A stated meeting of the Executive Board of the Trustees of the University of Pennsylvania was held on Thursday 8 March 1979. Those attending included: Paul F. Miller, Jr. (chairman); David C. Auten, Samuel H. Ballam, Jr.; Henry M. Chance, II; Robert G. Dunlop; Carl Kaysen; Wesley A. Stanger, Jr.; Robert L. Trescher; Jacqueline Wexler; Martin Meyerson (president); Janis I. Somerville (secretary); Curtis L. Barnes, Jr.; Diane Cole; Andrew J. Condon; Vartan Gregorian; Matthew Hall; Ronald D. Hurt; J. Jerrold Jackson; Stanley Johnson; Thomas W. Langfitt; Robert G. Lorndale; Harold E. Manley; Philip Mechanick; William G. Owen; Linda B. Salamon; Jon C. Strauss; and Barbara B. Wiesel.

I. Call to Order

A. Approval of Minutes

Action: The minutes of the meeting of 21 December 1978 were approved with the correction of adding Robert L. Trescher, Esquire, to the roster of those attending.

II. Report of the Chairman

A. Progress Report on Trustee Committees

Mr. Miller reported that since the initial meeting of the new trustee committees in January, some refinements have been suggested in the charges and some changes in membership made to better match trustee interest with committee assignments.

The next focus, he stated, is on the Boards of Overseers and he anticipates progress in the coming months.

III. Report of the President

A. President

1. General Comments

Mr. Meyerson expressed sympathy on behalf of the University community in tribute to Dr. John Knowles who died recently. He was a leading educator, head of a major foundation, and parent and special friend of Pennsylvania. Mr. Meyerson will write to the foundation on behalf of the Trustees and the University.

Secretary
2. Commonwealth Relations

Mr. Meyerson briefly summarized the appropriations for the University of Pennsylvania included in the governor's budget message. The budget proposes a $224,000 increase, including general institutional support. It does not include any increase for the Veterinary School or for the dental clinics. Mr. Meyerson believes the University's increase is a sign from the governor of his attachment to what the University is doing. At the same time, he emphasized, the proposed increase is very small relative to inflation and even that is by no means assured. There is a long road ahead to getting this or perhaps a higher appropriation approved by the Assembly.

3. Resolution Appointments in the Office of the General Counsel

a. Change in Title of Matthew Hall to Associate General Counsel

Action: The resolution on change in title was approved as follows:

RESOLVED, that Matthew Hall, Esquire, currently assistant general counsel, be designated associate general counsel.

b. Appointment of Daniel Goldberg as Assistant General Counsel

Action: The appointment of Assistant General Counsel was approved as follows:

RESOLVED, that Daniel Goldberg, Esquire, director of legal services for the Hospital of the University of Pennsylvania be designated assistant general counsel.

4. Budget Performance YTD FY'79

Dr. Strauss recalled that the budget approved for FY'79 provides for a $250,000 surplus including $150,000 planned surplus from the high-rise residences. Performance is running slightly better than budget in most areas and Dr. Strauss stated that he is confident that year-end performance will be at or better than budget.

Looking ahead, Dr. Strauss observed that it is true for this year as for most that the University has not yet achieved a balanced budget plan for FY'80. He anticipated that the remaining problems will be solved and that a balanced budget plan will be presented in June.

Mr. Miller added that in a recent meeting of a small group of Trustees with the governor, the Trustees emphasized that the University was not seeking continued state aid on bended knee. The University has demonstrated self help. The balanced budget and the campaign successes are indications of the financial accomplishments of the University.
5. Resolution on Radio Station WXPN

Action: The resolution on WXPN was approved as follows:

RESOLVED, that the president of the University, in consultation with the general counsel and the chairman of the Subcommittee on Electronic Communications, be and hereby is authorized to take those actions prior to the next meeting of the Executive Board that he deems necessary and appropriate in the event the Federal Communications Commission rules on the University's Petition for Reconsideration of its decision denying renewal of the license of radio station WXPN (FM).

B. Provost

1. Resolution on Appointments and Promotions

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

2. Status Report on Searches

Provost Gregorian read excerpts from his letter to Acting Vice Provost Mechanick disbanding the Consultative Committee on Selection of an Athletic Director. The Provost intends to form a new, small committee in the coming days to complete the search. In the meantime he has contacted the leading candidates to assure them that this action is in no way a reflection on them.

In terms of the Associate Provost and two Vice Provosts, the Provost noted he has received the preliminary list for the University Life post and is interviewing candidates. He anticipates being able to complete all three searches by the end of March. He added that he and the president have received a preliminary list from the FAS dean's search committee. They hope to conclude that search, as well, by April 1.

3. Resolution for Departmental Name Change in the College of Engineering and Applied Science

Action: The resolution on departmental name change was approved as follows:

RESOLVED, that the department presently known as the Department of Metallurgy and Materials Science in the College of Engineering and Applied Science be changed to "The Department of Materials Science and Engineering."
IV. Reports of Trustee Committees

A. Nominations Committee

1. Resolution on Appointments to Boards of Overseers

Action: The appointments to Board of Overseers were approved as follows:

RESOLVED, that Sara Spedden Senior, be appointed to the Board of Overseers of the Faculty of Arts and Sciences.

RESOLVED, that Kenneth A. Roe be appointed to the College of Engineering and Applied Science Board of Overseers.

RESOLVED, that Penrose Hallowell and Charles R. Ord be appointed to the School of Veterinary Medicine Board of Overseers.

2. Resolution on Appointment to Advisory Board of the Institute of Contemporary Art

Action: The appointment to the Institute of Contemporary Art Board was approved as follows:

RESOLVED, that Thomas Neil Crater be appointed to the Institute of Contemporary Art Board.

3. Appointment to the Trustee Board of the Hospital of the University of Pennsylvania

Action: The appointment to the Trustee Board of the Hospital of the University of Pennsylvania was approved as follows:

RESOLVED, that Solomon Katz be appointed as a member of the Trustee Board of the Hospital of the University of Pennsylvania and as an associate trustee for a five-year term, effective March 15, 1979. 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. Investment Board

Mr. Stanger reported that as of the end of February, the market value of the AIF was $121.3 million, or $178.28 per share of AIF. For the next twelve months the projected income is $8.4 million against $7.3 million a year ago.

In discussion the point was made that the policy of not reinvesting the portfolio income means that the value of the portfolio is not keeping pace with inflation, although the return is good.

1. Resolution on Amendment of Franklin Investment Company Bylaws

Action: The resolution on amendment of bylaws was approved as follows:

SECRETARY
RESOLVED, that the number of members of the Investment Board be and it hereby is fixed at ten (10) until such time as the Trustees shall, pursuant to Article XIV of the Statutes of the University, set some other number.

BE IT FURTHER RESOLVED, that the Trustees of the University of Pennsylvania, acting as the sole member of Franklin Investment Company, hereby amends the first and third sentences of Section 3.02 of the Bylaws of the Franklin Investment Company to change the references to the number of directors from eight to ten and hereby amends and restates the first sentence of Section 3.03 of such Bylaws to read in its entirety as follows: the lesser of five members of the Board of Directors and a majority of the Board of Directors in office shall constitute a quorum for the transaction of business at any meeting.

C. Trustee Board of the Hospital of the University of Pennsylvania

Mr. Ballam drew the attention of the Executive Board members to the draft bylaws for the Trustee Board which were distributed previously. Approval will be requested by the Trustees at the June meeting.

D. Committee on Budget and Finance

1. Resolution on Tuitions and Fees for 1979-80

Dr. Strauss introduced the resolution on tuition and fees. The University is committed to holding the increase in any four years for undergraduates below the disposable family income index.

Mr. Meyerson added that the problem of establishing the tuition level is particularly vexing in this inflationary period. With the high costs of private education, universities such as Pennsylvania are not attracting many individuals who could benefit.

The tuition and fees being proposed both in percentage increase and in total are higher than some and lower than others in the Ivy League. Yale has the lowest percentage increase, yet retains the highest resulting figure of $5640. Pennsylvania tends to be somewhat lower than most of the others in tuition and fees. On the other hand, some of our residence halls were built more recently and thereby with more expensive dollars. As a result, our room and board costs tend to be higher.

Action: The resolution on tuition and fees was approved as follows:

RESOLVED, that the tuition and fee rates listed below be approved subject to the following conditions:

1. The tuitions for Dental Medicine, Medicine, and Veterinary Medicine will be increased to reflect the budget requirement now being developed in these schools and these tuitions will be
determined administratively and announced before April 15.

2. The portion of the combined tuition and fee rates referred to as the general fee will be specified administratively prior to April 15.

Undergraduate Tuition and Fees: $5,270 (up 9.2% from $4,825)
Graduate Tuition and Fees: $5,345 (up 9.3% from $5,075)
(and serving as a floor for all professional tuition and fees)

All part time tuition and fee rates will be increased proportionately from those of Academic Year 1978-79.

2. Resolution on Application for HUD Loan

Action: The resolution on application for HUD loan was approved as follows:

RESOLVED, that the President or any Vice President be and they hereby are authorized to make application to the Department of Housing and Urban Development for a loan under the College Housing Program in the amount of $1,731,000, with interest not to exceed 3%, for a term not to exceed 40 years, to be used for rehabilitation of the Quadrangle Dormitories including replacing windows, installing a trash removal system and insulating the roof in order to reduce fuel consumption and other operating costs.

E. Committee on Resources

Mr. Miller, reporting on the Campaign for the 80's, commented that he has assumed the chairmanship of the Campaign. This combination of assignments has a tradition at Pennsylvania and is particularly convenient when the chairman is in the Philadelphia area.

Reviewing the campaign progress report he announced that $177 million of the pledges toward the $255 million goal have been received. This represents 69% of the goal and an increase of $5 million since the January meeting.

The campus campaign has reached $5.9 million toward a revised $7.0 million goal. The campus campaign has already substantially exceeded its original $5 million goal.

Annual giving has reached $4.33 million, on line with where it was last year, although the number of donors is slightly behind.

Adjourned.

Respectfully submitted,

Janis I. Somerville

SECRETARY