A Stated Meeting of the Trustees was held on Friday, 22 June 1984. 

Trustees attending included: Walter G. Arader; David C. Auten; Samuel H. Ballam, Jr.; Julian S. Bers; Gordon S. Bodok; Howard Butcher III; McBee Butcher; Susan W. Catherwood; Henry M. Chance II; Gloria Twine Chisum; Constance E. Clayton; Seymour Finkelstein; Joseph B. Glossberg; Donald G. Goldstrom; Bruce J. Graham; H. Samuel Greenawalt; Sheldon Hackney; John P. Hellwege; Edward G. Jefferson; Reginald H. Jones; Leonard A. Lauder; Robert P. Levy; Margaret R. Mainwaring; Paul F. Miller, Jr.; Paul Steven Miller; John B. Neff; James A. Pappas; John H. Porter; Ralph S. Saul; Bernard G. Segal; David L. Simms; Robert L. Trescher; John H. Ware, 3rd; Jacqueline G. Wexler; Linda C. White; Charles S. Wolf; and D. Robert Yarnall, Jr. Others present included: Jacob Abel; Tobe Amsterdam; Vicki Bernstein; James Bishop; Craig Carnaroli; Stuart Carroll; Richard Clelland; Ann Duffield; Thomas Ehrlich; James Evans; Karen Gaines; Paul Guzzetto, Jr.; Ellis Golub; Neil Hamburg; Charles Harris; Lal Heneghan; Arthur Hirsch; Phoebe Leboy; Marshal Ledger; Morton Levine; Robert Lorndale; Amy Lyman; Lynn Manko; Bruce Martin; Edward McFall; Mary Ann Meyers; Ervin Miller; Helen O'Bannon; William Owen; Larry Schmidt; Carroll Sheppard; Willis Statson; Glen Stine; Anthony Tomazinis; Ross Wehner; Michele Williams; and Paul Zingg.

I. Call to Order

Chairman Miller called the meeting to order and an invocation was offered by Rabbi Levine. The minutes of the 20 January 1984 meeting were approved as written by the secretary.

II. Report of the Chairman

A. Mr. Miller reported that as of 15 June, the University had received a record $65 million in gifts and subscriptions. Noting further that receipts total nearly $62 million, he commended the Development Department, the president, and members of the board for their fund-raising efforts.

B. Turning to A Memorial Resolution for J. Paul Lyet, the chairman said he was saddened to report the vice chairman’s death and asked for a moment’s silence in memory of “an extraordinary man and a loyal Pennsylvanian.”

Action. The resolution was approved as follows:
Paul Lyet's long and fruitful association with the University of Pennsylvania goes back to 1937 when, after graduation from Philadelphia's Central High School, he enrolled in the Wharton Evening School. He worked as a public accountant with the accounting firm of Ernst & Ernst while taking classes, and graduated in 1941. Two years later he became controller of the New Holland Machine Company, a Lancaster County farm equipment manufacturer which through merger became one of the largest divisions of the Sperry Rand Corporation. Named president of the New Holland Division in 1969, he was appointed vice president of the parent company in 1970 and chairman and chief executive officer of Sperry Rand two years later. He retired from the Sperry Corporation in 1982.

Mr. Lyet began his formal alumni service to the University in 1975 when he became an original member of the Board of Overseers of the School of Engineering and Applied Science and an associate trustee. Elected a term trustee in 1979, he began his second term in January of this year. A member of the Resources Committee and then the Development Committee, he assumed the chair of the latter body in 1982. He accepted major leadership roles in the same year when he became vice chairman of the Trustees and a member of the Executive Committee.

RESOLVED, that the Trustees of the University of Pennsylvania adopt this memorial to our good friend and respected colleague and direct that a copy be sent, with our deepest sympathy, to his family.

C. In the absence of G. Morris Dorrance, Jr., Mr. Lauder reported the recommendations of the Nominating Committee on the choice of a chairman and vice chairmen for 1984-85 and on the election and re-election of term trustees. He noted that the Executive Committee endorsed the Nominating Committee's recommendations and, at the request of Mr. Miller, he took the chair and called for a vote.

1. Action. The 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 chairman of the Trustees of the University of Pennsylvania for a one-year term, effective 1 July 1984.

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

RESOLVED, that John W. Eckman and Margaret R. Mainwaring be elected to serve as vice chairmen of the Trustees of the University of Pennsylvania for one-year terms, effective 1 July 1984.

3. Action. The Resolution on the Reelection of Anthony S. Minisi as a Term Trustee was approved as follows:

RESOLVED, that Anthony S. Minisi be reelected a term trustee for five years, effective 22 June 1984.
4. Action. The Resolution on the Reelection of Charles S. Wolf as a Term Trustee was approved as follows:

RESOLVED, that Charles S. Wolf be reelected a term trustee for five years, effective 22 June 1984.

5. Action. The Resolution on the Election of Constance E. Clayton as a Term Trustee was approved as follows:

RESOLVED, that Constance E. Clayton be elected a term trustee for five years, effective 22 June 1984.

6. Action. The Resolution on the Election of Fitz Eugene Dixon, Jr. as a Term Trustee was approved as follows:

RESOLVED, that Fitz Eugene Dixon, Jr. be elected a term trustee for five years, effective 22 June 1984.

7. Action. The Resolution on the Election of Saul P. Steinberg as a Term Trustee was approved as follows:

RESOLVED, that Saul P. Steinberg be elected a term trustee for five years, effective 22 June 1984.

D. Resuming the chair, Mr. Miller welcomed Dr. Clayton, who had joined the Trustees after the vote on her election, and went on to express his sorrow that Dr. Chisum's term had expired and his appreciation for her support during the past ten years. She described the decade as "the most gratifying years of my life."

Action. A Resolution of Appreciation to Gloria Twine Chisum was approved as follows:

Gloria Twine Chisum, who earned her Ph.D. degree from the University in 1960, has completed ten years of service to the University as a term trustee. She lent her counsel to the Academic Policy Committee and Student Life Committee throughout that period. For four years she served diligently as a member of the Electronic Communications Subcommittee whose efforts culminated in the recovery of the operating license for WXFN-FM.

She was appointed to the Nominating Committee in 1981 and two years ago became a member of the Executive Committee of the Trustees. A member of the Board of Overseers of the School of Arts and Sciences when it was first organized in 1976, she became associated with the Board of Overseers for the School of Social Work seven years ago and has been chairing that body since 1979.

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

E. The chairman pointed out that while he was losing the service of Dr. Chisum on the Executive Committee, he hoped to gain that of Mrs. Catherwood, and he asked the Trustees to endorse his nominations to the Committee.

Action. The Resolution on the Election of the Executive Committee of the Trustees of the University of Pennsylvania was approved as follows:
RESOLVED, that the following Trustees be elected members of the Executive Committee for one-year terms, effective 1 July 1984: Walter G. Arader, Samuel H. Ballam, Jr., Richard Brown, Jr., Susan W. Catherwood, Charles D. Dickey, Jr., G. Morris Dorrance, Jr., John W. Eckman, John P. Hellweg, Carl Kaysen, Margaret R. Mainwaring, John B. Neff, and D. Robert Yarnall.

F. Action. Acting in accord with Article 13, Section 2 of the Statutes, Mr. Miller requested unanimous consent for the suspension of Article 2, Section 2(d)(2) of the Statutes to permit the extension of the term of alumni trustee Seymour Finkelstein.

G. Action. A Resolution on the Extension of Mr. Finkelstein's term was approved as follows:

Intention:

The term of Seymour Finkelstein as an alumni trustee is due to expire in January, 1985, a time at which no other alumni trustee terms end. The terms of two other alumni trustees expire in October, 1985. The extension of Mr. Finkelstein's term to October, 1985 would permit the conduct of the three elections at the same time, with resulting savings in time and expense, as opposed to holding elections at two different times.

RESOLVED, that the term of Seymour Finkelstein as an alumni trustee be and hereby is extended from January, 1985 to October 1985.

III. Report of the President

Dr. Hackney reported on his recent 18-day trip to the Far East. He mentioned that he had spent five days in Japan calling on corporate leaders, including the president of the chief trade association. He also met with an official of the United States Embassy and with University alumni. On to Hong Kong for two days, he attended a reception given by the Penn Alumni Club there and called on individual alumni who occupy important positions in the business community. The president then visited the People's Republic of China for ten days, staying mainly in Shanghai, but also going to Beijing and Sian. He participated in inaugural ceremonies for the new School of Management in Shanghai Jiao Tong University, met with university officials in three cities, and talked with government officials in Shanghai and Beijing. "It was a very successful trip," Dr. Hackney said. "I made contact with alumni who care very much about the University and can be of help to us. I met some current students and students who will be matriculating in September. We have for
some while attracted young people from Hong Kong to our undergraduate programs, but for the first time in recent years we also will have students from Japan in the freshman class. I met some of them and they are very able young men and women."

The president went on to observe that his trip had changed his thinking about the world in general. "One reads and hears a good bit these days about the economic vitality in the Pacific Basin," he said. "I came away convinced that there is a future for the United States in that part of the world, and that is where a good bit of our attention as a nation ought to be placed in the years ahead. Now what does that mean to the University? Well, the fact is we have a headstart in Asia. We are visible; we have alumni already there, including some 350 alumni in Tokyo alone and that number is growing both as Japanese come to the University of Pennsylvania for undergraduate and advanced study and as our American alumni go there to pursue business opportunities. As you probably know, we also have a U.S.-Japan Management Study Center at the Wharton School which, at one year of age, is off to a very good start. It already has attracted support from 15 major Japanese corporations and has the imprimatur of the major Japanese trade association, which gives us a very real presence in the country."

Dr. Hackney further noted that the University had ties to China predating the Chinese Revolution. "At the moment," he said, "China is changing very rapidly. It is now eager to open itself up to the world and, especially, to attract foreign capital on favorable terms. Although it is a People's Republic still, the government is experimenting with market incentives. Chinese officials are very eager to obtain access to Western knowledge and technology, and they are enabling foreign corporations to do business in their 14 new economic zones. So there is a role for the United States and, also, I think, for our University in China. Since 1980 we have had a connection with Shanghai Jiao Tong University, a technical university with an elite tradition that had been previously under the supervision of the Ministry of Shipbuilding, according to a tradition whereby universities did not come under the Ministry of Education but under a particular ministry for which they produced both knowledge and students. Recently Shanghai Jiao Tong was transferred to the Ministry of Education, and that association gives it a broader portfolio. We have, if you will, bet on a very good horse. It is developing rapidly, is very aggressive, and its linkage with the University of Pennsylvania is very important to its leaders who are willing to go out of their way to make it work."
The president also mentioned Penn connections with other universities in China, including Northwestern Telecommunications Institute in Sian and the Northwestern University in Sian. "We should develop these ties as well," he said, "but I think our most active and fastest growing contact in China right now is with Shanghai Jiao Tong University, and we ought to take special care to make that work. At the current time, it is mostly a matter of our giving and their receiving. They have been sending students to Penn as well as faculty who come as visiting scholars. That has been very beneficial to them. The benefit to us has been primarily the opportunity afforded our faculty to teach at Shanghai Jiao Tong for five- and six-weeks stints. But beyond that there are other benefits that we should hasten to develop. In the first place we ought to find ways for our sinologists to use our connection with Shanghai Jiao Tong to provide themselves with access to research materials in China. Secondly, we ought to seize the opportunity for our recent graduates to teach English at Shanghai Jiao Tong University for a year. The Chinese would like to have up to ten recent graduates live on the campus. One alumnus, Jeffrey Harland, is there now and is having a marvelous experience—learning a bit of Chinese, doing a good job teaching English, and expanding his consciousness by leaps and bounds, he told me. Clearly our connections with Shanghai Jiao Tong and the other Chinese universities provide the University of Pennsylvania with a real presence in China. We are ahead of other American universities in Asia, and we ought to build on that head start and pay close attention to our contacts there."

Shifting to another matter, Dr. Hackney reminded the Trustees that a year and a half ago he presented them with a strategic plan for the University called "Choosing Penn's Future." "It set forth three priority challenges that we would have to face up to in the next ten years," he said. "The first had to do with the provision of student financial assistance adequate to assure that we could attract the very best students to the University in the future. The second was to find the resources to revitalize our research capacity, and the third area of special challenge was undergraduate education. Last fall we announced and we have now implemented the Penn Plan, a very sophisticated, complete financial aid program that consists of a series of loan options we are making available to families and students. It is the best plan of its kind in the country, and we've gotten a good bit of deserved notice. The Penn Plan is a very large step forward in meeting the special challenge of student financial assistance."

The president went on to note that in the area of research, the administration had allocated $600,000 in unexpended funds from the 1982-83
budget to laboratory renovation programs. "We will do the same thing in
the current year," he said. "Our proposal is to allocate $800,000. Those
funds will be spent very carefully, with the advice of a faculty
committee, through the Office of the Vice Provost for Research." He also
mentioned that the endowment of the Research Foundation had been increased
by $800,000, bringing it to $2 million. The earnings of the Foundation's
endowment are used to provide relatively small but, as the president
said, important grants to faculty members in the social sciences and
humanities. "If we could increase that endowment even more," he
continued, "it would be a very good thing to do. As you can see, we are
moving to try to make sure we have provided the resources for achieving
research excellence at the University. The current computer initiative,
which we talked a good bit about at this meeting and in previous meetings,
not only is a contribution to Penn's research environment but also to our
general educational environment. It is a large step forward which we will
be taking in increments over the next 10 to 15 years."

Dr. Hackney pointed out that later in the meeting the Trustees
would be asked to act on a proposal to set up an Undergraduate Education
Development Fund, allocating to that purpose $700,000 of unexpended funds
in the current budget. "Those funds will function as endowment," he said,
"and the earnings on them will be used to provide relatively small grants
for faculty members to develop new courses at the undergraduate level."
The president also mentioned the administration's intention to expend
funds to support initiatives proposed by the Faculty Council Committee on
Undergraduate Education. Its charge is to increase the involvement of
faculty members throughout the University in undergraduate education and
to enhance the common academic experience available to undergraduates, and
Dr. Hackney noted that the Council has been working in very imaginative
ways. He added that there are also other major projects affecting the
undergraduate educational experience that need special funds. For
example, one would strengthen the College Advising Office by computerizing
information. "It is something that we need to do," the president
observed, "as it moves us along toward our goal of creating a one-stop
service center for undergraduates where students can receive information
and support on a broad range of problems. With the help of the
Undergraduate Education Development Fund, we intend to start next year. I
urge you to support it."

B. A Resolution on the Appointment of an Acting Treasurer was
approved as follows:

Intention: Article 3.8 of the Statutes of the University of
Pennsylvania empower the President to "appoint a temporary
successor or substitute to act as required" in the absence of
any officer of the University other than the President. When
the resignation of John Pyne as treasurer became effective on 9
May 1984, President Sheldon Hackney appointed Paul Gazzzro, Jr., the Vice President for Finance, as Acting Treasurer, effective that date, until the next meeting of the Trustees.

RESOLVED, that the Trustees elect Paul Gazzzro, Jr. Acting Treasurer, effective 22 June 1984.

C. Academic Report

Observing that he had visited briefly in Nigeria while the president was in the Far East, Mr. Ehrlich commented that Penn's tie with the University of Ibadan was "enormously important" to the University and to Ibadan. He then asked Mr. Stetson to present a Profile of the Class of 1988.

1. The dean of admissions noted that next fall's 2,100 entering freshmen were chosen from among 11,600 applicants, the largest number in Penn's history and a 10-percent increase over last year. He said each of the undergraduate schools had the desired number of students. Nursing, he pointed out, had exceeded its goal by a significant number with an expected entering class of more than 90.

Mr. Stetson went on to say that the University's twin goals in selecting the Class of 1988 were to increase geographical and ethnic diversity. On the first count, he noted that there had been a 5-percent increase over 1983 in the number of freshmen chosen from outside the Northeast, bringing the total to 35 percent of the entering class, up from 15 percent six years ago. He said particularly impressive gains were made in the number of students from the West and Southwest, notably in those from California, Washington, Colorado, Texas, Arizona, and Oklahoma. "There have also been increases in the number of students from the Midwest," he observed, pointing especially to gains in the number of freshmen from Illinois and Ohio. "We're holding our own in the Southeast," the dean continued. "Indeed, there were increases in the number of students from North Carolina and South Carolina. In the Northeast, as I have said, we're noting a planned gradual decrease. Internationally, there is a 50-percent increase, with 100 foreign students in the Class of 1988. Approximately 23 percent of our entering class will come from the Commonwealth."

Mr. Stetson went on to say that the number of alumni children has increased 10 percent to 280 freshmen who will comprise approximately 13 percent of the class. As was true in 1983, about 44 percent of the freshmen will be women. Minority students will make up 17.5 percent of the class, which
represents a 17-percent increase over the minority enrollment in the class of 1987. The number of blacks has increased 30 percent to 56; Mexican-Americans are up 33 percent to 16; Asians are up 5 percent to 177; and Latin-Hispanics are up 45 percent to 52. "We are short of our goals by some margin," the dean said, "but at least we can note real progress."

Turning to the individual accomplishments of the entering class, he observed that one out of six of the freshmen had held first chair positions in their high school bands and orchestras or had been soloists with choral groups. "Two dozen are Olympic-level competitors in their chosen sports," he said, "and 60 percent of the class held leadership positions on high school publications. Mr. Stetson also noted that 100 of the students had been Boy's or Girl's State officers and more than a third were involved in some form of community service. In conclusion, he mentioned four particularly outstanding freshmen to the Trustees: a student from the Philippines who represents her country in international equestrienne competition; a young man from Massachusetts who is among the 28 top cyclists in the United States and is currently trying out for the 1984 Olympics; a young woman from New York who is a ballerina in the Joffrey Ballet; and another woman from North Carolina who rebuilds and restores antique cars.

The provost went on to note that important steps had been taken to strengthen Penn's graduate student body through increased funding for Ph.D. candidates and more support for research assistants. He called attention to the report on the academic planning process published in the 10 April 1984 issue of Almanac. He then mentioned the spring conference on the impact of Simone De Beauvoir and her work as an example of the important academic events occurring on campus in recent months.

Mr. Ehrlich expressed his pleasure that Josie Hueber has agreed to chair the Board of Advisers of the Annenberg Center. He underscored the administration's pride in the auspicious start of the Joseph H. Lauder Institute. "The program is now well underway with 50 students, including 37 from the United States and the rest from 12 foreign countries," he said. "The acceptance rate of 80 percent for those admitted is the highest of any management program in the country," he continued. "The curriculum, the faculty, and the dedicated leadership of Reginald Jones, as well as Leonard Lauder, ensure that the Institute will be a smashing success."

As an example of the quality of the tenured appointments before the Trustees, the provost cited the credentials of Michael T. Aiken, who comes to Penn from the University of Wisconsin as
professor and chairman of sociology. Mr. Ehrlich also pointed to the appointment of history professor Richard S. Dunn as Roy F. and Jeannette P. Nichols Professor of American History and of finance professor Anthony M. Santomero as the Richard K. Mellon Professor of Finance.

2. Action. A Resolution to Correct a Clerical Error in the 1 July 1981 Resolution on an Administrative Appointment was approved as follows:

Intention:

The Resolution on An Administrative Appointment passed by the Trustees on 1 July 1981 incorrectly stated that the term of Edward J. Stemmler, M.D., dean of the School of Medicine, be extended for five years until 30 June 1986. An 8 April 1980 letter to Dean Stemmler, who was elected to his post in 1975, from the then president of the University, Martin Meyerson, indicates that it was the intention of the administration that Dean Stemmler be reappointed for a period of six years, from 1 July 1981 to 30 June 1987. The following resolution is offered to correct a clerical error.

RESOLVED, that the term of Edward J. Stemmler, M.D., dean of the School of Medicine, be current until 30 June 1987.

3. Action. A Resolution of Appointments, Promotions, and Leaves, for the period from April 13 to June 7, 1984, was approved as appears in pages 1 through 24 of the meeting book.

D. Financial Report

Mrs. O’Bannon reported on the second annual Penn Perspective, a three-day seminar for senior- and middle-level University managers, which is sponsored by the Office of Human Resources. She noted that the administration is awaiting word on its Commonwealth appropriation for FY’85. The senior vice president also expressed appreciation to Mr. Hirsch for his services as vice president of operational services, noting that his decision to pursue a career in real estate development was at once exciting and a loss to the University. She pointed to several projects he has successfully overseen, including the landscaping of the 3700 block of Locust Walk, the expansion and renovation of the Annenberg School, the new addition to the Hillel Association, and initial studies for the refurbishment of Hayden Hall.

Turning to the financial report for the 11 months ending on 31 May, Mrs. O’Bannon said the University was projecting a surplus of $48,000 for FY’84 after spending $347,000 in mandated deficit amortizations for the high-rises and Graduate Hospital and transferring $700,000 to the Undergraduate Development Fund.
E. Fiscal Year '85 Budget Presentation

Mr. Stine reported that next year's budget will be nearly $750 million, which is an 8.6 percent increase over the budget for FY'84. "As has been true for the past several years," he said, "the FY'85 budget is balanced. More importantly, it will move the University further along toward the accomplishment of many of its most critical objectives." In particular the budget director cited a 45-percent increase in the number of graduate fellowships, subsidies for research assistants whereby half of the assistant's tuition is paid for by grant or contract monies, the endowment of the Undergraduate Development Fund, plans for integrating computers into the curriculum, the establishment of a cognitive sciences program linking Engineering and Arts and Sciences, and a 7.3-percent increase in funded research for FY'85.

Mr. Stine went on to say that for the fourth year in a row, faculty salary increases would exceed the general rate of inflation, and he noted that computer contracts negotiated with major vendors should benefit all types of academic programs. He pointed out that the FY'85 budget provided "a substantial boost in the Library's subvention," and he also referred to support for many student services. "The budget," he said, "contains a 20-percent increase over last year in the funds set aside for deferred maintenance, as well as providing the first repayment schedule for renovations to the stadium and in the Quad and Dental School. In addition, it contains a record amount for showcasing, which represents an effort by the Residence Hall staff to upgrade the general condition of the dormitory system."

The budget director observed that a number of important fiscal and management efforts were critical to the resolution of this year's budget. He noted that the endowment spending rule had been reduced by 2/10th of a percent to 6.2 percent for FY'85. He said energy conservation had led to another 3-percent reduction in the allocation for utility expenses. "The president's imposition of a 2-percent growth rate for the next two years has been mostly successful," he continued, "and we are beginning to see some administrative systems development which we hope will lead to increased productivity. It also is important to mention the University's cash-management program since it has kept us out of the banks, in terms of short-term borrowing, for the fourth consecutive year."

Mr. Stine said that revenue from services provided by such Penn units as the large animal clinics at New Bolton Center, the Veterinary Hospital, the Clinical Practices, and the Hospital were
increasing. He noted that the rise in tuition had been limited to 8 percent for 1984-85, as opposed to the 11-percent increase last year, with the overall increase in costs to students limited to 7.6 percent compared with 9.9 percent for 1983-84. "The institution of the Penn Plan," he said, "is an important step in assisting families with these educational expenses." He added, in response to a question from Mr. Wolf, that about 40 percent of the undergraduates were receiving some form of direct financial aid.

The budget director concluded by praising the efforts of the University faculty, students, and administrators who worked to accomplish the complex and difficult task of balancing the budget. In particular, he mentioned the contributions of members of the Academic Planning and Budget Committee, the deans, the school administrators, and the directors of the resource centers and auxiliary enterprises. He cited the accomplishments of those responsible for growth in the University's research programs and in fund raising, as well as commending the sacrifices of administrators who stayed within their budget limitations and their willingness to seek new ways of achieving increased productivity.

Mr. Miller expressed the appreciation of the Trustees for the "extraordinary degree of compromise and cooperation" that made it possible to balance the budget. The president emphasized the stepped-up planning going on at Penn. "We have identified our priorities," he said, "and we have allocated our resources in accordance with them."

IV. Reports of Trustee Committees
A. Budget and Finance

In the absence of Mr. Eckman, Mr. Arader reported that the Budget and Finance Committee had reviewed and recommended to the Trustees nine resolutions.

1. Action. The Resolution on Budget for Fiscal Year 1985 was approved as follows:

Intention:

The Budget and Finance Committee has reviewed the operating budget proposed for the University for FY 1985 and based on the presumption that this budget is in balance recommends its approval by the Trustees.

RESOLVED, that the operating budget recommended by the Budget and Finance Committee for FY 1985 is approved.

2. Action. The Resolution on the Purchase of a Computer, Peripherals and Software for a Computer Graphics Facility in the Graduate School of Fine Arts was approved as follows:

Intention:
The Graduate School of Fine Arts proposes to purchase computer equipment to enhance its curricular offerings in computer-aided design and planning. The VAX processor will be housed and maintained in the Computer Center in the Engineering School. The workstations and platters will be located in Meyerson Hall.

The equipment, installation, and site modifications are expected to cost $300,000. The administration proposes to advance the funds from the proceeds of its recent capital equipment bond issue. The Graduate School of Fine Arts proposes to repay the advance over a five-year period from revenues it expects to generate from research, continuing education, and contracted services.

RESOLVED, that the purchase of a computer, peripherals and software for a computer graphics facility in the Graduate School of Fine Arts, as outlined above, be and the same hereby is approved and the Vice President for Finance or other appropriate officers of the University be and they hereby are authorized to proceed with such purchase and execute such contracts and incur such expenses and obligations - not, however, substantially in excess of the estimated cost of such purchase as presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such purchase.

3. Action. The Resolution on Improving and Reconstructing the Entrance to the Nurses' Education Building, The Johnson Pavilion, and Blockley Hall was approved as follows:

Intention:

The Administration proposes to improve pedestrian access to the Nurses' Education Building and Blockley Hall. It will enclose the connection through the Johnson Pavilion and construct a new entrance to the Nurses' Education Building, which will lead pedestrians into the building on the main level. New lighting above the drive will be installed, adding to the security of the area. The University and Schools of Nursing and Medicine will share the $700,000 cost of improvements as follows: $350,000 from the Reserve for Physical Plant; $200,000 from the School of Nursing surplus; and $150,000 from the School of Medicine.

RESOLVED, that the improvement and reconstruction of the entrance to the Nurses' Education Building, the Johnson Pavilion, and Blockley Hall, as outlined above, be and the same hereby is approved and the Vice President for Finance or other appropriate officers of the University be and they hereby are authorized to proceed with such improvement and reconstruction and execute such contracts and incur such expenses and obligations - not, however, substantially in excess of the estimated cost of such improvement and reconstruction as presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such improvement and reconstruction.

FURTHER RESOLVED, that all costs and expenses incurred in carrying out the renovation authorized by the foregoing resolution which are not funded from the sources specifically cited to the Budget and Finance Committee or by gifts expressly designated for such purpose be paid, or, if previously paid or discharged out of such operating funds be reimbursed out of the proceeds of the sale of a contemplated issuance of tax-exempt notes which it is proposed will be effected through a
government agency to finance capital projects. To the extent the project is thus financed through issuance of tax-exempt notes, the retirement of the debt principal and associated interest expense shall be the responsibility of the respective Schools, or the University, to be discharged within the established amortization period for the financing.

4. Action. The Resolution on the Renovation of Two Lecture Halls in the Medical Laboratories Building was approved as follows:

Intention:

The Administration proposes to renovate two lecture rooms in the basement of the Medical Laboratories Building. The School of Medicine will finance the project from its Educational and Development Fund at an estimated cost of $500,000.

RESOLVED, that the renovation of two lecture halls in the Medical Laboratories Building, as outlined above, be and the same hereby is approved and the Vice President for Finance or other appropriate officers of the University be and they hereby are authorized to proceed with such renovation and execute such contracts and incur such expenses and obligations - not, however, in excess of the estimated cost of such renovation as presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such renovation.

FURTHER RESOLVED, that all costs and expenses incurred in carrying out the renovation authorized by the foregoing resolution which are not funded from the sources specifically cited to the Budget and Finance Committee or by gifts expressly designated for such purpose be paid, or, if previously paid or discharged out of such operating funds be reimbursed out of the proceeds of the sale of a contemplated issuance of tax-exempt notes which it is proposed will be effected through a government agency to finance capital projects. To the extent the project is thus financed through issuance of tax-exempt notes, the retirement of the debt principal and associated interest expense shall be the responsibility of the School of Medicine, to be discharged within the established amortization period for the financing.

5. Action. The Resolution on the Construction of an Intensive Care/Neonatal Unit at New Bolton Center was approved as follows:

Intention:

The University has received gifts from the School of Veterinary Medicine to construct an Intensive Care/Neonatal Unit at New Bolton Center. The administration proposes to commence construction of the unit at an estimated cost of $1,580,000. Funds for the project will come from gifts to the School.

RESOLVED, that the construction of an Intensive Care/Neonatal Unit at New Bolton Center as outlined above, be and same hereby is approved and the Vice President for Finance or other appropriate officers of the University be and they hereby are authorized to proceed with such construction and execute such contracts and incur such expenses and obligations - not, however, substantially in excess of the estimated cost of such construction as presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such construction.
FURTHER RESOLVED, that all costs and expenses incurred in carrying out the renovation authorized by the foregoing resolution which are not funded from the sources specifically cited to the Budget and Finance Committee or by gifts expressly designated for such purpose be paid, or, if previously paid or discharged out of such operating funds be reimbursed out of the proceeds of the sale of a contemplated issuance of tax-exempt notes which it is proposed will be effected through a government agency to finance capital projects. To the extent the project is thus financed through issuance of tax-exempt notes, the retirement of the debt principal and associated interest expense shall be the responsibility of the School of Veterinary Medicine, to be discharged within the established amortization period for the financing.

6. Action. The Resolution on the Purchase of Chilled Water Capacity From the Hospital of the University of Pennsylvania was approved as follows:

Intention:

Currently, the Hospital of the University of Pennsylvania relies, in part, on a chilled water plant in the Medical Education Building for its air conditioning. The University has determined that the Hospital should add chilled water capacity as part of Phase IV, thereby freeing the Medical Education Building's chiller for other University demands and increasing the reliability of the system.

The administration proposes to repurchase the existing chiller from the Hospital for $1,300,000. The funds will come from the University's Reserves for Physical Plant.

RESOLVED, that the repurchase of chilled water capacity from the Hospital of the University of Pennsylvania, as outlined above, be and the same hereby is approved and the vice president for finance or other appropriate officers of the University be and they hereby are authorized to proceed with such purchase and execute such contracts and incur such expenses and obligations—not, however, substantially in excess of the estimated cost of such purchase as presented to the Budget and Finance Committee—as may in their judgment be necessary or desirable to accomplish such purchase.

FURTHER RESOLVED, that all costs and expenses incurred in carrying out the renovation authorized by the foregoing resolution which are not funded from the sources specifically cited to the Budget and Finance Committee or by gifts expressly designated for such purpose be paid, or, if previously paid or discharged out of such operating funds be reimbursed out of the proceeds of the sale of a contemplated issuance of tax-exempt notes which it is proposed will be effected through a government agency to finance capital projects. To the extent the project is thus financed through issuance of tax-exempt notes, the retirement of the debt principal and associated interest expense shall be the responsibility of the University's Utility Services, to be discharged within the established amortization period for the financing.

7. Action. The Resolution on the Amendment of the Retirement Allowance Plans of the University of Pennsylvania and the Hospital of the University of Pennsylvania was approved as follows:

Intention:
The University of Pennsylvania and the Hospital of the University of Pennsylvania have defined benefit pension plans, the Retirement Allowance Plans, for certain members of their support staffs. These plans are currently funded through group annuity contracts with the Equitable Life Assurance Society of the United States. To provide maximum investment flexibility, the University and Hospital administrators propose to establish a trust arrangement for the plans. The University's Vice President for Finance shall be named Investment Fiduciary for the Retirement Allowance Plans and shall be authorized to seek investment advice from the Office of Investments.

RESOLVED, that the Vice President for Finance, Paul Gazzaro, Jr., be designated Investment Fiduciary for the Retirement Allowance Plans, with authority to seek investment advice from the Office of Investments, and that the appropriate officers be authorized to amend the Retirement Allowance Plans, as required.

8. Action. The Resolution on Signatory Authority was approved as follows:

Intention:

Currently, dual signatures by authorized officials are required to countersign checks drawn by the Hospital of the University of Pennsylvania in amounts in excess of $10,000.

The administration proposes, subject to the approval of the Hospital of the University of Pennsylvania Trustee Board, raising this amount to $25,000. This change will provide oversight but will not be as burdensome as the current practice.

RESOLVED, that counter-signatures of authorized officials be required on all checks drawn by the Hospital of the University of Pennsylvania in amounts in excess of $25,000 to be effective when confirmed by the Hospital of the University of Pennsylvania Trustee Board.

9. Action. The Resolution on an Undergraduate Education Fund was approved as follows:

Intention:

The administration proposes to establish an Undergraduate Education Fund with $700,000 of the anticipated 1983-84 unexpended funds. This Fund would be treated as funds functioning as endowment, the proceeds of which would be available for undergraduate educational initiatives. The establishment of this Fund will aid President Sheldon Hackney in fulfilling his goals for undergraduate education, as outlined in "Choosing Penn's Future."

RESOLVED, that an Undergraduate Education Fund be established with $700,000 of the anticipated 1983-84 unexpended funds, the proceeds of which will be available to support undergraduate educational initiatives.

FURTHER RESOLVED, that the appropriate officers of the University be and they hereby are authorized to establish the Fund and complete the transfer of monies.
B. Development

1. Mr. Miller reported that the Development Committee had discussed trustee involvement in fund raising in terms of goals and organization. In introducing a resolution on the President's Council, he explained that in "Building Penn's Future," the University was not entering upon a campaign but establishing priorities for fund raising. "We want to put in place a permanent structure for accomplishing our goals," he said, "and with that in mind, we set up regional committees during the past year that are functioning very well. Now we want to give recognition to the people who are in place in those committees and bring them together in an overall organization for fund raising nationally."

2. Action. A Resolution on the President's Council of the University of Pennsylvania was approved as follows:

**Intention:**

To strengthen the University's appeal for major individual gifts, the administration proposes the establishment of a nationwide volunteer network named the President's Council of the University of Pennsylvania. The function of the President's Council would be to assist in multiplying personal contacts between the University and individual gift prospects. Council members would serve three-year terms at the personal invitation of the President and would include members of the Trustees' Development Committee, existing and future regional development committees, and other distinguished alumni in all parts of the country. Council members would be designated Associate Trustees, with all the privileges and responsibilities of that office. The Trustees' Development Committee would act as executive committee of the President's Council, and the Council chairman would be chosen from the membership of the Development Committee. Council members would be brought to the campus for a yearly meeting and by other means would be kept in close communication with the President and the University. They would be assisted by the staff of the Department of Development and University Relations in identifying new prospects in their areas and assessing their gift potential. As a national organization of persons of recognized accomplishment, demonstrated leadership capacity, and community prestige, the President's Council can help the University to establish a strong and visible presence in major cities and regions and to gain the favor and respect of valuable new potential benefactors.

**RESOLVED,** that the Trustees of the University of Pennsylvania approve the creation of the President's Council of the University of Pennsylvania, and they hereby authorize the president to make all necessary provisions for the effective execution of the Council's mission, including staff support by the Department of Development and University Relations.

**SECRETARY**

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Student Life

1. Noting that since she had last reported to the Trustees the Student Life Committee had met three times, Mrs. Mainwaring mentioned that it had discussed residential living in January. "We learned that some 20 percent of the undergraduates, or 1,200 students, live in college houses," she said. "Residence halls offer many different options, and there are now about 6,000 undergraduates and 2,000 graduate and professional students living on campus with a ratio of professional staff to students of approximately 1 to 25." She went on to say that some 625 students live in fraternity and sorority houses. A University Life officer provides information about off-campus housing as well as about support services to students who choose to live elsewhere. "Despite a continuing need to deal with deferred maintenance, there has been a great improvement in residential facilities and programs in the past five years," Mrs. Mainwaring observed, "and the Office of University Life is very much aware of both the problems and the possibilities for the future."

Turning to the March meeting of the Committee, she said that members had gotten together for dinner with administrators, faculty, and students at which time the topic of discussion was changing sex roles on campus. "We learned that we probably do need to give more support to women's groups on campus," she noted, "and there was recurring reference to the need for places for students to meet in both small and large groups."

The chairman observed that at the meeting of the Student Life Committee on the 21st of June reports had been presented on attrition and reenrollment and on the career patterns of recent graduates. [They are enclosed with the minutes.] She also pointed out that at the request of Mr. Miller, the Committee had discussed a resolution clarifying an intention of the Trustees that student liaisons to Trustee committees serve only one-year terms. "We heard student suggestions that a vote on the resolution be deferred until October," Mrs. Mainwaring said, "but as the resolution had the nearly unanimous support of the trustee members of the Student Life Committee, we believe the result of any postponement will be needlessly prolonged discussion. Ensuring that the opportunity for service is open to more students will give the Trustees greater feedback on student concerns." Mr. Miller added that the campus should understand that the resolution was an initiative of the Trustees and, in particular, of the chairman
and that the rationale for it was the repetition in succeeding
years in the slate of student candidates presented to the
Liaison Selection Committee. He stressed that the board
continued to be open to student ideas on the function of
liaisons.

Resolution on Liaison Members for Trustee Committees was approved
as follows:

Intention:

The Executive Board of the Trustees on April 28, 1980
authorized the appointment of faculty members and students
as non-voting liaison members of Trustee committees,
following in principle the recommendations of the 1978 Task
Force on University Governance and confirming a practice
which was begun in the spring of 1979. In accordance with
the Task Force recommendation, one faculty member and one
student were appointed to each Trustee committee, with the
exceptions that no liaison members were placed on the Audit
Committee and two students were named to the Student Life
Committee. These numbers were specified by the Task Force
report for at least the first year of operation; if the
mechanism proved to be successful, the liaison members were
to be increased to the two faculty members and two students
on each committee recommended by the 1970 Task Force, again
with the exception of the Audit Committee.

After faculty members and students had served as liaison
members of Trustee committees for nearly two years, the
University Council recommended to the administration on
April 14, 1981 that the Trustees be asked to implement
fully the 1970 and 1978 Task Force recommendations by
appointing the full complements of faculty and student
liaison members and by authorizing the related activities
(circulation of agenda of Trustee committee meetings to the
Steering Committee of the University Council, Senate
Executive Committee, and the student assemblies prior to
committee meetings and provision of reports of proceedings
by liaisons to the same groups following meetings)
specified in the reports to support the liaison
relationships.

On April 15, 1981, the Executive Committee of the Trustees
authorized that two faculty members and two students (one
undergraduate and one graduate/professional student) be
appointed as non-voting liaison members of each Trustee
committee with the exception of the Audit Committee. When
three new Trustee committees, Development, Honorary
Degrees, and Nominating, were established on which liaisons
do not serve, the resolution was amended (June 17, 1983) to
include these additional exceptions.

It is now proposed that the resolution be amended to
clarify the intention of the Trustees as to the length of
service of student liaisons. The Trustees view service as
experience which should be made available to as many
undergraduate and graduate students as possible during the
relatively brief residence on campus of any one class of
undergraduate or graduate students. The present limitation
of years of service to a maximum of three years seems
appropriate for the faculty, but the Executive Committee
recommends that the Resolution on Liaison Members for Trustee Committees be amended to limit student service to single one-year terms.

RESOLVED, that two faculty members and two students (one undergraduate and one graduate/professional student) be appointed as non-voting liaison members of all Trustee committees established pursuant to Article 4.1 of the Statutes, with the exception of the Audit, Development, Honorary Degrees, and Nominating Committees; that the liaison members be selected by a group consisting of the chairman of the Trustees, the president of the University, the secretary of the University, the chair of the Faculty Senate, and the chairpersons of the Undergraduate Assembly and the Graduate and Professional Student Assembly from nominations presented by the appropriate constituencies; that the liaison members be appointed to one-year terms effective June 1 each year; that faculty liaisons be eligible for reelection, up to a maximum of three terms, to their initial or another committee; that student liaisons be ineligible for reelection, at any time during their undergraduate or graduate careers, to their initial or another committee; and that the University administration be encouraged to undertake the related measures specified in the Task Force reports to support the liaison relationships.

D. Investment Board

1. Mr. Neff reported that since the January stated meeting the portion of the portfolio in common stocks had been increased from 55 to 60 percent. "With 1 percent in real estate and venture capital investments and 4 percent in almost tenured treasury notes, we're fully invested on the equity side," he said. "On the fixed-income side, about one-third of our funds are in cash and cash equivalent and two-thirds are in pooled-mortgage vehicles." The chairman of the Investment Board went on to note that the increase on the equity side was principally in consumer durables, particularly General Motor stock but also some Whirlpool, Owens Corning Fiberglass, and Pittsburgh Plate Glass. In addition the University has recently purchased stock in the regional Bell operating companies. The telephone investments make up about 14 percent of the portfolio and have 9.5-percent yields and 7-percent growth rates. "They represent our stock in trade," Mr. Neff said; "they're not flashy but serve us well as we plug along." He further noted that the portion of the Associated Investment Fund invested in energy had dropped from the high 30s to about 28 percent. "It's an area which has been embraced by the marketplace," he continued, "and in taking our foot off the accelerator, we've taken some noticeable profits."

Mr. Neff pointed out that the current yield on common stocks was 7.7 percent, up from 5.1 percent four years ago, and, when combined with the good return on fixed-income
securities, gave the University a total current yield on its portfolio of 9 percent. On a total return basis, since 30 June 1983, the value of the AIF common stocks has appreciated 2.2 percent compared to a 5.8-percent decline in the Standard and Poor 500 Stock Average. "The edge of superiority is equally good on the fixed-income side," he noted, "with AIF bonds up 5.6 percent (total return) since the end of FY'83 compared with a drop of 2.1 percent in the Salomon Brothers High Grade Bond Index. If the figures hold up in the next two weeks, FY'84 will be another good year, and that gives us an increasingly better long-term record."

Looking to the future, Mr. Neff said he could "foresee little progress on the equity side of the portfolio until bond rates come down."

2. Action. A Resolution on Membership of the Investment Board 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 for a term of one year and until their successors are elected or appointed and qualified: Samuel H. Ballam, Jr., Julian S. Bers, Henry M. Chance II, Joseph B. Glossberg, H. Samuel Greenawalt, Jr., Samuel M.V. Hamilton, Adolph B. Kurz, Robert P. Levy, Paul F. Miller, Jr., F. Stanton Moyer, John B. Neff (as chairman), Wesley A. Stanger, Jr., Richard B. Worley, and D. Robert Yarnall, Jr.

3. Mr. Miller called the attention of the Trustees to the performance of the AIF when ranked with all the endowment funds surveyed by SEI. "For ten years, for five years, for three years, and for one year, it ranks in the first percentile," he said. "Essentially, we're the best in the country."

E. Trustee Board of HUP

Mr. Ballam reported that $106.8 million worth of revenue bonds were sold on February 1 at what turned out to be a very opportune time in terms of the relatively low interest rates then in effect. The bonds will finance Phase IV of the Hospital's construction and renovation program, and the chairman noted that demolition is now in progress. "We expect to have a groundbreaking ceremony sometime in September," he said. "Construction of a facility to house our magnetic resonance imaging machines already is underway," he added, "and we have the potential of a gift of $1.5 million to pay for it."

Mr. Ballam went on to discuss administrative preparation for the 1 July shift.
the 1 July shift in the federal government's hospital reimbursement policy whereby all hospitals will be paid a predetermined fee, based on diagnosis, for caring for each Medicare patient regardless of actual costs. "In getting ready for this change," he said, "we have put in a very sophisticated cost-accounting system so that we will know by each diagnosis what our costs are, as well as what we can expect in revenues. HUP has appointed a cost-effectiveness officer who is a physician with a Wharton MBA," the chairman continued. "He has been working with the medical staff to ensure cooperation in meeting problems attendant upon diagnostically-determined payments."

Turning to the FY'85 budget, Mr. Ballam pointed out that it included a 10.8-percent increase in Hospital expenses which, he said, amounted to 7.3 percent when adjusted for volume and comparability with the previous year. "The increase in the price we will charge for our services will be about 9 percent," he continued. "This is about the same as the present year, but down from 14.8 percent or higher figures in previous years. Our projected revenue in FY'85 is $219 million, an increase of about 10 percent over FY'84. Although that's a lot of money, our operating income from the $219 million is projected to be only $2.4 million or about 1 percent. But we expect to have non-operating income of about $3.8 million, so we anticipate remaining in the black."

The chairman went on to say that HUP was "starting to feel competition. Some of the other area hospitals have been cutting back," he noted, and he further pointed out that the length of patient stays at HUP have been going down. "Normally this would produce fewer patient days," he said, "but the number of admissions are up. The Hospital also has been successful in controlling expenses." Mr. Ballam concluded by noting that HUP has undertaken "a very fine long-range planning effort. We are getting ready," he said, "for what we know is going to be a very competitive future in the hospital field."

F. General Alumni Society

Dr. Hellwege reported on the continued success of the E. Craig Sweeten Alumni Center. During its second full year of operation he said it had been used for class reunions, University meetings, and community conferences, as well as for meetings of various Ivy League groups, holiday parties and retirement celebrations, and even for alumni wedding receptions and rehearsal parties. For awhile it served as a home for the staff of the new Penn Plan. "Many students have used the Center," Dr. Hellwege said, "and that is very important to us. He noted for the record that 3,436 people
had attended various functions in the facility, not including daily
visitors and some 400 alumni children and their families who came
to the Center for interviews with the Alumni Council on Admissions.

The GAS president pointed out that through the generosity of
Walter Rowan, a member of the Class of 1943, the Center now has a
television set, VCR recorder, and a portable camera to make video
tapes. "We will now begin to build a library of our own tapes of
alumni events," he said, "and the student-run UTV television
station and the Athletic Department will make tapes of other events
available to us."

Dr. Hellwege then noted that the only problem with the Center
is that it "just is not big enough. We are constantly turning away
business because the facilities are completely booked or because
they are not large enough for the projected attendance," he said.
"We look forward to the possibility that someday the University
administration will be able to designate the adjoining building as
part of the Alumni Center. It would enable us to expand and to
improve our facilities and to be of even greater service to the
Pennsylvania community."

Dr. Hellwege went on to say that the high level of activity at
the Sweeten Alumni Center was matched by the level of activity
among University of Pennsylvania alumni clubs across the country
and around the world. During the current academic year, the Alumni
Relations Office cooperated with the Pennsylvania clubs in putting
on 109 alumni events in 40 cities with a total attendance of nearly
11,000 people. "The best attended events were the alumni
receptions in honor of President Hackney," he observed. But he
also pointed out that alumni receptions in conjunction with the
University Museum's traveling exhibits have provided an exciting
new kind of alumni activity. Other highlights, according to the
GAS president, were events specially designed for young alumni. He
reported that new alumni clubs were formed this year in Houston, in
Memphis, and in the state of Israel. Clubs organized in 1983 in
Miami and in Dallas continued to operate at an extremely high level
of activity. President Hackney's international trips gave the
Society the opportunity to plan alumni receptions abroad in Tokyo,
Hong Kong, and Jerusalem.

Dr. Hellwege expressed pride and pleasure that The Pennsylvania
Gazette played such an important role in helping the University win
the grand award for general excellence in programs in the
competition conducted by the Council for the Advancement and
Support of Education. He noted that the Gazette's contribution to
the University's award-winning effort included recognition as one
of the top ten alumni magazines in the country, a grand award for
illustration, an exceptional achievement award in writing, and two "best articles of the year." Two solicitation letters for voluntary contributions to the Gazette were mailed in February and May, the GAS president said, and "because of the Gazette's outstanding quality," he predicted that the results will set a new record with a total of $150,000. Noting that for many years there have been telethons to ask alumni to send money to the University, Dr. Hellwege said that a couple of months ago the Society tried a new type of telethon--one in which alumni families were asked to send their children to the University. He also pointed out that the Alumni Council on Admissions, which operates under the auspices of the General Alumni Society and the Alumni Relations Office, had organized a team of undergraduates, who themselves were the sons and daughters of alumni, and had them call alumni children who had been admitted to the University but had not yet indicated whether or not they were going to come here. "We do not have the final results yet," he said, "but every indication is that this program was very successful."

Finally, Dr. Hellwege reported that the GAS Nominations Committee had proposed three alumni for trustee vacancies, and these nominations were approved by the Society at its May meeting. The nominees are:

Region IV - Commonwealth of Pennsylvania except Philadelphia area:
    Edward J. Lewis, Esq., W'59, L'62
    Partner, Oxford Development Corporation
    Pittsburgh, Pennsylvania

Region VI - Central, Midwest
    Mr. James J. Gavin, Jr., W'49
    Senior Vice President for Finance, Borg Warner Corporation
    Chicago, Illinois

At-large - to be assigned to Region II, Metropolitan New York
    Alvin V. Shoemaker, Esq., W'60
    Chairman, First Boston Corporation
    New York, New York

Dr. Hellwege ended his report by inviting the trustees to attend the Garden Party Raffle on the 23rd of June and commending the leadership of Associate Vice President and Director of Alumni Relations Michel Huber and of Stuart H. Carroll, the executive vice president of the Society.
V. Overseers and Other Boards
A. University Museum

Mrs. Catherwood commented on the enthusiastic support of the overseers for Museum activities carried out in 1983-84 under the leadership of the director, Robert H. Dyson, Jr. She reported the addition last year of eight new members to the Museum Board, including Tery Y. Doke, director of the Afro-American Museum of Philadelphia; Sandra Feldman Hollin; A. Bruce Mainwaring; Richard B. Price; Sara Senior; Karl H. Spaeth; Lee Tabas; and Martin Wright. She said that three overseers, Gustave Amsterdam, Matthew Weinstein, and Thomas Raeburn White, assumed emeritus status.

She further observed that, in accordance with the provost's request, the Museum submitted its five-year plan in October. "All Museum departments helped to mold this plan," she said, "and it is being implemented." She went on to note that the Museum has every expectation of balancing its budget this year, as it did in FY'83. Turning to the administration of the Museum, Mrs. Catherwood observed that Gregory Possehl continued his service as Associate Director and Lavon H. Bair was named Associate Director for Administrative Services, a post which includes financial and physical plant operations. "The University's Development Office continued to provide the services of Carroll Anne Sheppard who has most successfully guided the formal fundraising and planning at the Museum," she said.

"The second year's fund-raising requirements of the Museum's National Endowment for the Arts Challenge Grant of $200,000 has been met well ahead of schedule again this year," the chairman noted. She also pointed out that membership in the Loren Eiseley Associates and Fellows giving categories (donors who pay annual dues of $1,000 and $500, respectively) has increased, as has the Museum's Annual Giving Program, which has progressed from $0 two years ago to $48,000 this year.

"Truly major gifts have been received in support of the Museum's capital projects," Mrs. Catherwood said. The projects include repair of the roof and improvements in the life/safety system and are estimated at $3.42 million. The subventions include $1 million from the Pew Memorial Trust, which also awarded the Museum a $1 million challenge grant; $520,000 from the William Penn Foundation, and $50,000 from the Jesse Ball Dupont Foundation in addition to its initial grant last year of $100,000. "Great support also has been afforded by Vice Chairman Otto Haas and our Chairman Emeritus Robert Trescher," Mrs. Catherwood observed, "and we are over halfway toward meeting the Pew challenge. We are
optimistic that this major project will be completed by our centennial celebration in the academic year of 1986-87."

The chairman went on to report that as one of the University's primary research arms, the Museum continues its extensive field research work in Thailand, France, Sumatra, Yemen, Honduras, Greece, and India. "The Museum's Publication Office has been highly productive," she said, and she also noted that the Museum has just ordered 17 computers for its various divisions. "Productivity at the Museum continues to increase and morale is high," Mrs. Catherwood concluded. "The entire Museum family is deeply grateful to the central administration, including Development and Facilities, for continuing support of its efforts."

B. Athletic Advisory Board

Mr. Greenawalt reported on the pride and pleasure felt by members of the Athletic Advisory Board that "Penn's athletic record has changed from one of melancholy to one of excellence." He said the board was indebted to the central administration for its support of athletics, as well as to the athletic department, under the leadership of Charles Harris, for its dedication. "We are also grateful to the admissions office with which we have a working relationship, and, last but not least, we are appreciative of the efforts of the student athletes themselves. These young men and women are dedicated in every sense to excellence in athletics and academics," Mr. Greenawalt said.

He went on to note that during the year 1983-84, Pennsylvania had won the Ivy League football championship for the second year in a row, an achievement which he described as a first in the University's history. He pointed out the men's heavyweight crew earned a trip to Henley for its first appearance in 15 years in the world's most famous regatta. "In between these historic events," the chairman said, "Penn's women's teams won eight Ivy championships. As many people swam, ran, fenced, jumped, and hit a ball with a racquet this season as at any time since the University's recreation department started keeping statistics. Women's volleyball and field hockey joined football as autumn Ivy championship winners, and field hockey had both the Ivy League player of the year and the rookie of the year. Women's fencing and both men and women's track and field won indoor titles during the winter season. Squash players took both the number one and number two collegiate women's championships plus the U.S. championship. Pennsylvania easily surpassed the old record of six Ivy titles by capturing both women's track and field and men's lacrosse titles in the spring. The latter team was coached for the second straight
year by the NCAA coach of the year, a feat unmatched in University history."

Mr. Greenawalt went on to observe that Pennsylvania again was the 'mecca for important eastern and national championship events. At the same time the University was playing Dartmouth in football for the Ivy title before ABC network cameras," he said, "it also was hosting the NCAA field hockey championship." He further noted that the NCAA basketball tournament began with a triple header at the Palestra and league-level tournaments were held on campus, including one that crowned Pennsylvania volleyball champion.

The AAB chairman said he felt that "it was not a coincidence that improved on-field performance during the three years of the board's existence." Members directly aided the formation of the recruiting network, he pointed out, and the board has not only become involved in capital improvements for athletics, but also has provided a forum for the expression of alumni and community concerns. "It has fulfilled its mission by scrutinizing and advising the athletic department on a wide range of concerns," he continued, "and the relationship between the board and the department has been productive. The combination," he noted, "of on-the-field excellence, a strong management job by Director Harris, and input from the campus community and board of advisers has led to yet another year of outstanding athletics."

Mr. Greenawalt concluded his remarks by mentioning ongoing maintenance problems. "Thanks to the University, Franklin Field is being renovated," he said, "but what of the rest of our extensive athletic plant?" He noted that Penn was the only university in the East which does not enjoy the use of a field house. "My report is at once positive and cautionary," he said. "Without a continuing commitment to athletics, Pennsylvania's demise as a champion could come quickly. The board strongly believes academic and athletic excellence are compatible goals."

C. Resolutions on Appointments

1. **Action.** A Resolution on an Appointment to the Board of Overseers of the School of Arts and Sciences was approved as follows:

   RESOLVED, that Francine du Plessix Gray be appointed to the Board of Overseers of the School of Arts and Sciences for a three-year term, effective 22 June 1984.

2. **Action.** A Resolution on Appointments to the Board of Overseers of the School of Law was approved as follows:

   RESOLVED, that Edward J. Lewis and Jane Lang McGrew be appointed to the Board of Overseers of the School of Law for three-year terms, effective 22 June 1984.
3. Action. A Resolution on Appointments to the Board of Overseers of the School of Social Work was approved as follows: RESOLVED, that Neysa C. Adams, Reverend Monsignor Edward P. Cullen, and Norman D. Denny be appointed to the Board of Overseers of the School of Social Work for three-year terms, effective 22 June 1984.

4. Action. A Resolution on Appointments to the Board of Overseers of the Wharton School was approved as follows:

RESOLVED, that Arthur M. Fischer, Francis C. Rooney, Jr., and Roger W. Stone be appointed to the Board of Overseers of the Wharton School for three-year terms, effective 22 June 1984.

In conclusion, Mr. Miller extended the congratulations of the Trustees to Ms. White, who has been chosen as a White House Fellow for 1984-85.

Adjourned.

Respectfully submitted,

Mary Ann Meyers
Secretary of the University