A stated meeting of the Executive Board was held on Thursday, 16 August 1979. Those attending included: Paul F. Miller, Jr. (chairman); David C. Auten; Henry M. Chance II; Robert G. Dunlop; John W. Eckman; Carl Kaysen; Martin Meyerson; David Berger; Stephen Burbank; Stuart Carroll; William Richard Gordon; Gregory Manning; Edward McFall; Jon Strauss; and Barbara Wiesel (secretary).

I. Call to Order

A. Approval of Minutes

Action: The minutes of the meeting of 17 May 1979 were approved as distributed.

II. Report of the Chairman

A. Campaign Progress Report

Mr. Miller reported that as of 14 August total gifts to the Program for the Eighties had reached a sum of $205,533,082, an increase of approximately $8.5 million since the June meeting of the Trustees. Mr. Miller also noted that the Annual Giving Program ended the year with a total of $5,009,085, thus meeting its campaign goal one year ahead of schedule.

Mr. Miller announced that Bud Fretz, chairman of the Benjamin Franklin Associates for the past two years, will serve as General Chairman for the 1979-1980 Annual Giving Campaign. He will be assisted by Lou Meyer, who will take over as Chairman of the Benjamin Franklin Associates.

Mr. Miller also commented on the Philadelphia Area Task Force whose campaign to raise $10,000,000 will kick off on 2 October.

He closed his campaign report by noting that the consulting firm which has been engaged to conduct a large-scale telephone and mail program has begun preparing personal letters to 70,000 alumni and hiring student callers.

B. Comments on the Board of Overseers

Mr. Miller also reported that the Executive Board had reviewed a draft document outlining general guidelines for the boards of overseers. He noted that for the first time terms of appointment to the boards of overseers are being set.

C. Committee on the Report of the Task Force on Governance

Mr.
Miller concluded his report by commenting on the report of the Task Force on University Governance which the Executive Board had, on behalf of the Trustees, just received. The Executive Board's discussion, he said, had focused on three issues: the number of and selection process for young alumni trustees, the Task Force's recommendations for codification of a procedure for selection of a president, and the question of terms for academic administrators.

Mr. Miller said he expected further discussion of the report by the Executive Board at its next meeting and commented that he anticipated a response to the report by the full Trustees at their October meeting.

III. Report of the President

A. President

1. General Comments

Mr. Meyerson began his report with the observation that he felt the University had a very successful year, particularly in terms of the recruitment of students and faculty. He noted that several events, including an exhibition at the Philadelphia Museum of Art and the casting of a commemorative medal had been planned to celebrate Pennsylvania's two hundredth year as a University.

2. Office of Federal Contract Compliance Programs Review

Mr. Burbank reported that the University is still undergoing review of its affirmative action programs by the OFCCP. He noted that a new regional director had just been appointed and he expressed hope that the review would be completed in the near future.

3. Radio Station WXPN

Mr. Burbank also reported that the FCC had waived its customary rule of a one-year ban on reapplication, and had accepted the University's application for a new radio license. Mr. Burbank said that the cutoff date for the filing of competing applications had passed and that a decision on the University's request was expected shortly.

4. Staff Changes

President Meyerson continued his report by announcing the appointments of Morris Arnold, formerly an associate dean in the Law School, as Director of the Office of the President, and of Ross Webber, Professor of Management, as Faculty Assistant to the President.
5. **Budget Update**

Mr. Meyerson announced that Dr. Langfitt would continue to serve as chairman of the University Budget Committee. He then turned to Dr. Strauss who reported that budget performance for FY'79 had been even better than expected. Dr. Strauss said that he was planning a full report for the September meetings of the Committee on Budget and Finance and the Executive Board. Dr. Strauss also noted that the University's new financial systems—particularly the central Bursar's Office and encumbrance accounting—were working well and seemed to be producing good results.

Dr. Strauss concluded his report by saying that his staff was at present refining the budget guidelines for FY'81. He promised he would report on this in more detail at the Board's next meeting.

Mr. Miller expressed his particular pleasure with the University's financial performance, noting that a balanced budget had been mandated by the Trustees. He congratulated and commended Dr. Strauss for his excellent work in helping to accomplish this end.

**Action:** The Resolution on Authorization for Purchase of 4013-15-17 Walnut Street was approved as follows:

**RESOLUTION OF AUTHORIZATION FOR PURCHASE OF 4013-15-17 WALNUT STREET**

Intention:

The University has sub-leased the warehouse building located at 4013-15-17 Walnut Street, Philadelphia from the First Pennsylvania Co. for $48,000 per year, net net, until July, 1988. The building is used to house the offices of the Daily Pennsylvanian and for records and library storage. When the Lippincott Building is closed, this warehouse will be the principal storage facility of the University. The price of $400,567.95 has been agreed upon after a year of negotiation. An analysis of the present value of the remaining payments on the lease compared to the present value of purchasing the building at the agreed-upon price indicates a net cost to the University of approximately $125,000. Therefore be it

RESOLVED, that the Trustees of the University of Pennsylvania approve the purchase of the property located at 4013-15-17 Walnut Street, Philadelphia, Pa. for $400,567.95, payable $50,000 at the signing of the agreement of sale and $3500 per month for 240 months, and on such other terms and conditions as the Vice President for Budget and Finance may approve; and be it further

RESOLVED, that the Vice President for Budget and Finance or the Vice President and Treasurer be and they hereby are authorized to take all such actions and to sign all such documents as are necessary to complete this acquisition.

**Action:** The Resolution of Authorization for Sale of the Henry House was approved as follows:

**RESOLVED,** that the Trustees of the University of Pennsylvania approve the sale of the property located at 501 W. Moreland Avenue, Philadelphia, Pa. for a sum not less than $280,000, net after commissions, and on such other terms and conditions as are approved by the Vice President for Budget and Finance, and be it further

RESOLVED, that the Vice President for Budget and Finance
or the Vice President and Treasurer be and they are hereby authorized to sign such documentation and to take such actions as are necessary to accomplish the sale of the above property.

Action: The Resolution Regarding Lease Guarantee to University City Associates was approved as follows:

RESOLVED that in order to comply with the terms and conditions of the mortgage loan commitment letter, the University is hereby authorized to enter into a "Master Lease", as Tenant, with University City Associates, Inc., as Landlord, in accordance with the following terms:

1. The Lease shall require an annual absolutely net rental of $2.60 per square foot;

2. The Lease shall have a term of not less than 23 years, 2 months from the closing date of the mortgage loan;

3. The Lease shall contain such provisions as are reasonably acceptable to General United Life Insurance Company and the Corporation;

4. The Lease shall provide that in the event at least 4,000 square feet in the building shall become vacant for a period in excess of 60 days, the Corporation shall be required to lease such suite or suites in the building as shall reduce the vacant space in the building to less than 4,000 square feet. Such suite or suites shall remain under the Master Lease for the balance of the term of the Master Lease.

5. A Memorandum of the Master Lease shall be recorded prior to the mortgage securing the loan, and the University shall execute an Attornment Agreement with General United Life Insurance Company;

6. The University shall be permitted to enter into direct sublease(s) with third parties for all or part of the leased premises. Each said subtenant shall execute an Attornment Agreement with General United Life Insurance Company;

7. The mortgage securing the loan shall contain a provision giving the mortgage the sole right and option to unilaterally subordinate the mortgage to direct leases with third parties; and

8. At the permanent loan closing, the Master Lease and all direct leases to third parties, including existing and future leases, shall be assigned to General United Life Insurance Company and recorded.

And be it further RESOLVED, that the Vice President for Budget and Finance or the Vice President and Treasurer of the University be, and they hereby are, authorized and directed to execute and deliver the Master Lease and any such additional documents, and to do all such acts and things as they may deem necessary or appropriate to effect the actions contemplated by the foregoing resolutions.

6. Institute of Contemporary Art

Action: The Resolution on Appointment of Institute of Contemporary Art Advisory Board Members was approved as follows:

E. Korman, Mrs. Al Paul Lefton, Jr., Judith T. Lieb, and Mrs. A. Bruce Mainwaring be elected to the Advisory Board of the Institute of Contemporary Art to serve for three-year terms, effective September 1, 1979.

B. Provost

Provost Gregorian began by reporting that two issues of great importance last spring—the selection of a new University director of recreation and intercollegiate athletics, and the location and structure of the University placement and career planning office—had been successfully resolved.

**Action:** The Recommendations for Academic Appointments and Promotions for the period from May 15, 1979, to June 14, 1979, were approved as printed in the gray book.

Dr. Gregorian noted that he was a bit concerned about the large number of adjunct appointments being made, generally to the faculty in the medical school. He promised to report on this issue again. He also noted that the University was preparing proposals to provide additional funds to allow additional and longer appointments of young assistant professors in the humanities.

**Action:** The Resolution to Change the Name of the College of Engineering and Applied Science was approved as follows:

RESOLVED, that the name of the College of Engineering and Applied Science be changed to the School of Engineering and Applied Science.

IV. Other

Mr. Miller expressed his sadness over the recent deaths of two Emeritus Trustees, Orville Bullitt and Walter O'Malley, and he noted that resolutions to the families would be prepared.

Adjourned.

Respectfully Submitted,

Barbara B. Wiesel,
Acting Secretary