A Stated Meeting of the Trustees was held on Friday, 19 June 1981. Those attending included: Paul F. Miller, Jr. (chairman); Sheldon Hackney (president); Mary Ann Meyers (secretary); Louis Girifalco (acting provost); Thomas Ehrlich (provost-elect); Gustave G. Amsterdam; Walter G. Arader; Samuel H. Ballam, Jr.; Julian S. Berg; Gordon S. Bodek; Earl F. Brown; Richard P. Brown; Howard Butcher III; McBee Butcher; Henry M. Chance II; Gloria Twine Chisum; Charles D. Dicke, Jr.; John W. Eckman; Michael Gilson; Joseph B. Glossberg; H. Samuel Greensawaly; Donald G. Goldstrom; F. Otto Haas; A. Leon Higginbotham, Jr.; Reginald H. Jones; Carl Kayser; Ann E. Kelley; Ralph Landsau; Leonard A. Lauder; J. Paul Lyet; Margaret R. Mainwaring; Anthony S. Minisi; John R. Neff; John H. Porter; Nina Robinson; Robert Montgomery Scott; Bernard G. Segall; Sara S. Senior; Irving S. Shapiro; Robert L. Trescher; Jacqueline Wexler; Charles S. Wolf; William J. Zellerbach; Maureen Anderson; R. Jean Brownlee; Stuart Carroll; John Cebra; Richard Cleland; Peter Conn; Elizabeth Cooper; Helen Davies; Robert E. Davies; Robert Dyson; Peggy Gelber; Sue Goldstrom; William Richard Gordon; Robin Gross; Lucy Hackney; Matthew Hall; Scott Heller; William Hickey; Arthur Hirsch; Michel Huber; Stanley Johnson; Kenneth Kronhaus; Thomas Langfitt; Phoebe Lebov; Robert Lorndale; Anthony Lyle; Edward McFall; Margaret McGee; William Owen; Davide Ramey; Joyce Randolph; Jodi Schwartz; Michael Siegmund; Janis Somerville; James Spady; Ed Szczepkowski; E. Craig Sweeten; Willis Steison; Dyls Winegrad; and several other students.

I. Call to Order

Paul F. Miller, Jr. called the meeting to order and an invocation was offered by the Rev. Stanley E. Johnson, the University chaplain. The minutes of the 30 January 1981 meeting were approved as written by the secretary.

II. Report of the Chairman

A. Mr. Miller announced the establishment of four endowed professorships.

1. The Robert G. Dunlop Professorship is a University-wide chair established in Mr. Dunlop's honor by the Glenmede Trust Company with the gift of $1 million.

2. In honor of another trustee, Reg Jones, the General Electric Foundation also has granted the University a million dollars to endow a Professorship of Corporate Management, which the Trustees have designated as the Reginald H. Jones Professorship. In addition, the Foundation has agreed to provide $500,000 over the next five years to help meet operating expenses of a new Center for Management Policy, Strategy, and Organization. The Center will focus on the empirical research required to assess current problems of top management, and to develop curricula, especially in the MBA, Ph.D., and executive education programs. "Reg's name will be associated with the Center," Mr. Miller said, "and the
University seeks grants from other interested companies to augment the $100,000 which G.E. will contribute each year toward operating expenses.

3. Merrill Lynch has contributed to a third new chair—the Donald T. Regan Professorship in English. It honors a former trustee who is now Secretary of the Treasury, and in the keen competition for distinguished scholars and teachers in English language and literature, the Regan chair will help Pennsylvania retain an outstanding faculty.

4. Finally, the chairman reported that a million-dollar chair had been given to the Graduate School of Fine Arts, and he promised to describe it in more detail at the fall meeting.

B. Mr. Miller then welcomed John Porter, a new alumni trustee from the Middle Atlantic region.

C. The chairman introduced resolutions of appreciation for two young alumni trustees whose terms were expiring and for two administrators who were retiring after a combined total of nearly 90 years of service.

1. A Resolution of Appreciation for Ann E. Kelley was approved as follows:

   Intention:

   A cum laude graduate of the Faculty of Arts and Sciences in 1976, Ann E. Kelley has served as a Young Alumni Trustee for three years, representing the recent graduates of the undergraduate schools. She has been a member of the Academic Policy and University Responsibility committees and during most of her service would have been eligible for an award for greatest distance covered to attend Trustee meetings, since she faithfully travelled from England.

   Captain of the women's lacrosse and field hockey teams and member of the Kite and Key and Friars Societies as an undergraduate, she received the Student Award of Merit from the General Alumni Society, the Harnwell Award, the Sol Feinstone Award, and the Class of 1946 Award. While studying for a doctoral degree in neurobiology at Trinity College, Cambridge University, as a Thouron Scholar, she was named to the British Universities Lacrosse Team. A post-doctoral research fellow at McLean Hospital in Boston during 1980-81, she leaves soon for France where she and her husband will make their home.

   RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the students, the faculty, the alumni, and the administration of the University, express their gratitude to their colleague, Ann E. Kelley, for her service.

Action:

2. A Resolution of Appreciation for Nina Robinson was approved as follows:

   Intention:

   A 1970 graduate of the College for Women and recipient of an M.B.A. degree from the Wharton School in 1976, Nina E. Robinson has represented the recently graduated alumni of the graduate and professional schools for the past three years as a Young Alumni Trustee. During this period she served as a member of the Resources Committee, Student Life Committee, and the Subcommittee on Electronic Communications.

   As an undergraduate she was on the yearbook staff and a member of the Student Committee on Undergraduate Education; while at Wharton she was editor and columnist for the Wharton Journal. As an alumni she has been active in the affairs of the Class of 1970, serving as women's president, co-chair of Annual Giving, reunion chair, and representative to the Organized Classes. She has been a staff assistant to the Secretary of Health, Education, and Welfare, an advertising copywriter, and a public relations consultant, proprietor of her own security firm, and an account executive for Spiro and Associates. But for more than a decade, she has devoted countless volunteer hours to Pennsylvania.

   RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the students, the faculty, the alumni, and the administration of the University, express their gratitude to their colleague, Nina E. Robinson, for her service.

SECRETARY
Action: 3. A Resolution of Appreciation for R. Jean Brownlee was approved as follows:

Intention:

Awarded a bachelor's degree by the University in 1934, a master of arts degree in 1936, and a Ph.D. in 1942, R. Jean Brownlee first joined the administrative staff in 1936 as assistant director of residence. After a three-year tour with the Civil Service Commission during World War II, she returned to the University as a personnel officer of the College for Women and an associate in political science. Becoming vice dean of the College for Women in 1958 and promoted to assistant professor in 1959, she was named dean of the College for Women in 1960.

During her deanship, enrollment in the College for Women grew from 600 students to 2,000; at the same time the school's reputation for personal attention was established and enhanced. When the College for Women was merged into the Faculty of Arts and Sciences in 1974, she played a vital role in the organization of the new school and remained as dean of academic advising services of FAS for two years. Most recently, she has served as associate professor of political science, as undergraduate chairman of that department, and as special assistant to the provost.

Dr. Brownlee was honored by her university in 1963 when it presented her with an Alumni Award of Merit and by her state in 1976 when it named her a Distinguished Daughter of Pennsylvania. Her international interests were reflected in her posts as director of the World Affairs Council and as a long-time and widely-travelled delegate to the International Federation of University Women. A highly responsible citizen of the University, she has been very active in alumni affairs and has served as member or chairman of a staggering range of committees, including the landmark athletic survey of 1964.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the students, the faculty, the alumni, and the administration of the University, express to R. Jean Brownlee their thanks for her service.

Action: 4. A Resolution of Appreciation for E. Craig Sweeten was approved as follows:

Intention:

E. Craig Sweeten has served the University of Pennsylvania in distinguished fashion over an uncommonly long period of time. He gave early evidence of his concern for the University and his capacity for leadership, graduating from the Wharton School in 1937 as Bowl man of the Class. With the exception of a World War II tour of duty as a naval officer in the Pacific, he has been actively engaged in furthering Pennsylvania's interests ever since.

He has come to personify Pennsylvania to generations of alumni and to many friends in the larger community, enhancing their regard for the University. On the campus, his innate sense of what is right for Pennsylvania has helped six presidents to shape the University's goals; his wise counsel has guided us toward them.

Prophetically engaged first in fund raising for the University's Bicentennial Campaign of 1940, he served later with distinction as director of placement, Pennsylvania's first director of development, vice president for development and public relations, and senior vice president for the Program for the Eighties. He earned national recognition and respect for himself and his University through his thoughtful, creative, and sensitive approach to attracting support for the academic enterprise.

RESOLVED, that the Trustees of the University of Pennsylvania express their deep gratitude to E. Craig Sweeten for his lifetime of service to his alma mater and for his many contributions to the University's enduring well being.
Mr. Miller went on to note that at a dinner given the previous evening in Mr. Sweeten's honor, the Trustees presented him with their first and only Distinguished Service Award. Hereafter it will be known as the E. Craig Sweeten Award and presented irregularly to outstanding administrators. The chairman further observed that friends of the retiring vice president had raised substantial and sufficient funds not only to complete the restoration of the Delta House but to endow its maintenance as the E. Craig Sweeten Alumni Center.

Mr. Sweeten thanked the Trustees, then warned them not to lock their pocketbooks. He said he had agreed to stay on for an additional year as a development consultant to the president.

D. In the absence of G. Morris Dorrance, Jr., the recently-appointed chairman of the Nominating Committee, Mr. Eckman introduced resolutions for the reappointment of the chairman and vice chairman of the Trustees. He noted further that at a meeting of the committee that morning, members had made an initial review of possible trustee candidates, and he said he anticipated the presentation of several names to the board at its October meeting.

Action: 1. A Resolution on the Election of the Chairman of the Trustees of the University of Pennsylvania was approved as follows:

RESOLVED, that Paul F. Miller Jr. be elected to serve as chairman of the Trustees of the University of Pennsylvania for a one-year term, effective 1 July 1981.

Action: 2. A Resolution on the Election of the Vice Chairman of the Trustees of the University of Pennsylvania was approved as follows:

RESOLVED, that Robert L. Trescher be elected to serve as vice chairman of the Trustees of the University of Pennsylvania for a one-year term, effective 1 July 1981.

Action: 3. Mr. Miller then introduced a Resolution on the Election of the Executive Committee. It was approved as follows:


* The chairman and vice chairman of trustees serve as members and as chairman and vice chairman, respectively, of the Executive Committee under Article 5.3 of the Statutes.

E. Turning to the proposed revision of the Statutes, the chairman noted that the process of modernization had been accomplished over a period of several years, beginning when Janis Somerville was Secretary. He thanked Mr. Eckman for the time and effort he had expended on the version before the Trustees, and asked him to introduce the resolution for its adoption. Mr. Eckman did so, expressing his gratitude and that of the board to the present Secretary and General Counsel for their assistance.

Action: 1. A Resolution on Adoption of A Revision of The Statutes was approved as follows:

SECRETARY
RESOLVED, that the Statutes of the Trustees of the University of Pennsylvania adopted by the Trustees as of August 1977 are amended as set forth in the attachment to this resolution.

F. Mr. Miller then noted that University Council's proposal for a standing resolution on presidential search procedures was forwarded to the Trustees without recommendation, either for or against, by the Executive Committee as that body had been "so intimately involved in the last search. I have received a great many comments on the resolution," the chairman continued, "and the consensus was that it needed work." He said that he and Mssrs. Eckman and Trescher had recently met with leaders of the Faculty Senate and agreed that the resolution be returned to the Executive Committee for reformulation "more in terms of principles and less in terms of specifics." He then sought and received the Trustees concurrence in this course of action, promising to present a revised resolution for consideration at a future meeting.

III. Report of the President

A. Dr. Hackney made the following report on his first half year in office:

It has been a very hectic and intense spring for me, but one full of a lot of satisfaction and I think even progress. As I have said on the other occasions, I have been enormously impressed during these past five-and-a-half months by the intellectual vitality of the faculty and the students here. Whether I met them in my office, in their offices, in classrooms, in meeting rooms, in dining rooms, or on the jogging track, it has been a marvelous experience for me to get to know a large part of the Penn community. I am trying to make personal contact with as many committees, individuals, and groups as possible. From my own perspective, I don't see how I could possibly fail to meet every individual at the University and maybe even in Philadelphia. I realize, though, that I have not done that, and... I am anxious... to stimulate those informal communications within the community which make the community work.

I had expected to find the faculty and students wary, given recent history, but I had hoped to earn their respect and trust. I think we are off to a good start. As I wrote in the Almanac this spring, it does not seem to me that an academic community can function very well without a reasonable level of respect and trust among its members. One of the major initial goals that I have is to encourage faculty and students and administrators to put the institution's general interest above their particular group interest or at least to do so on important occasions. I have tried to calm the atmosphere and to generate that level of stability which will allow us to face even very divisive issues with clarity and with reason.

With some satisfaction I can note the strong consensus which we reached on the campus among various interest groups (if I can use that term) or constituency groups which made it possible to establish a new University Budget and Planning Committee. This committee brings together academic planning and financial planning for the first time, so that informed advice can be provided to the administration on both short-term and long-term resource allocation questions. The provost will be the chairman of this group, and it brings together faculty and students, selected in a very precise way, with other administrators. I think it will be a very productive arena for decision making in the future.

I am also very pleased to note that we are putting in place the apparatus for creating a fair and nondiscriminatory work environment. University hiring goals have been set to correct underutilization of women and minorities in non-instructional job groups, and we have completed the first phase of an internal audit designed to monitor utilization throughout the institution. The apparent abatement of pressure from the Office of Federal Contract Compliance will not lessen our resolve to truly implement our affirmative action plan, as our intentions have quite properly less to do with our appearance in the fact of external scrutiny and pressure from the federal government than with the fact that we wish to enrich campus life.

SECRETARY
Clark Kerr, who for a long time has been the very distinguished head of the Carnegie Commission on Policy Studies in Higher Education, has said that there is no natural law that confers upon universities the right to escape from public surveillance, and as I look ahead to the end of my first year at the University of Pennsylvania, it is quite clear that an area in which we are going to have to devote much more time and attention in the future is our relations with the federal and state government. The spending cuts proposed by the Reagan administration still do not seem to threaten us as severely as they threaten institutions with less of a concentration on research contracts and grants in health, science, and energy. But it is also true that the sharp reduction in student-aid programs guarantees that the cost to the University of education for individuals receiving financial aid will be greater than ever before. The question that immediately faces us as a university community is to what extent should institutional funds be used to offset declines in the real value of direct federal and state student-aid grants. That is a very serious question and we do not yet have an answer. We are trying to lay out the options now so that we will be able to make rational decisions or recommendations in that regard next year.

The dilemma is complicated by the prospect of a growing capital shortage for Penn. During the past several years higher energy costs, an increase in social security taxes, and the costs of compliance with government regulations has forced various short-run economies. In addition to postponed maintenance and equipment purchases, these include holding down faculty salaries below the rise of the cost of living, and these salaries have lost significantly more ground to inflation than those of other professionals in government and industry. Here I might mention a long-term national problem—the growing gap between the salaries that can be earned by faculty members in some fields or disciplines, in engineering, in business, and to some extent in the chemical, biological, and health sciences, moreover, the gap between salaries one can earn in the University and outside the University pose a serious problem, and we’re not going to be able to attract the best talent in the country unless we are able to find a solution to it. The problem is one Ralph Landau and I talked about quite a lot. We don’t yet have a solution, but along with other universities, we’re working on it....

Looking at the University as a whole, what is now needed, I believe, is a new look at the sort of university we are and the sort of university we want to be in five years or in ten years. What sort of comparative educational advantages we have, what our opportunities are, what position we want to occupy, the character of the university, these are all questions requiring careful thought and we need to begin generating a strong consensus within the University community about them.... Indeed, I hope we are going to be able to do some long-term planning and engage the trustees in a conversation about these sorts of issues in the early part of next year. But I would agree with David Riesman, a distinguished social scientist, that we will not benefit from packaged reforms or from imitation of what others have done. We need to find a solution which fits the University of Pennsylvania’s unique character and build upon our strengths and potentialities, and if we can do that, we will be in very good shape. I am looking forward to facing these challenges with you. I think it will be a very interesting few years, and fun, though they are going to be hard ones.

B. Turning to the resolution before the Trustees on the election of Thomas Ehrlich as provost, the president described the search which had produced him.

"A committee chaired by Irv Kravis looked inside and outside the University," Dr. Hackney said, "and did its job very carefully." He noted that a short list of candidates was presented to him in mid-May, and after some consulting, he decided Ehrlich would be the best person possible to lead the University as provost. "As you can see from his credentials," the president continued, "Tom has the sort of background that should equip him to carry out the job in exemplary fashion. He is a person of educational vision."

A Resolution on the Election of a Provost was approved as follows:

**RESOLVED** that Thomas Ehrlich be elected provost of the University, effective 1 September 1981, for a term of seven years.
C. On the president's behalf, Dr. Hickey then presented the operating budget and the capital project plan for FY'82. In its restricted and unrestricted categories, the budget totals some $577 million. Attaining balance required the prior commitment of $1.5 million in federal roll-forward funds and assumption of a $1 million increase in the Commonwealth appropriation on behalf of the School of Veterinary Medicine, which was not contained in the Governor's budget message to the legislature, although there was reason to believe we would be successful in obtaining the budgeted increase in the appropriation. [In fact, the legislature appropriated an additional $1.5 million.]

The acting director of the budget suggested that future budgets may be even more difficult to balance than the one for FY'82. He pointed out that the new budget provides funds for a program of deferred maintenance, continued amortization of the incremental costs of the Program for the Eighties, a 25-percent increase in undergraduate student financial aid, a 25-percent increase in energy costs (although the University may realize some savings if prices drop in the petroleum market), and, finally, wage and salary increases, averaging 10 percent. Additionally funds are available for faculty promotions, market equalization for both faculty and clerical staff, and a modest dental care plan as part of employee benefits.

Dr. Hickey added that the University continues to adhere to a spending rule which has as its objective the maintenance of the purchasing power of the endowment. He said the administration is monitoring very closely the possible impact of changes in federal fiscal policy on sponsored research, student financial aid, and Commonwealth revenues.

The acting director of the budget further noted that the University's capital budget plan was becoming increasingly formalized under the aegis of the Capital Council. During FY'82 the plan calls for more than $37 million in construction and for a total expenditure of some $57 million. Among the most prominent parts of the plan, he noted: the renovation of Dietrich Hall, energy conservation systems, Phase III of the Hospital Capital Revitilization Plan, completion of the new Small Animal Hospital and renovation of a part of the old facility, and the renovation of Leidy Laboratory.

D. Following Dr. Hickey's report, Dr. Girifalco read the following expression of appreciation to the faculty, staff, and students of the School of Allied Medical Professions:

The School of Allied Medical Professions was founded in 1950 through the merger of the Philadelphia School of Occupational Therapy, which had existed since 1918, with the Physical Therapy Program of Graduate Hospital; Medical Technology was added in 1952, and a program in Oral Hygiene was offered briefly. The School graduated its last class in May 1981 after 31 years of quality education in the allied medical professions, through both the baccalaureate programs and the postgraduate certificate programs for college graduates. During this period 1,263 degrees were awarded. The standards of excellence in teaching and research have always been high and remained at those levels even during the final years as the size of the School was reduced. The dedication and loyalty of faculty, staff, and students have been exemplary, and morale has never faltered in the last difficult years of contraction.

The Executive Board of the Trustees passed a formal resolution of appreciation to SAMP in July 1980. As acting provost now, I want to add my
expression of appreciation to the faculty, staff, and students of the School of Allied Medical Professions for their service to the University.

E. The acting provost then introduced a Resolution on the Clinician-Educator Track in the School of Dental Medicine.

Action: It was approved as follows:

Intention:

For some time the School of Dental Medicine has recognized the need for a clinician-educator tract similar to that existing in the School of Medicine. The present resolution has been approved by the Faculty Senate. At some later time it shall be integrated into the standing resolution of the Trustees on the structure of the academic staff (adopted 4 June 1976; revised 16 October 1980) at which time it may be modified in the interest of establishing a uniform clinician-educator track for all health schools.

RESOLVED, that:

1) There shall be established in the School a category of full-time clinician-educators who are members of the Standing Faculty of the University on a nontenured clinician-educator track, to take effect on 1 July 1981 or as soon thereafter as is administratively practical.

2) Their appointment will be made on recommendations of their clinical department faculty through the departmental chairpeople to the dean of the School of Dental Medicine. To take effect, an appointment or promotion must be reviewed and approved both by the School of Dental Medicine's Committee on Faculty Appointments and Promotions and by its Committee of Professors utilizing general criteria defined and agreed to by the voting faculty of the school. It must be reviewed and approved in normal course by the Provost's Staff Conference.

3) Termination of employment for persons who have chosen and entered into work on the clinician-educator track will be made only because of 1) failure to secure promotion to associate professor by the end of the probationary period which shall not exceed ten years; 2) attainment of any required retirement age; 3) lack of funds from clinical income to pay their salaries; or 4) for "just cause" as customarily determined within the University (see 9 below).

4) To assure conformity with nomenclature approved by the University, appointees in the clinician-educator track with a professional rank will hold the modified title of Assistant Professor, Associate Professor, or Professor of Clinical Dentistry (or other specialty, as appropriate) at the School of Dental Medicine (or other base facility as appropriate). That is, a clear and correct modifier must be attached to the professional title. Whatever title is chosen is to be written in full whenever used in documents, in listings of University personnel, and in correspondence.

5) There will be an initial three-year appointment for all full-time dental faculty who are first appointed to nontenured positions. Clinical faculty may choose at the time of appointment either a direct appointment to the clinician-educator track or a seven-year or a ten-year tenure track probationary period. In the case of clinical faculty on the seven-year probationary track, a decision must be made by the end of the initial three-year appointment to either remain in the seven-year track or transfer to the ten-year track or the non-tenure clinical track. Those in the ten-year track must, after six years of service at the latest, choose between the two tracks with no subsequent change from tenure to nontenure track permitted. Faculty members initially appointed to the clinician-educator track may change to a seven-year traditional tenure track at the completion of the third year of their appointment as a clinician-educator. Persons from outside the school faculty with appropriate experience and credentials for initial appointment at senior ranks will ordinarily join immediately with the Standing Faculty (with tenure) or with the Standing Faculty-Clinician-Educators (without tenure).
6) All clinician-educators will have a written contract with the School of Dental Medicine that contains a clear statement of:
- the conditions of employment;
- the circumstances under which the contract can be terminated;
- the responsibility of the department or other budgetary unit for payment of income and all specified benefits; and
- the right of persons to due process by mechanisms available to all University faculty in the event of grievances of alleged failure to protect the individual rights accorded a faculty member; and
- the restrictions that all patient care activities will be in facilities under the auspices of the School of Dental Medicine.

7) Inasmuch as benefits are not restricted to tenured employees of the University, appointees will be entitled to full University faculty benefits. Leaves are not an unconditional benefit, whether for scholarly or other purposes, and will be granted only when determined on an individual basis to be in the interest both of the individual and of the School of Dental Medicine.

8) A faculty member on this track will be required to devote his/her full professional time to activities on behalf of the educational and patient care activities of the School of Dental Medicine. All practice earning will be returned to and managed by the School of Dental Medicine. Salaries will conform to the School of Dental Medicine policies. The faculty member will be subject to University policy on conflict of interest except that he/she will not be permitted to devote any time to employment in extramural professional practice.

9) Except for restriction on outside employment (section 8), persons in this category will share all rights and privileges of other School of Dental Medicine faculty. Should grievances arise which are not resolved administratively, appointees may seek adjudication through the established mechanisms of the Grievance Commission (Almanac 21 November and 5 December 1978) and the School Committee on Academic Freedom and Responsibility as appropriate to the circumstances.

10) At no time shall the voting strength of faculty members on the new clinician-educator track exceed 30 percent of the voting strength of the Standing Faculty of the School of Dental Medicine as a whole.

11) At no one time until 1 July 1985 shall more than 10 faculty appointments exist in this track.

12) These recommendations will apply to all persons appointed beginning with the 1981-82 academic year and to full-time, nontenured clinician-educators already on the Standing Faculty of the School of Dental Medicine who voluntarily choose to be placed on the new track within six months of their notification of its availability. Written notification of this option shall be given at an early date following its approval to all eligible faculty members and is to include a statement limiting the period of any individual's probationary service to a maximum of ten years from the date of appointment to the rank of assistant professor.

13) The recently approved guidelines for the clinician-educator track in the School of Medicine concerning procedures for termination for insufficient generation of income are applicable to persons appointed to this track.

14) Nothing in these recommendations is intended to change the status of nor to increase or decrease the right and obligations of other persons presently on the full-time faculty of the School of Dental Medicine.

15) The experience with this track will be reviewed by the University administration with the advice of the Faculty Senate in 1984.

Secretary
F. As he turned to recommendations on appointments and promotions, Dr. Girifalco was interrupted by the president who called attention to the resolution designating the acting provost as a University Professor. He said the proposal had come initially from various deans and other faculty members who felt "no one at Pennsylvania deserved the position more than Dr. Girifalco." On receiving their recommendation, the president said he consulted with the chair of the Faculty Senate and they agreed he should appoint an ad hoc committee to consider the case. Professor of English Robert Lucid chaired the group which recently gave Dr. Hackney its unanimous recommendation that Dr. Girifalco be nominated to the Trustees for a University professorship. The president read excerpts from the enthusiastic comments received both from members of the University's faculty and from outside scholars. He then introduced a Resolution on Designation of A University Professor.

**Action:** It was approved as follows:

RESOLVED, that Dr. Louis A. Girifalco be appointed University Professor of Materials Science, effective 1 July 1981.

Dr. Girifalco thanked the Trustees. He said that very much to his surprise, he had enjoyed the job of acting provost, and he expressed his gratitude for the opportunity to serve the University in that capacity.

The acting provost then introduced resolutions on special appointments, noting as he did so Professor John Cebra's contributions to biology and Dean Edward Stemmler's contributions to cardiology and the study of pulmonary disease, as well as their contributions to Pennsylvania.

**Action:** A Resolution On the Designation of the Annenberg Professor of the Natural Sciences was approved as follows:

RESOLVED, that John Cebra, professor and chairman of biology, be designated the Annenberg Professor of Natural Sciences, effective 1 June 1981.

**Action:** A Resolution On the Designation of the Robert G. Dunlop Professor was approved as follows:

RESOLVED, that Edward J. Stemmler, professor of medicine, be designated the Robert G. Dunlop Professor, effective 1 July 1981.

**Action:** Next Dr. Girifalco introduced the Recommendations for Academic Appointments and Promotions, 17 April 1981 to 29 May 1981, which were approved as found on pages 1 through 22 of the Gray Book.

G. Finally, he introduced a Resolution on Establishment of A School of Arts and Sciences.

**Action:** It was approved as follows:

**Intention:**

When the Faculty of Arts and Sciences was established in 1974, a major goal was to create a unified faculty from the former College, the College for Women, the Graduate School of Arts and Sciences, and the social science departments in the Wharton School. There was to be no division into a graduate and undergraduate faculty; the faculty was to be under a single dean for academic, budgetary, and planning purposes. To emphasize this new unity and to make clear that the Faculty of Arts and Sciences was an entirely new unit, the terms "College and Graduate School" were not used to describe the new organization.
During the past seven years, most of the goals in forming a single Faculty of Arts and Sciences have been accomplished: graduate and undergraduate education are more integrated than ever before, the liberal arts have achieved a stature not previously enjoyed at Pennsylvania, and the organizational transition has been remarkably smooth. Given these accomplishments, it appears to be appropriate to consider the reinstitution of names for the undergraduate and graduate division of the school.

There is a great historical tradition linked to the name College as the oldest academic unit at Pennsylvania; using the term "college" should help in undergraduate recruiting and increase alumni identification as well as facilitate fund raising. Furthermore, the other schools in the University consist of both a faculty and a school. For these reasons, the Faculty at its May meeting unanimously approved the proposal to reinstitute a name for the graduate and undergraduate divisions.

RESOLVED, that a School of Arts and Sciences be established which would be the organizational unit of the Faculty of Arts and Sciences.

BE IT FURTHER RESOLVED, that within the School of Arts and Sciences there be an undergraduate and a graduate division, with the undergraduate division being known as the College of Arts and Sciences and the graduate division as the Graduate Division of Arts and Sciences.

H. Vice Provost for University Life Somerville then introduced Director of Admissions Stetson who noted that his office's efforts were made easier by the "distinguished quality of the University's faculty, students, and administration." He went on to say that the Class of 1985 had been drawn from a pool of nearly 11,400 applicants. "We admitted 39 percent of that group," Mr. Stetson reported, "which is the lowest admission rate since 1968, when the rate was also 39 percent, and the lowest for any year for which we have reliable information." The director of admissions noted that the University's yield rate had remained at 48 percent, although he had expected it to be lower given both uncertainties about financial aid and competition with other Ivy schools for some 70 percent of the pool. "We are anticipating a class of 2,080 or 2,090," he said, "as compared to our original target of 2,056." The students' average verbal SAT is 610, their average math SAT is 660, and their average achievement test scores is 630. Their average rank in their high school graduating classes is the 94th percentile. Mr. Stetson further noted that overall, the Class of 1985 would be 38 percent female, and that in particular 29 percent of Wharton's freshman class would be women while 19 percent of the new engineering students would be women. Some 70 percent of the entering freshmen come from public high schools, and the director of admissions reported that 20 percent came from outside the mid-Atlantic region. "Our growth in states such as California, Florida, and Illinois and in New England continues to be quite significant," he said. "But geographical diversity is not developing at a sufficient rate to consider our work of broadening the University's visibility done." He added that minority representation in the Class of 1985 amounted to 13 percent, the same as last year, and that improvement in this area must be a goal of the entire Pennsylvania community. Students related to alumni make up 13 percent of the entering class, down from 14 percent last year. "If it's a trend, I'm not pleased at all," Mr. Stetson continued, "and with the help of Bill Owen and Mike Huber the admissions office is endeavoring to pick up the good initiatives of the past in this area."
IV. Reports of Trustee Committees

A. Committee on Academic Policy

Dr. Kaysen reported that the Academic Policy Committee had heard Acting Provost Girifalco discuss problems of measuring faculty workload. Dr. Girifalco stressed that using student course hours per faculty member and research dollars per faculty member as a conceptual basis for measurement left something to be desired, especially in attempts at interfaculty comparisons; nevertheless, the acting provost's figures indicated an increase in workload. The chairman went on to say that the question of course proliferation, control, and the extent to which duplication is encouraged by responsibility center budgeting was raised in the context of Dr. Girifalco's report, and Dr. Kaysen predicted that it was a subject the board was likely to hear more about in the future.

He then noted that Dr. Clelland had commented briefly on a draft report on the quality of teaching at Pennsylvania. It indicated, Dr. Kaysen said, that overall students gave the faculty a good rating as teachers. But the report also urged that more administrative attention be paid to good teaching in the way of incentives and developing the teaching capacity of young faculty. Dr. Kaysen stressed that he felt it was imperative that the University broaden even more the opportunity for student evaluation of teaching and that the faculty and administration be even more mindful of student opinions. "As a board," he concluded, "we should all be conscious of the fact that our students and their parents bear a very heavy cost burden for the product we offer and we should be attentive to and conscious of their views of its quality."

B. Committee on Audit

Mr. Chance reported that in spite of many personnel changes there is a "strong cadre" of people involved with accounting at the University, and the Audit Committee was satisfied that audit matters are well in hand.

C. Committee on Budget and Finance

1. Mr. Eckman reported that the Budget and Finance Committee had discussed changes in the University's financial staff. He went on to say that he believed Pennsylvania could take a great deal of satisfaction in the success with which it had exercised fiscal responsibility. "We have no cumulative deficit except on a planned basis," the chairman said. "We're ending FY'81 slightly ahead of our $508 million budget, and our FY'82 budget of $578 million is in balance." He pointed out that while that budget was somewhat precariously balanced, it did provide some opportunity funds and some contingency funds.

2. Action: Mr. Eckman then introduced A Resolution on the Budget for FY'82 which was approved as follows:

Intention:

The Budget and Finance Committee has reviewed the budget proposed for the University for FY'82 and recommends its approval by the Board of Trustees.

RESOLVED, that the operating budget and the capital plan recommended by the Budget and Finance Committee for FY'82 are approved.
D. Committee on External Affairs

Mrs. Wexler reported that the External Affairs Committee had heard the presentation by Barton-Gillet, a firm retained last fall by the University Development Office to do a study of communications planning. Although it constituted only a preliminary report, the firm's presentation evoked great interest on the part of the committee because, she noted, members were "at best concerned and at worst worried about the signals being given about Penn in the media."

The chairman said the report called attention to the University's strengths, such as its fund-raising success, elegant campus, excellent faculty, and high-quality students, then listed what the firm perceived as problem areas from a public relations perspective. Among these were: lack of a focused image, lack of well-defined priorities, self-doubt, and proliferation and prevalence of internal issues which take on too much importance in both the internal and external press. The report then pointed out the need for a more aggressive marketing strategy in presenting Philadelphia as an attractive place to work and study, and Mrs. Wexler said members of the committee had a number of important suggestions about the manner in which Barton-Gillet should continue its work. "Their report is a significant first step," she observed, "but it's neither final nor decisive. What did not come through in the presentation we heard is recognition of the everlasting tension that exists between academic freedom and a concerted image of the University. It is a tension which must continually be resolved and resolving it is one of our great challenges."

E. Committee on Facilities and Campus Planning

Mr. Arader reported that the Facilities and Campus Planning Committee had reviewed developments which have taken place in relation to the University's interest in properties at 34th and Walnut Streets, 36th and Walnut Streets, and the former site of Philadelphia General Hospital. He said the committee then heard two presentations from the Office of Operational Services. The first concerned steps taken to control energy use and costs. "We were satisfied with what's been done," the chairman noted; "still the costs of energy have increased much faster than we have been able to decrease the use of energy, and a further significant increase in energy costs is predicted for next year." Mr. Arader then noted that the Operational Services staff described steps taken to provide enhanced fire protection in all University facilities. These gave every member of the committee a great deal of confidence that everything possible has been done to insure the safety of the community, he concluded.

F. Committee on Student Life

Mrs. Mainwaring reported that the Vice Provost for University Life had reviewed with the Student Life Committee a number of changes or impending changes in her area of operation and concern. Next year there will be advising at the school level and, in addition, the College of Arts and Sciences will assign an individual adviser to each freshman and provide, for undergraduates as a whole, an academic support center where counseling and tutoring will be available. The chairman further noted that a great deal of discussion had taken place about also

SECRETARY
providing support services for graduate students, and that some action can be anticipated next year. Mrs. Mainwaring then reported that the Placement Office had "a new strategy and many new staff members," although locating internships for undergraduates is a lingering problem. She said that minority presence had been increased in various University Life offices, and that each one was now responsible to the Vice Provost for its minority representation. Next year, she observed, University Life would attempt "to further value development among students in appreciation of racial differences and similarities."

Turning to a report of the committee's discussion of financial aid, Mrs. Mainwaring said that 60 percent of Penn's students are receiving aid and that over the past several years, the shift from outright grants to loans and jobs has been significant. At the same time, she noted, scholarship aid, derived from endowment, has had a declining effect because of both inflation and an increase in students. "If we continue to maintain the same financial aid program we have now," she concluded, "any changes in the federal grant or loan programs will have a great impact on our operating budget."

H. Committee on University Responsibilities

1. Mr. Brown reported that the University Responsibility Committee had been working on three projects. In the first place, it has continued to monitor the performance of American companies which do business in South Africa and expects, the chairman said, to report to the Trustees on its findings in January. "The committee also has spent a considerable amount of time on the University's affirmative action program," Mr. Brown noted. "We received a report from Pennsylvania's affirmative action officer, Davida Ramey, about the process being followed in the utilization of women and minorities and we have asked for additional information which we expect to receive within a month or so." The third topic that the committee discussed, Mr. Brown said, was conflict of interest. He pointed out changes between the original draft and one distributed for action at the meeting. It's the most workable guideline we've been able to come up with, the chairman concluded, for either trustees or employees who may be in a position to benefit by some transaction either with the University or in which the University may have an interest.

2. Action: A Resolution on Conflict of Interest Policy was approved as follows:

Intention:

On 12 June 1970 the Executive Board of the Trustees approved informally a system of solicitation by the Secretary concerning possible conflicts of interest. The committee on University Responsibility has reviewed this system and its implementation over the intervening period and recommends the formal adoption of the following policy in its place.

RESOLVED, that the following Policy on Conflict of Interest be adopted:

This policy on conflict of interest is divided into two parts, the first dealing with faculty and the second dealing with trustees, associate trustees, officers, and other employees of the University.

1. Faculty
Certain categories of potential conflict of interest as to faculty are addressed in existing University policies, including the Policy on Extramural

SECRETARY
Consultative and Business Activities of Standing Faculty Members, recommended by the University Council 12 April 1972, promulgated by the president, and printed in the 1979 Handbook for Faculty and Administration and the Policy on Conflict of Interest in Government Sponsored Research, recommended by the University Council 15 November 1966 and promulgated in the 1977 Research Investigators' Handbook. University Council also recommended a Policy on Outside Financial Interests on 24 September 1969 which is as follows:

A member of the faculty may have a significant investment or interest, or hold an official position, in an outside firm or organization but has not undertaken to perform continuing work or services for it. Such an economic or official relationship is of concern if 1) the firm or organization is engaged in activities which parallel activities in which the University is currently or prospectively engaged and in which the faculty member plays (or might appropriately play) a role in his academic capacity; or 2) the firm or organization has a present or prospective relationship with the University, e.g., as a supplier of goods or services or as a party to a research contract, and the conduct of that relationship may involve the faculty member in his academic capacity. In either of these situations, the faculty member shall be required to report the facts and circumstances to the department chairman and the academic dean or director so that appropriate steps may be taken to avoid a conflict of interest.

These policies are recognized to govern those areas of potential conflict of particular concern to faculty.

A number of other existing University policies pertaining to conflicts of interest apply to faculty members unless they are intended by their terms to apply only to other groups of employees. These policies include, but are not limited to, policies on patent and copyright, purchasing, nepotism, and sexual harassment.

II. Trustees, Officers, and Other University Employees

Trustees, officers, and other employees of the University shall avoid any conflict between their personal interests and the interests of the University; furthermore, they shall avoid any situation where it would be reasonable for an objective observer to believe that the person's judgment or loyalty might be adversely affected. For purposes of Paragraphs II (a) and (b) below, reference to the University is intended to include also reference to all entities controlled or owned in substantial part by the University.

(a) If a trustee, officer, or any other employee has any power or influence to approve or disapprove a transaction proposed to be entered into between the University and that person or between the University and any entity or individual having a significant relationship to that person, he or she has a potential conflict of interest and may not participate in the process leading to the approval or disapproval of the transaction unless the underlying facts giving rise to the potential conflict of interest are disclosed and approval for participation is obtained pursuant to the procedures described below in paragraphs (e), (f), and (g).

(b) A trustee, officer, or any other employee also has a potential conflict of interest if that person, or any entity or individual having a significant relationship to that person may benefit from information considered by the University to be confidential and learned in his or her capacity as a trustee, officer, or employee of the University.

(c) A significant relationship exists as to an entity if a person is a director, trustee, officer, or employee of, a partner or member in, or has a material financial interest in, the entity in question.

(i) An entity is a corporation, partnership, unincorporated association, or any similar group.

(ii) Determination of a material financial interest is a matter of personal judgment but, at a minimum, would be required for an aggregate interest for the person and for all entities or individuals having material relationships with the person of more than
- 1 percent of any class of the outstanding securities of a firm or corporation, or
- 10 percent interest in a partnership or association, or
- 5 percent of the total direct and beneficial assets or income of the person.

(c) A significant relationship exists as to an individual if that individual is in the immediate family of a person subject to this policy. The immediate family includes parents, siblings, spouse, and offspring.

(e) When the Trustees or any body on which trustees serve consider a transaction that raises a potential conflict of interest for a trustee, that individual shall disclose the potential conflict to the Trustees or body considering the transaction. No individual with a potential conflict of interest with respect to a transaction may vote to approve or disapprove the transaction, but the individual may be counted in determining the presence of a quorum once proper disclosure has been made. If proper disclosure has been made and if the chairman of the meeting determines it to be useful, the individual with a potential conflict of interest may participate in discussions of the transaction.

(f) The minutes of the Trustees or of the body on which a trustee having a conflict is serving shall reflect that disclosure was made as to a particular transaction and that the transaction was approved or disapproved by others without an interest.

(g) Any officer or employee who has a potential conflict of interest covered by this policy shall immediately disclose the potential conflict in writing to a superior who in turn should inform the Secretary. The officer or employee may continue participation in the transaction only on terms approved by the Secretary which in the case of an officer may require disclosure to and approval by, the Trustees under the provisions of the Pennsylvania Nonprofit Corporation Law of 1972 or any successor statute.

(h) A trustee or officer, or any entity or individual having a significant relationship to that person, shall be cognizant of potential conflicts of interest in considering investment opportunities in real estate where the University may have an interest and shall promptly disclose such opportunities to the Secretary on learning of them. The obligation to disclose shall be a matter of personal judgment but shall, in all events, arise with regard to properties in the Institutional Development District or immediately adjacent to properties owned or leased by the University.

(i) A number of other University policies pertaining to conflict of interest remain in effect and may, depending on their terms, apply to trustees, officers, and other employees of the University. These policies include, but are not limited to, policies on extramural consulting by administrative staff, purchasing, sponsored research, patent and copyright, nepotism, and sexual harassment.

I. Investment Board

Mr. Neff reported that since 31 December 1980 the common stock portion of the Associated Investment Fund had increased 16.7 percent against a gain for the Standard and Poor 500 Stock Average of 0.5 percent. "That's as dramatic an edge as you'll see for an almost six-month period," the chairman said, "and it's really a reflection of the recent market being a mirror image of what went on before. In 1980 technology and energy ruled the waves, but they've slipped rather badly since last December. To the degree we planted seeds in banks, restaurants, specialty retailing apparel, insurance, and transportation, therefore, we've harvested rather well in 1981. You will recall that last year the AIF performance in equities was four points under the S & P performance, 28.1 percent compared with 32.5 percent. Unfortunately, this is the price you sometimes have to pay
when the market develops excesses. But eventually the market in abused areas topples as the result of its own overindulgence, and that is precisely what has happened in the past six months.

"We're about to end an excellent NACUBO year," Mr. Neff then pointed out, saying that "since 30 June 1980, AIF common stocks were up 33.4 percent as opposed to an S & P increase of 22.3." Even the AIF unit value, which he said was still under attack from the unfortunate performance of the bond market, has risen 11.7 points since year-end, or some 11 points more than the S & P, although since 30 June 1980, the increase of 18.7 percent is less than the S & P gain of 22.3 percent.

Turning to portfolio moves, the chairman reported that with the recent decline in oil stocks, the AIF had invested heavily in this area, making some 71 percent of all its common stock purchases for the year in oils. "They now make up 19 percent of our total portfolio," he said, "combining excellent yields and low-price earnings ratios. The marketplace," he continued, "seems to be overlooking two things: 1) the $35 a barrel price of crude, which makes it very attractive for companies to search for domestic oil, and 2) the prospect of the price of natural gas nearly tripling between now and 1985 as we move toward decontrol." Mr. Neff went on to say that the Fund had made increasing use of "Ginnie Maes," the government-guaranteed mortgage pools which now represent eight percent of its total assets. In addition, he reported, some $15 million, or nine percent of the total assets, has been temporarily put in intermediate-term government bonds.

"Because, in my opinion, inflation is going to ratchet down to eight or nine percent," Mr. Neff said, "bonds are presently undervalued, and like our temporary investment last December in interest-sensitive common stocks, the purchase of bonds should pay off in the near future. We certainly won't do as well in subsequent periods as we did so far this year," he concluded, "but we seem to be on the right track."

2. Action: A Resolution on Membership of the Investment Board and the Franklin Investment Company was approved as follows:

RESOLVED, that the following persons be elected as members of the Investment Board of the Trustees of the University of Pennsylvania and simultaneously therewith be appointed as the board of directors of Franklin Investment Company, whose number is hereby fixed at 12, for a term of one year and until their successors are elected or appointed and qualified: Julian S. Bers, Henry M. Chance II, William Richard Gordon, H. Samuel Greenawalt Jr., Samuel M.V. Hamilton, Adolph B. Kurz, Paul F. Miller, Jr., F. Stanton Moyer, John B. Neff (as chairman), Wesley A. Stanger Jr., Richard B. Worley, and William J. Zellerbach.

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

Mr. Ballam reported that financial figures for the 10 months ending 30 April 1981 show an excess of revenue over expenses of $3.8 million. HUP is now forecasting a full year of excess income over expenses of $4.2 million. "Although that sounds rather gaudy for a hospital," the chairman said, "only about $1.3 million comes from operations with the rest derived from investments and other income."

He then observed that the HUP Board viewed the FY'82 budget with some concern. Because of added personnel, notably 100 more nurses, expenses will
increase some 18 percent over FY'81 without a commensurate increase in patient days. "The budget we've adopted," Mr. Ballam noted, "has a gross revenue of $150 million which is something over 25 percent of the total University budget. We're forecasting the revenue from operations in excess of expenses will be about $1,950,000 and that there will be a total surplus of just under $5 million for next year when non-operating income is accounted for."

He went on to say that HUP was on schedule in its $19 million building program. Demolition or construction is going on in seven areas, and work in four other areas is to begin during the year with completion of the so-called Phase III program in two years.

Turning to other matters, Mr. Ballam further noted that:
- HUP received a two-year accreditation from the Joint Commission on the Accreditation of Hospitals;
- The Board of Women Visitors raised some $170,000 for the Radiation Therapy Department through its very successful Antique Show;
- A search committee has been formed to find a new director of nursing;
- The hospital has a new associate director in the planning area;
- The board welcomes as a new member Trustee William D. Patterson.

The chairman concluded by noting the national attention HUP received as a result of the CBS Television special, "Nurse, Where Are You?" The network was allowed to film hospital activities "with no holds barred," he said, "and we've gotten fairly positive comments about not only our willingness to do so but also about the way we were portrayed as a caring institution, despite problems with nurses and nursing care."

K. The General Alumni Society

Mrs. Senior reported that at its May meeting the General Alumni Society adopted in accordance with a Task Force recommendation a new committee structure which, she said, would allow it to function more effectively. Included among the GAS committees are ones concerned with the Alumni Center, Alumni Council on Admissions, awards and resolutions, publications, resources, and nominations. The president further noted that the Society is in the process of redefining its geographic regions. She said GAS was looking forward to the completion of the new Sweeten Alumni Center, and hoped to be able to host many alumni weekend activities there next spring. Mrs. Senior then reported the formation of two new alumni bodies: a black alumni group and one for alumni involved in landscape architecture and regional planning. She said she hoped representatives of these associations, as well as others, such as the Graduate Board of Mask and Wig and the Varsity Club, would be joining the GAS board.

Commenting on the selection of The Pennsylvania Gazette as winner of the 1981 Sibly Award, the GAS president observed that she was gratified that the University's major vehicle for communicating with alumni was so well regarded nationally. Finally, she reported that this year's Alumni Weekend was a great success and could count among its highlights an address by President Hackney.
V. Boards of Overseers

A. Dr. Chisum gave the following report for the Board of Overseers for the School of Social Work:

The overseers last reported to the Trustees when the School of Social Work had just completed a year of self-study and an accreditation evaluation in which it received an "outstanding" rating. The accreditation study was of such an outstanding quality that the Council of Social Work Education has asked to use this study as a model. During the year and a half since then the overseers have examined, in depth, several facets of the School, taken steps to broaden and strengthen the board, and together with the administration of the School and the Development Office done the planning necessary to initiate a development campaign, which is set to begin in the fall so that its completion will coincide with the 75th anniversary of the School.

The format of the semi-annual meetings of the board has afforded the overseers the opportunity to interact with both faculty and students of the School and to gain a broad understanding of the programs, the problems, and the needs of the School and its population. A strong faculty and dean have been innovative in developing programs which have made the School a leader in its development of social work professionals and in the advancement of knowledge, study, research, and practice in the field of human services and social change. Social Work has been an innovator in the University community through efforts to develop cooperative programs with other University segments, such as joint programs with city planning, Wharton, and health sciences. The School maintains excellent relations with the community and is able to offer the outstanding placements necessary for the professional development of students, all of whom are masters and doctoral candidates.

One problem, which is threatening and may become real if economic conditions worsen, is that of small enrollment. [A drop in admissions] would have a negative impact on faculty development and programs. Special projects and research grants provide some faculty and student support, but more support for programs, faculty, and student development are required, and these are being emphasized in the development program.

The School of Social Work has made a special commitment to its minority program. It has been successful in attracting minority faculty, students, and administrators, and is continuing to work in that area. The school also offers courses in combating institutional racism, which attract students from other schools of the University and administrative and support personnel, as well.

Efforts to broaden the board of overseers have resulted in the appointment of several local and national figures of prominence, the most recent of whom were Edward Weaver, director of the American Public Welfare Association, and Vernon Jordan, executive director of the National Urban League, who begins his term the first of September.

The plans for the development program, which is expected to be launched in the fall with a series of special events, has been accomplished through two groups. A steering committee composed of overseers, faculty, administrators, and representatives of the other constituencies of the school, including alumni, field placement executives, field cabinet members, and students. The response of all of these groups has been extremely enthusiastic. Perhaps the best indication of the enthusiasm has been the increased effort by the alumni body, which has resulted in a significant increase in alumni giving this year, stimulated, I am sure, by the development program planning activities. I would urge support by the Trustees for this development program and continued strong support by the Development Office.

The past year included one sad event, that is, the passing of a long-time friend of the School and colleague of many of the faculty, Esther Lazarus, for whom the Lazarus Goldman Research Center at the School is named.

One final concern expressed by the overseers, which I [alluded to earlier] and which we have heard a good bit about in the last two days so that I know some of you share that concern, is the impact of tuition increases on the School's matriculants. It is felt to be essential to maintain a diversified student
body both in the School of Social Work and in the larger University community, an objective that could be seriously impaired by substantial tuition increases and a growing difficulty in obtaining student financial support. The equally pressing requirement to maintain program quality has not been overlooked by the Social Work overseers. . . . It is felt that innovative reassessment of the problems of student support is required.

B. Reporting briefly for the Board of Overseers of the School of Engineering and Applied Science, Dr. Landau began by observing that the overseers were very pleased that Acting Dean Joseph Bordogna had been chosen as dean early in the spring. He went on to note that the Engineering school had been a leader in academic financial planning for the past two years, and that the board had spent a great deal of time examining "the basis of University financial planning as it is embodied in the School's financial planning." Of four possible scenarios, which involve such terms as "maximum, growth, static, and retrenchment," Dr. Landau said the overseers "leaned strongly toward the recommendation that the maximum scenario be encouraged if it looks, on further analysis, to be do-able." He noted that they believed this scenario was consistent not only with the financial well being of the University, but also with a great national need for engineering. Calling attention to the dramatic increase in both the enrollment and quality of students in undergraduate engineering, he went on to observe that there was a national shortage in engineering faculty. "Our University is holding its own in that regard," the chairman said, "but it requires matching the best of salary offers that are available elsewhere. Engineering at Penn today is a real winner," he concluded.

C. Appointments to Overseers and Other Boards.
1. Action. The Resolution on Appointment to the Board of Overseers of the School of Engineering and Applied Science was approved as follows:

RESOLVED, that Francis E. Low be appointed to the Board of Overseers of the School of Engineering and Applied Science for a period of three years, beginning 1 July 1981.

2. Action. The Resolution on Appointment to the Board of Overseers of the Graduate School of Fine Arts was approved as follows:

RESOLVED, that William L. Porter be appointed to the Board of Overseers of the Graduate School of Fine Arts for a period of three years, beginning 1 July 1981.

3. Action. The Resolution on Appointment to the Board of Overseers of the School of Social Work was approved as follows:

RESOLVED, that Robert B. Wolf be appointed to the Board of Overseers of the School of Social Work for a period of three years, beginning 1 July 1981.

4. Action. The Resolution on Appointment to the Board of Overseers of the School of Veterinary Medicine was approved as follows:

RESOLVED, that Max C. Hempt be appointed to the Board of Overseers of the School of Veterinary Medicine for a period of three years, beginning 1 July 1981.

5. Action. The Resolution on Appointment to the Advisory Board of Managers of the Morris Arboretum was approved as follows:

RESOLVED, that Philip I. Berman, Peggy Bowditch, Fitz Eugene Dixon, Henry P. McAllen, Elizabeth McLean, Frederic G. Peck, and Susan D. Stauffer be appointed to the Advisory Board of Managers of the Morris Arboretum.

Adjourned.

Respectfully submitted, 

SECRETARY

Mary Ann Meyers
Secretary of the University