Minutes of the Stated Meeting
of the
Executive Committee of the Trustees of the University of Pennsylvania
8 April 1988

A meeting of the Executive Committee was held on Friday, 8 April 1988 at the River Club in New York City. Trustees attending included: Gloria T. Chisum; G. Morris Dorrance, Jr.; Robert A. Fox; C.F. Fretz; Sheldon Hackney; Carl Kaysen; Margaret R. Mainwaring; Alvin V. Shoemaker; Saul P. Steinberg; and D. Robert Varnall. Others present included: Michael Aiken; Mary Ann Meyers; Helen O'Bannon; Antonia Oberthaler; Glen Stine; and Marna Whittington.

I. Call to Order
The chairman called the meeting to order and the minutes of the 4 March 1988 meeting were approved as written by the secretary.

II. Report of the Chairman
Mr. Shoemaker said that as honorary co-chairman of the 250th Anniversary Commission, he was pleased to report that Alice Lonsdorf and Mary Carroll had been selected as staff coordinators of the 1990 celebration. The Trustee chairman noted that the two women had played key roles in the 1976 Bicentennial, in Philadelphia's 300th birthday celebration, and in the Bicentennial of the Constitution observance. "Mrs. Lonsdorf, who is a former assistant dean of the Law School, was graduated from the University of Texas and Mrs. Carroll is a graduate of the University of Miami," Mr. Shoemaker said. "They will be working on the 250th with co-chairmen Paul Miller and Martin Meyerson and with Mary Ann Meyers, who is vice chairman of the Commission. We are looking forward to a grand party and an important discussion of educational issues," he concluded.

III. Report of the President
A. Dr. Hackney observed that as the University headed into the final weeks of the academic year, he could look back on 1987-88 and say that Penn had made great strides educationally.

B. Academic Report
1. Dr. Aiken reported on the status of the searches for deans of the Annenberg School, the School of Arts and Sciences, the Dental School, and the School of Medicine as well as on the search for a vice provost of University life. He went on to note that the administration had made changes in the academic calendar for 1989-90 and 1990-91, which involved moving Commencement by a few days to provide a full free week for activities connected with Penn's 250th birthday celebration in the first year and, in the second, to avoid conflict with a major religious holiday.

The provost mentioned that the University was coming to an end of the current planning cycle. He noted that the Law School's Five Year Plan had
been reviewed by the School of Education within the past few days and that the Graduate School of Education’s Five Year Plan had been completed. A chemistry lab on the third floor of the chemistry building had been officially dedicated last month. The Provost reported that the winners of the 1988 Lindback Awards for teaching had recently been announced to the campus community. They are: Robert Engs, associate professor of history; William Graham, professor of engineering; Daniel Perlmutter, professor of chemical engineering; Abraham Noordergraaf, professor of bioengineering; Stephen Ludwig, associate professor of pediatrics; Gail Morrisey, associate professor of medicine; Frederick Kaplan, assistant professor of orthopedic surgery; and Frederick Campbell, assistant professor of anesthesia. Dr. Aiken further noted that two members of the academic support staff had been named the recipients of the newly established Provost’s Award, a teaching award similar to the Lindback but only given to full-time members of the associated faculty or academic support staff. The first winners are Nori Magid, a senior lecturer in English, and Paul Ursini, a lecturer in Veterinary School.

The provost went to report that the winners of the 1988 Lindback Awards for teaching had recently been announced to the campus community. They are: Robert Engs, associate professor of history; William Graham, professor of engineering; Daniel Perlmutter, professor of chemical engineering; Abraham Noordergraaf, professor of bioengineering; Stephen Ludwig, associate professor of pediatrics; Gail Morrisey, associate professor of medicine; Frederick Kaplan, assistant professor of orthopedic surgery; and Frederick Campbell, assistant professor of anesthesia. Dr. Aiken further noted that two members of the academic support staff had been named the recipients of the newly established Provost’s Award, a teaching award similar to the Lindback but only given to full-time members of the associated faculty or academic support staff. The first winners are Nori Magid, a senior lecturer in English, and Paul Ursini, a lecturer in the Veterinary School.

The provost reported that two Arts and Sciences faculty members had been accorded endowed chairs. "Russell P. Sebold has been named to the Edwin B. and Lenore R. Williams Professorship in Romance Languages," he said, "and Milton L. Root, assistant professor of history, has been given the Janice and Julian Bers Assistant Professorship in the Social Sciences." Dr. Aiken observed that in the Wharton School Leonard M. Lodish, professor and chairman of marketing, had been named the Samuel R. Harrell Professor and had received the Franz Edelman Award for Management Science Achievement for 1987 given by the Institute for Management Science. He noted that Susan Wachter, associate professor of finance and University Ombudsman, had assumed the presidency of the American Real Estate and Urban Economics Association.

2. Action. A Resolution on Appointments, Leaves, and Promotions was approved as found on pages 1 through 11 of the meetingbook.

C. Financial Report

Mrs. O'Bannon observed that the Capital Budget for 1989 was likely to be presented to the Executive Committee in September rather than to the full board at the June meeting due to an effort to engage the Academic Planning and Budget Committee more fully in the process of
creating it. She went on to say that the Executive Committee would be briefed at its next meeting on the status of the University's professional liability insurance. The senior vice president further noted that the Clinical Research Building was on schedule and on budget, that the scaffolding on the Furness Building would be taken off before Alumni Weekend, that the completion of the exterior work on the Aresty Institute of Executive Education/Steinberg Conference Center was going forward, and that roadways and terraces at 3401 Walnut were nearing completion. She reported that the 3401 Cafe at Penn was proving very popular, serving some 3,000 each day at lunch time.

Turning to financial matters, Mrs. O'Bannon said that as of 29 February, the administration was projecting a general University surplus of $125,000 for FY'89, which is an increase of $100,000 over the projection made at the end of January and reported in March. "The anticipated surplus," she observed, "was after discretionary allocations of $735,000 to the Undergraduate Development Fund and $600,000 to the Research Fund and after the budgeted, mandated Graduate Hospital deficit amortization of $97,000 and the transfer of $1 million to provide some of the resources for the costs of the upcoming capital campaign." The senior vice president reported that the University was continuing to project deficits in the School of Veterinary Medicine and the Annenberg Center. "The primary source of our projected surplus is salary savings," she continued, "and we expect a tight but positive closing on the budget."

Mrs. O'Bannon reported that Hospital admissions were 49 people ahead of budget in March. "But at the end of eight months," she said, "we see a deficit of revenues over expenses of $7,109,000." Noting that a cost containment plan had been introduced in February, the senior vice president observed that the administration expected to reduce the HUP deficit to no more than $6,102,000 by the end of the year.

IV. Trustee Committee Reports

A. Budget and Finance

Mr. Fox reported that the Budget and Finance Committee had reviewed one resolution and recommended it to the Trustees for favorable action.

1. Action. A Resolution on the Replacement of the Logan Hall Roof was approved as follows:

Intention:

On September 11, 1987, the Trustees approved $1,400,000 for the replacement of Logan Hall roof. Since then, severe deterioration in the existing chimneys have necessitated the demolition of one chimney. Subsequently, the scope of the project has increased to include the rebuilding of the chimneys and related work concurrently with the roof. The project cost has likewise increased to $2,100,000. This project is included in the Capital Budget. The administration will fund this first phase of Logan Hall renovation from the deferred maintenance budget for fiscal year 1988 and 1989. Future phases of the exterior renovation will complete the balance of the exterior work.

RESOLVED, that the replacement of the Logan Hall roof, estimated to cost
$2,100,000, be and the same hereby is approved and that the Vice President for Finance or other appropriate officers of the University be and they hereby are authorized to proceed with such replacement and execute such contracts and incur such expenses and obligations - not however, substantially in excess of the estimated cost of such replacement presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such replacement.

B. Investment Board

Mr. Shoemaker called attention to the attached Investment Report.

V. Overseers and Other Boards

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


B. Action. A Resolution on an Appointment to the Board of Advisors of the Cancer Center was approved as follows:

RESOLVED, that George M. Ross be appointed to the Board of Advisors of the Cancer Center for a three-year term, effective 8 April 1988.

C. Action. A Resolution on an Appointment to the Board of Advisors of the David Mahoney Institute of Neurological Sciences was approved as follows:

RESOLVED, that Charles A. Sanders be appointed to the Board of Advisors of the David Mahoney Institute of Neurological Sciences for a three-year term, effective 8 April 1988.

Adjourned.

Respectfully submitted,

Mary Ann Meyers
Secretary of the University