An open meeting of the Executive Board of the Trustees of the University of Pennsylvania was held at 1:45 p.m. in the Council Room of the Furness Building.

Present were: Mr. Donald T. Regan (Chairman), Mr. Robert G. Dunlop, Mr. Henry M. Chance, II, Mr. John W. Eckman, President Martin Meyerson, Mr. Wesley A. Stanger, Jr., Robert L. Trescher, Esq., Stephen Burbank, Esq., Mr. Paul O. Gaddis, Mr. Wm. Richard Gordon, Mr. William J. Hickey, Mr. J. Jerrold Jackson, Dr. Thomas W. Langfitt, Mr. Mark S. Levitan, Mr. Harold E. Mauley, Dr. Patricia A. McFate, Mr. Fred A. Shabel, Dr. Eliot Stellar, Dr. Jon C. Strauss, Mr. E. Craig Sweeten, Mr. Donald T. Sheehan (Secretary), Mr. Robert G. Lorndale (Associate Secretary), Dr. Richard M. Sherman (Assistant Secretary).

The minutes of the December 8, 1975 meeting were approved.

President Meyerson opened the meeting with recommendations, approved by the Budget Committee, for undergraduate tuition and rent increases. The former, which will total $4,125 were termed "about average for the Ivy League."

The Board then heard an Undergraduate Assembly presentation by its chairman, Michael Hanlon, which called for endorsement in principle of a ceiling on percentage increases in undergraduate tuition and fees pegged to cost-of-education or ability-to-pay indicators.

The proposal generated much interest and discussion on the part of the Board with the students who were complimented for a thoughtful presentation by the Chairman. The proposal, Mr. Regan noted, warranted further study and a recommendation from the administration before any Trustee action. The proposal was referred accordingly for administrative study and recommendation to the Trustees at a future meeting.

The Undergraduate Assembly representatives also called upon the Trustees to approve a $7 increase in student activities funding from the general fee. This would have increased the Activities Council budget by approximately $56,000. In support of their proposal, the student representatives pointed out that the current level of funding was set for the fiscal year 1968-69.
Expressing sympathy with the proposal, Mr. Regan, stated that this was an administrative matter and requested that it be handled as such.

The following resolution pertaining to tuition and general fees for the undergraduate, graduate, and professional programs was approved:

WHEREAS, it has been the practice of the Trustees to approve annually specific tuitions and specific general fees for the undergraduate, graduate and professional programs, and

WHEREAS, the graduate and professional tuitions plus fees both necessary and possible for prudent operation in Fiscal Year 1977 are still being determined, and

WHEREAS, the exact amount necessary for the undergraduate general fee to provide for balanced operation of the Student Services departments and activities in Fiscal Year 1977 has not yet been determined, but

WHEREAS, the total amount of undergraduate tuition plus general fees both necessary and possible for prudent operation of the undergraduate programs in Fiscal Year 1977 can be determined,

WHEREAS, it is necessary to announce the undergraduate tuition plus general fee as soon as possible,

Therefore be it

RESOLVED, That undergraduate tuition plus general fee for academic year 1976-77 be approved at $4,125, and be it further

RESOLVED, That the President announce the division of undergraduate tuition and general fee when determined, and be it further

RESOLVED, That the graduate and professional tuition plus general fees for academic year 1976-77 will be presented for approval as soon as possible to the Trustees.

The following resolution concerning an increase in residence room rent was approved:

WHEREAS, there has been a general policy of increasing the room rents to cover the increased operating costs of the residences; and

WHEREAS, there is the need to increase the room rents of the New Residences to provide for repayment of the accumulated operating deficit of the New Residences, and

WHEREAS, it is projected that an average 10% increase in the room rents for both new and old residences will satisfy both these objectives

Therefore be it

RESOLVED, That the attached schedule of dormitory rentals for Fiscal Year 1977 averaging 10% increases be approved.
The following resolution authorizing administrative responsibility for
action on future room rent actions were approved:

WHEREAS, it has in the past been general practice for the
Trustees to approve annually a specific schedule of residence
charges on the recommendation of the President, and

WHEREAS, it is the determination of the Trustees that the
responsibility of the Trustees in this matter is to set policy
guidelines for the financial operations of the University
residence system;

Therefore be it

RESOLVED, that the Finance and Operations Committee of
the Trustees recommend a policy for the financial operation
of the University's residence system to the Trustees for
approval; and be it further

RESOLVED, That the establishment of specific residence
charges be the responsibility of the President; and

RESOLVED, That the specific residence charges set by the
President conform to the overall policy for the financial
operation of the University's residences as approved by the
Trustees.

The following resolution pertaining to revisions in mandatory retire-
ment policy was approved:

WHEREAS, the Executive Board by resolution on July 1, 1974
changed the date of mandatory retirement from June 30 to the
first of the month following attainment of the age of mandatory
retirement for administrative (A-1) staff, but left the date of
mandatory retirement for academic (A-2) and support (A-3 and
A-4) staff June 30 following attainment of the age of mandatory
retirement; and

WHEREAS, mandatory retirement on the first of the month,
rather than on June 30, following attainment of the age of
mandatory retirement would avoid potentially inequitable
treatment of persons whose birthdays fall near the end and
near the start of the fiscal year ending June 30; and

WHEREAS, mandatory retirement on the first of the month,
rather than on June 30, following attainment of the age of
mandatory retirement would, except in the case of academic
(A-2) personnel on regular teaching assignment at the time
of attainment of mandatory retirement age, allow replacement
of staff at a more orderly pace throughout the course of the
academic year; and

WHEREAS, A-3 support staff and A-4 support staff participate
in the same retirement program (the Retirement Allowance
Plan), and hence should retire on the same schedule; and

SECRETARY
WHEREAS, Article X of the Statutes of the Corporation empower the Executive Board to determine the age and other provisions for retirement for all officers, faculty, and other employees of the University; therefore be it

RESOLVED that:

1. All support (A-3 and A-4) staff, and all academic (A-2) staff not on regular teaching assignment, will retire on the first of the month following attainment of the age of mandatory retirement except for those covered by exceptions below.

2. Support (A-3) and A-4) staff employed full time prior to January 1, 1976 who attain the age of 65 during the fiscal years ending June 30, 1976, June 30, 1977, or June 30, 1978 may retire on June 30 rather than the 1st of the month following their 65th birthday if they choose.

3. Academic (A-2) staff will be considered on regular teaching assignment and thereby eligible to retire on June 30 rather than the 1st of the month following attainment of their age of mandatory retirement if they are teaching a regular class or if the dean of their faculty certifies to the provost that thesis supervision or other academic work requires extension of retirement to June 30.

4. Academic (A-2) staff who attain the age of mandatory retirement during the fiscal years ending June 30, 1976, June 30, 1977 or June 30, 1978 may retire on June 30 rather than the first of the month following attainment of their age of mandatory retirement regardless of teaching assignment.

5. Special arrangements regarding retirement mutually agreed upon by the individual and the University prior to passage of this resolution will be respected notwithstanding provisions of this resolution.

6. Employment may be extended to June 30 following attainment of the age of mandatory retirement upon agreement of the retiree, the immediate supervisor, and the appropriate dean or vice president. Employment beyond June 30 following attainment of the age of mandatory retirement shall be granted only for limited periods of time to meet specific urgent needs, and shall require the approval of the appropriate dean or vice president, the Executive Director of Personnel Relations, and the Provost or Senior Vice President for Management.

In the WXPN-FM situation, Mr. Burbank, the University Attorney, reported on payment of the $2000 forfeiture levied earlier by the Federal Communications Commission; a pre-hearing conference on February 27, before an FCC administrative law judge; and the postponement of FCC hearings until September 13. He also reported that the recently-established Board for Policy and Standards had held its
first meeting on March 16, and that it will hold public hearings on the campus on April 16. The search for a professional station manager continues, he added.

The following resolutions pertaining to the election of Overseers to the Boards of the Wharton School and the Graduate School of Fine Arts were approved.

RESOLVED, that the following persons be appointed to the Board of Overseers to the Wharton School and elected associate trustees:

Dr. Robert C. Holland
Board of Governors
Federal Reserve System

Glenn W. Johnston
President
Sterling Drug Inc.

RESOLVED, that the following individual be appointed to the Board of Overseers of the Graduate School of Fine Arts and elected associate trustee:

Dr. George Wald
Higgins Professor of Biology
Harvard University

Searches for a new dean of Nursing and a director for the University Museum are continuing, Provost Stellar reported. The search for a new dean for the School of Allied Medical Professions awaits the review of the status of the School which is now underway. The search for a successor to Dean Shepheard of Fine Arts will begin in the fall. Dean Shepheard has agreed to serve a year beyond June.

RESOLVED, that the appointments and promotions for the period from December 18, 1975 to February 26, 1976 were approved.

The following resolution pertaining to discrimination was approved:

RESOLVED, that the University of Pennsylvania does not discriminate on the basis of race, color, sex, age, religion, national or ethnic origin or physical handicap. The University's policy applies to faculty and other employees, applicants for faculty positions and other employment, students and applicants to educational programs and activities.

A resolution pertaining to the Quadrangle Renovation was approved following recommendation by the Finance and Operations Committee.

WHEREAS, the renovation of the Dormitory Quadrangle to provide college houses in an integral goal of the Program for the Eighties; and

WHEREAS, architectural working drawings and bidding documents have been completed for one section of the Quadrangle, designated as Modified House A, which will house the arts project; and
WHEREAS, the total estimated project cost for Modified House A is $2,822,000; and

WHEREAS, a generous donor has pledged $1,954,000 toward this project, of which $492,000 will have been received by December 1976, the balance to be paid over an eight-year period; and

WHEREAS, $240,000 has been advanced from University General Fund for preliminary expenses for the project; and

WHEREAS, a commitment for a five-year term loan in the amount of $1,250,000 has been obtained from Fidelity Bank; and

WHEREAS, cash resources for the project total $1,982,000, leaving a deficiency of $840,000; and

WHEREAS, the Senior Vice President, Program for the Eighties has been requested to identify certain gifts which can temporarily be used for the project:

Therefore be it

RESOLVED, That construction of Modified House A be authorized at a total project cost not to exceed $2,822,000 provided that the deficiency in cash resources in the amount of $840,000 is provided from sources approved by the Chairman of the Trustees' Finance and Operations Committee.

The following resolution pertaining to obtaining a loan for the renovation of Modified House A in the Dormitory Quadrangle was approved:

RESOLVED, That the Vice President and Treasurer be, and he hereby is, authorized to take whatever action is necessary and to sign all documentation required to obtain a five-year term loan from The Fidelity Bank with interest at 1% above prime, to float with prime, the proceeds to be used toward the renovation of Modified House A in the Dormitory Quadrangle; and be it further

RESOLVED, That future payments on the donor's pledge and the net income from the operation of Modified House A be used for the interest and amortization of the loan.

Action on a resolution pertaining to the advancement of funds for deposits on the purchase of properties related to plans for a new facility of Graduate Hospital was postponed until the April 12 meeting of the Executive Board.

A resolution pertaining to the purchase of copying equipment was approved with the understanding that the Vice President and Treasurer seek to obtain a more favorable interest rate:

WHEREAS, it has been determined by the Vice President for Operational Services that substantial savings in copying costs may be realized by the purchase in lieu of leasing of copying equipment; and

WHEREAS, the savings over a five-year period will fully amortize a $500,000, five-year loan including interest at 3½ above prime, to float with prime; and

(RESOLUTION CONTINUED ON NEXT PAGE)
WHEREAS, budgetary provisions for the debt service charges have been made by the Vice President for Operational Services:

Therefore be it

RESOLVED, That the Vice President and Treasurer be and he hereby is authorized to borrow the sum of $500,000 from the Girard Bank for a period of five-years with interest at 3% above prime, to float with prime; and be it further

RESOLVED, That the Vice President and Treasurer be, and he hereby is authorized to sign notes or any other documents necessary to complete the above authorized loan.

The following resolution pertaining to the Morris Arboretum was approved:

WHEREAS, the Will of Lydia T. Morris, as amended by the Fifth Codicil thereto, provided that the country estates of the testatrix known as Compton and Bloomfield should be maintained and operated by the Trustees of the University of Pennsylvania as an arboretum to be known as "the Morris Arboretum of the University of Pennsylvania," and further provided that the income from her residuary estate which was left in trust with the First Pennsylvania Bank and Maurice Bower Saul, Esq., trustees, should be used in the discretion of her corporate trustee to pay for the support and operation of the Arboretum; and

WHEREAS, from time to time gifts and contributions are made to the University specifically earmarked and designated for the Morris Arboretum; and

WHEREAS, it is the policy of the University to apply gifts and contributions and/or the income from gifts and contributions which are invested for and only for the purposes specified by donors:

Therefore be it

RESOLVED, That gifts and contributions for endowment made to the University specifically designated by the donors for the Morris Arboretum be deposited in a restricted endowment fund called the "Morris Arboretum Endowment Fund" to be separately invested and the income applied only to the purposes of the Morris Arboretum; and be it further

RESOLVED, That gifts and contributions for endowment made to the University specifically designated by the donors for the Morris Arboretum be deposited in a restricted endowment fund called the "Morris Arboretum Endowment Fund" to be separately invested and the income applied only to the purposes of the Morris Arboretum; and be it further

RESOLVED, That gifts and contributions for current use made to the University specifically designated by the donors for the Morris Arboretum be deposited in a restricted current fund called the "Morris Arboretum Contributors' Fund" to be used only for the purposes of the Morris Arboretum; and be it further

SECRETARY
RESOLVED, That gifts and contributions for current use made to the University specifically designated by the donors for the Morris Arboretum but which may not be required for expenditure for an interim period of time be deposited in a restricted fund functioning as endowment called the "Morris Arboretum General Fund," to be separately invested and the income and, to the extent required from time to time, portions or all of the principal, to be applied only to the purposes of the Morris Arboretum; and be it further

RESOLVED, That expenditures against the above funds be authorized through the normal budgetary channels applying to the Morris Arboretum, save that expenditures need not be approved by the corporate Trustee of the trust under the will of Lydia T. Morris.

Mr. Stanger, Chairman of the Investment Board, reported that on February 27th the market value of the Associated Investments Fund stood at $99,959,000 an increase of $361,000 over that of January 31st and now $6,689,000 above the basic book value of $93,270,000.

Common stocks represent 52 per cent of current values.

Investment income, a critical factor in University budget considerations, is estimated to increase slightly above that of the last twelve months, i.e., from $5,938,000 to $5,984,000.

Mr. Eckman, Chairman of the Development Committee, reported a total of $45,724,681.96 in subscriptions and gifts in the current fiscal year, as of March 19, 1976. The "Program for the Eighties" is about on schedule, he reported, with 24% of the goal - $61,048,731 - having been raised to date. A goal of $5,000,000 has been set for the Faculty and Staff portion of the campaign. Some $3.3 million was raised from these sources in the $93 million campaign a decade or so ago, he said.

Adjourned.

Donald T. Sheehan
Secretary of the Corporation