACLU-backed case now in the appeals stage.

Discussion concluded, the Executive Board directed the officers of the University to consider, with legal counsel, the reported decision of the FCC and to formulate recommendations as to the proper course of action for the University in response to the Commission's decision. They also directed counsel to seek from the FCC an extension of time to file a response until after the January 16-17 meeting of the full board. They also authorized the Secretary of the Corporation to issue a statement announcing these actions. The announcement cited the steps being taken to insure that the station will be a credit to the University. These steps include the appointment of a faculty advisor, an advisory board, and the possibility of employing a professional manager to work with the student staff.

Upon recommendation of Ms. Marietta Tree, Chairman of the Board of Overseers for the Graduate School of Fine Arts, the President, and the Provost, the following action was taken:

RESOLVED, That the following persons be appointed to the Board of Overseers of the Graduate School of Fine Arts and elected associate trustees:

SECRETARY
Mr. Robert G. Dunlop, Vice-Chairman of the Trustees and Chairman of an Ad Hoc Committee on University Status in the Commonwealth System of Higher Education, submitted a report with the following recommendations:
That there be no change in the formal status of the University vis-à-vis the Commonwealth.

That a proposal which would put the School of Veterinary Medicine into a formal, statutory relationship with the Commonwealth be explored with Commonwealth officials.

That an implementation committee of the Trustees be formed to work with the Administration in carrying out the proposal with regard to the Veterinary School.

President Meyerson reported that the Trustees' Select Committee on the Budget had held its initial meeting earlier in the day. Discussion centered upon how best can we be selective and how the University is organized in terms of governance and administration in relation to budgets and performance. We are at a stage, he added, where problems have been presented to the heads of direct and indirect costs centers.

The following action was taken upon recommendations submitted by Associate Provost Hobstetter:

RESOLVED, That the academic appointments and promotions for the period from September 19, 1975 to November 6, 1975 be approved.

For the Investment Board, Mr. Wesley A. Stanger, Jr., reported that the market value of the Associated Investments Fund at November 28th was $92,391,000, which is slightly below the basic book value of $92,483,000. Accordingly, Mr. Stanger emphasized, no capital gains distribution may be counted upon at this time.

Forty-nine per cent of current market is represented by common stocks, the balance being comprised of cash and equivalent, bonds and other fixed income assets.

Mr. Stanger pointed out that in spite of the $3,725,000 distribution of realized capital gains made on June 30th last, annual income from the Fund is projected at about the same level as before such payment.

Upon recommendation of Senior Vice-President for Management Paul
O. Gaddis, the following actions were taken:

1. Approval of plans as outlined by Vice-President and Treasurer Harold E. Manley to renegotiate the University mortgage.

2. Approval of purchase of 4028 Walnut Street, as indicated in the following resolution:

WHEREAS, the Sigma Phi Epsilon Fraternity has requested the University to purchase the premises 4028 Walnut Street for use by the Fraternity as a permanent location for its chapter house; and

WHEREAS, the Fraternity will provide $75,000 of the $150,000 purchase price and retain a reversionary interest in the property in that amount; and

WHEREAS, the Fraternity has requested the University to obtain a mortgage for the balance of $75,000 of the purchase price: Therefore be it

RESOLVED, That the appropriate officers of the University are authorized to execute a note or bond and first mortgage to be secured on premises 4028 Walnut Street, Philadelphia, Pennsylvania, in the principal amount of $75,000, with interest not to exceed 9 3/4% to be repayable over a period not to exceed 15 years, subject to the condition that the liability of the University under such instruments shall be restricted to the mortgaged premises; and be it further

RESOLVED, That the appropriate University officers are hereby authorized and empowered to execute such additional documents and take such further action as may be necessary or advisable in order to consummate the foregoing transaction.

3. Appointment of an Associate Comptroller for Field Operations, as indicated in the following resolution:

RESOLVED, That Alfred F. Beers be appointed Associate Comptroller for Field Operations, effective January 1, 1976.

Mr. Henry M. Chance, II, Chairman of the Finance and Operations Committee, reported receipt of the audit report with an "unqualified certification."

Attention was directed by Mr. John W. Eckman, Chairman of the University Development Committee, to a summary of subscriptions, gifts, and bequests for the period July 1, 1975 to December 8, 1975, as well as to a progress report on the Program for the Eighties.

As to the former, he noted that a total of $35,149,000 had been entered in the books, including $30 million of the Trustees'
Nucleus Fund. This five-month total, he pointed out, is just about identical to the previous twelve month fiscal total.

Annual giving is off to a fast break, he announced. Dollar total is up about 20% over last year with the Benjamin Franklin Associates showing a 40% jump in dollars.

The Program for the Eighties has now reached $52 million toward its $255 million goal. This progress reflects, in large part, the commitments to the Trustees' Nucleus Fund and accounts for the fact that the alumni and friends constituency is running slightly higher in percentage of gifts than corporations and foundations. It also reflects, in the facilities total, two splendid gifts totaling $10 million for the Medical Education Building.

As for the operation of the campaign, Mr. Eckman reported that the first meeting of the Operating Committee was held at a luncheon, December 3rd and attended by 32 volunteers and staff including members who came from New York City and Wilmington.

The program to transform Graduate Hospital into a separate corporation is "on course," Mr. Samuel H. Ballam, Jr., Chairman of the Health Affairs Committee, reported. The new board and the old board are working on distribution of assets. Financial operations at Graduate are better than at the comparable period last year, he added.

Adjourned.

Donald T. Sheehan
Secretary of the Corporation