TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA
MINUTES OF THE STATED MEETING
October 26, 1979

A Stated Meeting of the Trustees was held on Friday October 26, 1979. Those attending included: Paul F. Miller, Jr. (chairman); Martin Meyerson (president); Barbara B. Wiesel (acting secretary); Walter G. Arader; David C. Auete; Samuel H. Ballam, Jr.; Julian S. Beres; John M. Bixler; Gordon S. Bodek; Earl F. Brown; Richard P. Brown; Howard Butcher III; McBee Butcher; Henry M. Chance II; Charles D. Dickey, Jr.; John W. Eckman; Josep B. Glossberg; Donald G. Goldstrom; A. Leon Higginbotham, Jr.; John V. James; Reginald H. Jones; Dr. Carl Kaysen; Ann Elizabeth Kelley; Ralph Landau; Leonard A. Lauder; Robert P. Levy; J. Paul Lyet; David J. Mahoney; Myron M. Mainthow; Margaret Mainwaring; William A. Marquard; William D. Patterson; Donald T. Regan; Nina Robinson; Ralph S. Saul; Robert Montgomery Scott; Bernard G. Segall; Irving S. Shapiro; Wesley A. Stanger, Jr.; Frank Tarbox; Sarkes Tarzian; Robert L. Trescher; Jacqueline Wexler; Charles Wolf; Morris Arnold; Curtis Barnes; Joseph Bordogna; Stuart Carroll; Andrew Condon; Robert Dyson; Laura Foggan; Louis Girifalco; William Richard Gordon; Vartan Gregorian; Matthew Hall; Charles Harris; Arthur Humphrey; Philip Kellman; Thomas Langfifty; Mark Lerner; Jeffrey Levitan; Edward Lodge; Robert Lorndale; Randall Marks; Harold Manley; William Owen; Mitchell Portnay; Joyce Randolph; Curtis Reitz; Suanne Rudley; Fred Shabel; Benjamin Shen; Linda Smith; Janis Somerville; Willis Stetson, Jr.; Jon Strauss; and Amy Tannanbaum.

I. Call to Order

Chairman Paul F. Miller, Jr. called the meeting to order.

Action: The minutes of the Stated Meeting of June 8, 1979 were approved as distributed.

II. Report of the Chairman

A. Presidential Search Process

Mr. Miller opened the meeting with a presentation of the process which the Trustees would follow in selecting the University's next president. He noted that a consultative committee, consisting of six trustees, four faculty members (chosen by the Faculty Senate), and two students (chosen by an appropriate mechanism and perhaps selected from the student membership of the University Council), would be formed. In addition the committee will have a full-time staff assistant. He added that he would serve as the convener and non-voting chairman of this group which would be advisory to the Executive Board, and he added that one or more Trustees would be selected to serve as vice chairman. Mr. Miller stressed that
emphasis would be placed on confidentiality during the search process and he stated that he hoped the consultative committee would be in place before the December 6 meeting of the Executive Board.

B. Introduction of New Trustees

Mr. Miller also welcomed Mr. Richard P. Brown and Mr. Joseph Glossberg who were attending their first meetings.

C. Resolutions of Appreciation

In concluding his report Mr. Miller expressed, on behalf of the Trustees, tremendous gratitude to the three Trustees who were being elected Emeritus Trustees and to the one Alumni Trustee whose term had expired.

Action: The Resolution of Appreciation and Designation of Emeritus Title, Julian S. Bers, was approved as follows:

A graduate of the Wharton School in 1931, Julian S. Bers has served the University of Pennsylvania as both a Term and Alumni Trustee. As Vice Chairman of the Health Affairs Committee and a member of the Alumni Affairs and University Development Committees, he has provided balanced judgment and he has shown great and consistent concern for the general welfare of the University. He has served the University devotedly as general chairman of Annual Giving and as general chairman of the Benjamin Franklin Associates. In 1968 his many contributions were recognized when he was awarded the Alumni Award of Merit.

A member also of the Recreation and Intercollegiate Athletics Committee and the Student Affairs Committee, he has been actively interested in student concerns. Most recently he has given generously of his time as Chairman of the Investment Board and as a member of the Committee on Budget and Finance and the Trustee Board of the Hospital of the University of Pennsylvania. Finally, he has been a tremendously valuable and wise member of the long-range planning committee of the Medical School.

RESOLVED, that the Trustees of the University of Pennsylvania on behalf of themselves, the students, the faculty, the alumni, and the staff of the University, express their deepest thanks to their colleague Julian S. Bers and elect him Trustee Emeritus, effective November 1, 1979.

Action: The Resolution of Appreciation and Designation of Emeritus Title, Robert G. Dunlop, was approved as follows:

An alumnus of the Wharton School, Robert Galbraith Dunlop has been a Trustee of the University of Pennsylvania since 1952. During his term, the longest of any current Trustee, he has assumed tremendous responsibility, most notably in his role as Chairman and Vice Chairman of the Executive Board and as Chairman of the Nominating Committee. Also Chairman of the Finance Committee, he has been tireless in his work with the faculty and administration to build a stronger Pennsylvania and he has played a major role in attracting significant new resources to the University. His greatest contribution has been the sound judgment and the wisdom he has brought to bear on issues of great importance to the future of the University.

SECRETARY
III. Report of the President

A. General Comments

Mr. Meyerson began his report by extending his thanks to Trustee Frank Tarbox for his assistance with the arrangements for the Benjamin Franklin Associates Dinner at the Penn Mutual Tower on
the previous evening. Mr. Meyerson noted that November 27, 1979, is the 200th anniversary of the University's designation as a university and would be celebrated with a lecture to be given by Trustee Leon Higginbotham. Mr. Meyerson then distributed proof copies of a commemorative medal which had been coined by the Franklin Mint to honor this occasion. Mr. Meyerson also called attention to the new Handbook for Faculty and Administration which had just been completely revised and would be distributed to faculty and staff next week. He indicated that a set of guidelines for the Boards of Overseers had been developed and would, together with a proposed new University patent policy, be distributed to the Trustees by mail after the meeting.

B. Report on Radio Station WXPN (FM)

Mr. Meyerson then called on Professor Curtis Reitz who reported briefly that the University's application for a new license for radio station WXPN (FM) had been approved. Once again tremendous gratitude was expressed to Trustee Sarkes Tarzian and Trustee Morton Wilner for their help in this matter.

C. Appointments to the Boards of Overseers

Action: The Resolution on Appointments to the School of Nursing Board of Overseers was approved as follows:

RESOLVED, that PatriciaDerian, Herbert J. Grubb, and George P. Van be appointed to the School of Nursing Board of Overseers, for terms of two years, effective November 1, 1979.

Action: The Resolution on Appointment to the Law School Board of Overseers was approved as follows:

RESOLVED, that Shirley Hufstedler be appointed to the Law School Board of Overseers, effective November 1, 1979.

D. Resolution of Appreciation to Frederic L. Ballard

Action: The Resolution of Appreciation to Frederic L. Ballard was approved as follows:

Frederic L. Ballard has served the University of Pennsylvania and its Law School, from which he graduated in 1942, in a series of significant capacities, most notably as alumni member on the consultative committee for the selection of a dean of the Law School, as chairman of the Law Board, and as the first chairman of the Board of Overseers of the Law School. To all these assignments he has brought wise counsel, selfless loyalty, and sensitive judgment. His leadership of an individually distinguished Board of Overseers, primum inter pares, was characteristically impressive.

RESOLVED, that the Trustees of the University of Pennsylvania express to Frederic L. Ballard their appreciation and profound gratitude for his many contributions to the University and the Law School.

Secretary
E. Resolution on Appointment of Associate Treasurer

Action: The Resolution on Appointment of Associate Treasurer was approved as follows:

RESOLVED, that Edward A. Lodge be appointed Associate Treasurer, effective November 1, 1979.

F. Federal Relations

Mr. Meyerson commented briefly about relations between American universities and the federal government. He noted that although President Carter had just signed legislation creating a new Department of Education at the same time hearings were continuing on the bill that would reorganize most major higher education programs. Mr. Meyerson then asked Dr. Carl Kaysen, who has served as Vice Chairman and Director of the Sloan Commission on Government and Higher Education to share his group's conclusions with the Trustees.

Dr. Kaysen reported that, under the chairmanship of Lewis Cabot, the twenty-three member Sloan Commission would likely be presenting recommendations in five areas: student aid, research support, regulation, medical education, and state relations. Dr. Kaysen said that the Sloan Commission's final report will be published early next year. Dr. Kaysen then outlined some of the details of the panel's findings in each of these areas.

G. Report of the School of Engineering Board of Overseers

Mr. Meyerson asked Dr. Ralph Landau, the new chairman of the School of Engineering Board of Overseers, to present a brief report on the work of his Board. Dr. Landau opened by noting the tremendous academic gains which the School has made in recent years and he expressed the gratitude of his colleagues to Mr. C.B. McCoy who preceded him as Chairman of the Overseers. Dr. Landau noted that the board's next meeting, scheduled for February 1980, would focus on a review of the School's long-range planning effort and he asked Dean Arthur Humphrey to summarize this subject for the Trustees.

Dr. Humphrey distributed copies of a report on Status, Goals, Planning Procedures, and Needs of the School of Engineering and Applied Science and he outlined the School's departmental and budget planning processes for the Trustees.

Following Dr. Humphrey's presentation, Dr. Landau noted that keeping faculty salaries competitive is a problem which the School will continue to face in the years ahead.

IV. Report of the Provost

A. Appointments

Provost Gregorian noted that in the interest of time he would not
make any extended comments. He promised instead that his remarks would be assembled in a written document which he would have distributed to all of the Trustees.

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

### B. Exxon Educational Foundation Grant

The Provost expressed his pleasure over the recent award of $600,000 from the Exxon Educational Foundation to the University for innovative work in undergraduate education and he expressed his appreciation to five colleagues (Drs. Sandra Barnes, Joseph Bordogna, Victoria Kirkham, Richard Lambert, and Elliot Mossman) for their assistance in developing the proposal.

### C. Report on Athletics

Provost Gregorian introduced Charles Harris, the University's new Director of the Department of Recreation and Intercollegiate Athletics, and he asked Mr. Harris to comment briefly. Emphasizing his position as a newcomer to the University, Mr. Harris began by highlighting the tremendous growth in Pennsylvania's athletic programs in recent years. He noted that we now have 34 varsity teams as compared with 24 teams in 1973 and he said that 13,000 students now participate in recreation and intramural programs as compared with 4,000 students only six years ago.

Mr. Harris noted that Pennsylvania needs to examine its goals and objectives in athletics for the 1980's and the 1990's, and he commented that in doing this he felt a need to solicit alumni opinion in addition to that of the faculty and students. He reported that he had requested the formation of a committee of alumni to work with him in this process of review and he said that he hoped to present a framework of policy recommendations not later than the spring of 1980.

In closing, Mr. Harris affirmed his belief in the importance of the concept of the scholar athlete and he noted his pleasure in being at Pennsylvania. Mr. Miller said he hoped that work in regard to setting priorities for athletics in the 1980's would proceed very rapidly.

### IV. Reports of Trustee Committees

#### A. Committee on Resources

Mr. Jones reported that the Committee on Resources was continuing
to focus its attention on the completion of the campaign and on the
development of a post-campaign strategy. He reported the good
news that the Campaign Committee on Business and Industry had
exceeded its target goal. Mr. Jones also noted that the Committee
was considering such issues as the University's relations with
younger alumni and annual giving and he said that the Committee
will receive of a first draft of a post-campaign development
strategy at its January meeting.

B. Committee on University Responsibility

Chairman Leon Higginbotham indicated that the Committee had
reviewed a draft report intended to elicit reactions and test
consensus for a report to the Executive Board in December. His
Committee did not yet have a recommendation to make to the
Trustees on this question, but would, if possible, after a further
draft was circulated and comments incorporated. Judge
Higginbotham announced that a package of literature and a
transcript of the committee's hearing on South Africa which was
held last April would be mailed to all Trustees as soon as possible
and he expressed the hope that these materials would be useful in
reaching a decision on South Africa in January.

C. Academic Policy

Reporting for Dr. Kaysen, who had been unable to attend the
meeting on the previous day, Mr. Segal said that the Committee on
Academic Policy had received reports from members of the
Provost's staff on research and admissions and had discussed the
issue of endowed chairs and professorships. In an effort to recognize
the quality and merit of those faculty who have already received
tenure at Pennsylvania but have been offered named chairs
elsewhere, it was the sense of the committee that distinguished
service professorships should be established.

Action: The Resolution to Establish Distinguished Service Pro-
фессорships was approved as follows:

Resolved, that the president and the provost, after consultation with
the Executive Board, be authorized to establish distinguished service
professorships.

D. Committee on Audit

Mr. Chance reported that the Committee on Audit had received an
unqualified audit on the University and the Hospital. On behalf of
the committee, he expressed great pleasure that those few areas in
which work had been needed had been resolved.

SECRETARY
E. Committee on Budget and Finance

Mr. Eckman, after noting there had been perfect attendance at the committee's meeting the day before, said that they had reviewed both the University's audit and the budget which had been presented to the Trustees in June. He reported that no major net revisions of any magnitude were necessary at this time.

Action: The Resolution on Increasing Supplemental Retirement Allowances was approved as follows:

Resolved that (1) Effective January 1, 1980, and until superseded by further action of the Trustees, the monthly supplemental retirement allowances for current recipients be increased by a percentage amount equal on average to 75% of the percentage of change in the U.S. Consumer Price Index which occurred during the period July 1, 1972, through July 1, 1978. And (2) Effective January 1, 1980 and until superseded by further action of the Trustees, personnel who retired on fixed pension benefits from the University in the years 1970 through 1975 be added to the group eligible for supplemental retirement allowances and that individual monthly allowances be established at amounts equal on average to 75% of the percentage of change in the U.S. Consumer Price Index which occurred from July 1 of the year of retirement through July 1, 1978.

E. Committee on External Affairs

Mrs. Wexler reported that the main items at the committee's meeting earlier in the day had been community and Commonwealth relations. Most of the committee's time had been spent in discussion of a report which Professor Curtis Reitz had prepared, tracing the history of the University's funding by the Commonwealth. She noted that the committee also discussed the problems and issues which the University faces in the area of communications and she said that the committee next expects to examine the public relations function in anticipation of the selection of a new president.

F. Committee on Facilities and Campus Planning

Mr. Arader reported that the Committee on Facilities and Campus Planning had met in a plenary session the previous day to review a report prepared by Richard Buford, Robert Zemsky, and Davis, Brody and Associates to ask two basic questions: what are the University's alternatives of scale given the economic uncertainties we expect? and, how can we best conserve and enhance the present campus while preserving the possibility for future growth?
G. **Investment Board**

Mr. Bers reported that the total market value of the AIF on October 25, 1979, was $126.4 million, or $177.25 per share. Equities represent 58% of investments and cash, while boards and residual assets combined represent 42%. He noted that gross investment income over the next twelve months is estimated to be $9.23 million and that since October 31, 1978, the AIF per-share value has appreciated 1.1%, while the common stock portion, adjusted for transactions, has increased 9.3%.

H. **Committee on Student Life**

Mrs. Mainwaring began by noting that, with an ultimate objective of becoming more policy oriented, the Committee on Student Life had met the day before and had begun efforts to become informed in all aspects of student life. She said that most of the committee's attention had been focused on a review of the relevant administrative departments, many of which are quite complex financially. She said that she anticipated the committee would initially focus its attention on three issues: the renovation of Houston Hall, programs and plans for student life in the context of the Campaign for the '80's, and the question of Young Alumni Trustees. She noted that a special meeting of the committee was planned before the next meeting of the Executive Board to consider the question of Young Alumni Trustees.

I. **Trustee Board of the Hospital of the University of Pennsylvania**

Mr. Ballam reported that three meetings of the Trustee Board of the Hospital of the University of Pennsylvania had been held since the June Trustees' meeting. During these meetings the Trustee Board had focused much of its attention on the hospital's budget. He noted that new facilities at the hospital for obstetrics patients had been opened, that a new cooperative program for treatment of cancer patients had been begun with the Fox Chase Cancer Center, and that a new director of emergency services for the hospital had been hired. Finally, Mr. Ballam indicated that there had been considerable discussion about the size of the hospital and its relationship with the Delaware Valley, which may have too many hospital beds. He noted that the Trustees would be reviewing a presentation of Phase III in the hospital's long-range plan at their meeting in January.
V. Other

In closing, Mr. Miller, on behalf of the Trustees, expressed sadness over the death of two Emeritus Trustees, Orville Bullitt and Walter O'Malley, and he asked that a moment of silence be observed in their honor.

Adjourned.
Respectfully submitted,

Barbara B. Wiesel
Secretary