A meeting of the Executive Board of the Trustees of the University of Pennsylvania was held on Thursday 21 December 1978. Those attending included: Paul F. Miller, Jr. (chairman); David C. Auten; Henry M. Chance, II; Robert G. Dunlop; John W. Eckman; Bernard G. Segal; Wesley A. Stanger, Jr.; Martin Meyerson (president); Janis I. Somerville (secretary); Curtis L. Barnes, Jr.; Stephen B. Burbank; Stuart H. Carroll; Diane Cole; Rae DiBlasi; James O. Freedman; Richard Gordon; Matthew Hall; Ronald D. Hurt; J. Jerrold Jackson; Thomas W. Langfitt; Edwin M. Ledwell, Jr.; Ruth S. Leventhal; Robert G. Lorndale; Harold E. Manley; Philip G. Mechanick; Covey T. Oliver; William G. Owen; Donald T. Sheehan; Eliot Stellar; Jon C. Strauss; E. Craig Sweeten; Barbara B. Wiesel.

I. Call to Order

A. Approval of Minutes

Action: The minutes of the meeting of 30 November 1978 were approved with the correction that the name of Reginald Jones be deleted from the list of committee chairmen (since his appointment was not confirmed or announced until early December).

II. Report of Chairman

A. Trustee Committee Organization

Mr. Miller read a draft of the letter he planned to send to the Trustees summarizing the progress to date in implementing the new trustee organization (copy on file with the minutes in the Office of the Secretary). He added that the faculty and student liaisons to the committees is not resolved in detail. He reiterated that the Trustees remain committed to the endeavor and the chairman will work out the details with the Task Force on Governance.

III. Report of President

A. President

1. Commonwealth Relations

Mr. Meyerson commented that, in advance of the inauguration of the new governor, a major subject of interest is in who his appointments will be but that there still is little tangible to report in this area. He expressed his surprise at how little attention these matters have received in the press.

Dr. Langfitt added that Pennsylvania is well-represented on some of the task
forces being established by the governor. Dean Marshak has been appointed to the Task Force on Agriculture and Dr. Pierskalla, the new director of the Leonard Davis Institute, has been appointed to the Health and Welfare Task Force.

7. 200th Anniversary as University

Mr. Meyerson noted that in 1779, Pennsylvania was the first institution in the colonies to be designated a university. Mr. Donald Sheehan and Dr. Paul Makler, assisted by Dr. Bruce Johnstone and Mr. Curtis Barnes, will be leading the planning for the celebration recognizing the University's two hundreth anniversary.

3. Wharton Econometric Forecasting Associates

Dr. Strauss gave a brief status report on the operating performance of WEFA in FY79. He recalled the fact that in September, 1979 the Executive Board approved a guarantee for a $1.25 million line of credit for WEFA. As a condition of this agreement, the trustees requested a memo of understanding. He then summarized briefly the actions taken to date in accord with that memorandum.

- Samuel Ballam and Julian Bers have been appointed as Trustees on the Board of WEFA. In addition, Samuel Ballam is chairman of the Executive Committee of the WEFA Board. This committee meets regularly to review the monthly performance of WEFA.

- A contingency plan has been prepared in the event that the financial performance of WEFA does not meet projections. WEFA's performance to date in FY79 is on schedule.

- A full-time comptroller has been identified, and his appointment begins the second week of January.

- An external audit firm has been retained and the FY78 audit has been completed.

In summary, Dr. Strauss reported that to-date financial performance is running better than projected. Significant risks remain because of the nature of the enterprise and the market, but given that, its performance is on target.

4. Trustee Board of HUP

Dr. Langfitt reported that the Trustee Board of HUP has held its first meeting. Six trustee and three associate trustee members have been appointed and the Board has been organized under its chairman, Samuel Ballam, into several working committees: Budget and Finance, Joint Conference, Audit, Community Relations and Human Resources.
5. **Budget Performance FY79**

Dr. Strauss reported that the operating budget for FY79 calls for a modest surplus and to date the overall performance is slightly ahead of projections.

6. **WXPN**

Mr. Burbank stated that he wished to correct the suggestion in the *New York Times* that the University has lost its petition for reconsideration of FCC's denial of renewal of the license for WXPN. This is incorrect. The Broadcast Bureau has opposed the University's petition.

7. **Bakke Case**

Mr. Burbank reported that some news reports have been unclear regarding the context of recent changes in the admissions procedures of the law school.

Before the Bakke decision, Mr. Burbank, as general counsel, had written to all admitting entities requesting a complete description of their admissions processes. Following the Bakke decision, he contacted those few where the admissions procedures might be subject to question in light of the Bakke ruling.

One example of those questioned was the Law School. The results there evince a demonstrated strong commitment to affirmative action. The faculty have reworked the procedure; they expressly have not lessened their commitment.

B. **Provost**

1. **Resolution on Appointments and Promotions**

Dr. Stellar noted that the gray book includes reference to appointments to endowed chairs which previously have been approved in separate resolutions by the trustees. They are incorporated in the regular report now as a formality.

**Action:** The **appointments and promotions** were approved as printed in the gray book.

2. **Resolution on Appointment of Dean of the Law School**

Dr. Stellar expressed his special pleasure in presenting the recommendation for the appointment of James O. Freedman as Dean of the Law School. Mr. Meyerson joined in expressing enthusiasm for Mr. Freedman's appointment and in recognizing Mr. Covey Oliver for his generosity in serving as acting dean.

**Action:** The resolution on appointment of a dean of the Law School was approved as follows:

SECRETARY
RESOLVED, that James O. Freedman be appointed Dean of the Law School, effective January 1, 1979.

Mr. Freedman responded by noting that he has been honored to serve on the Pennsylvania faculty for fourteen years. During this time, he noted, he has served under four remarkable law deans. He expressed his hope that he will serve as well as his predecessors.

3. General Comments

Dr. Stellar reported that undergraduate admissions applications are up 15% over previous years. He added that these are early results, but encouraging nonetheless. He also reported that research grants are up as of November, 24% in grants received and 30% in dollar value. Again these are early results, but positive indicators of the strength of the faculty.

Finally, Dr. Stellar noted that the administration is still working on formulating the policy for funding of athletics in the future. He hopes to have the work for the basis of a policy decision completed by the time of the January meeting.

IV. Reports of Trustee Committees

A. Nominating Committee

1. Resolutions on Appointment of new Trustees

Action: The Executive Board approved the recommendation of appointment of two new term trustees:

J. Paul Lyet
Irving Shapiro

Mr. Miller thanked Mr. Dunlop for his work and, on behalf of the Executive Board, expressed his pleasure in these recommended appointments.

2. Resolution on Appointment of Associate Trustee member of the Board of the Hospital of the University of Pennsylvania

Action: The resolution was approved as follows:

RESOLVED, that Ragan Augustus Henry be appointed as a member of the Trustee Board of the Hospital of the University of Pennsylvania and as an associate trustee for a one-year term effective December 1, 1978. His appointment is subject to renewal in accordance with the bylaws for the Hospital Board to be established upon recommendation by the Trustee Board of the Hospital and approved by the Trustees.
B. Finance and Operations Committee

Mr. Chance reported that the committee met in December at which time they received two reports; the first was from Mr. James Gallagher, president of Uni-Coll on the work of Uni-Coll. The second report from Mr. Richard Buford was on real estate developments in the area, notably the Pennsylvania General Hospital and Postal Service properties.

C. Investment Board

Mr. Stanger reported that the University continues to hold its own in the face of an uncertain market. The AIF is 3% below 31 December 1977, but common stock has appreciated 5%. The projected net income for the twelve months in the highest is the University's history.

D. Development Operating Committee

Mr. Eckman indicated that in light of the fact that it is so close to the end of the year and there is so much activity, he will defer his report until the January meeting of the Trustees.

V. Other

A. Resolution of Appreciation to Paul O. Gaddis

Action: Mr. Chance introduced and the Trustees adopted the resolution of appreciation as follows:

Having come from a career in industry to the senior non-academic management role in the University, Paul O. Gaddis has brought his knowledge of corporate America to bear on the many vexing problems of the University.

Working with his associates, he helped solve pressing difficulties and went on to enhance the capacity of the University to deal with current issues as well as to develop plans for the future.

As he moves on to a new career, we wish him the very best and express our appreciation for his years at Pennsylvania.

B. Resolution of Appreciation to Eliot Stellar

Action: Mr. Dunlop introduced and the Trustees adopted the resolution of appreciation as follows:

WHEREAS, Eliot Stellar has served with dedication and distinction as Provost of the University of Pennsylvania for six years, from January 1, 1973, until the end of December, 1978; and

WHEREAS, he has brought to the post great intellectual leadership combined with great personal warmth and the most humane concern for our faculty, students and staff; and
WHEREAS, he helped chart the path for Pennsylvania toward the eighties through the Development Commission, which he co-chaired, and, under his leadership, much of the vision of that mission has been made through concentrating on those programs which are most effective; and

WHEREAS, he has brought to the office of Provost an unwavering commitment to academic excellence throughout the University; therefore, be it

RESOLVED that the Trustees hereby convey their warmest thanks to Eliot Stellar for his leadership and service as Provost, and offer him their good wishes, support and encouragement as he becomes Provost Emeritus and returns to full-time teaching and scholarship.

Dr. Stellar responded to the recognition by the Trustees noting that his administrative work began in many ways with his involvement on the Development Commission and associations there with Henry Chance, John Eckman and Carl Kaysen, among others. He expressed his belief that the commission laid important groundwork for the University's future and he is pleased to have been a part of carrying out those plans. In the process, he added, he has made such good friends. Those relationships are important and will endure as he returns to his scholarship. In closing, he expressed his pleasure that he is leaving the provostship in such good hands.

Adjourned.

Respectfully submitted,

Janis I. Somerville
Secretary of the Corporation