A Stated Meeting of the Trustees was held on Friday, 23 June 1989, in the Arthur Ross Gallery of the Furness Building. Trustees attending included: Arlin M. Adams; Gustave G. Amsterdam; Leonore Annenberg; Samuel H. Ballam; Julian S. Bers; Gordon S. Bodek; Richard P. Brown, Jr.; I.W. Burnham; Susan W. Catherwood; Richard J. Censits; Gloria Twine Chisum; D. Michael Crow; Carol B. Einiger; Melvyn J. Estrin; Robert A. Fox; C.F. Fretz; John G. Harkins, Jr.; Stephen J. Heyman; Carl Kayser; Natalie I. Koether; Bena Kutin; Leonard A. Lauder; Robert P. Levy; Paul F. Miller, Jr.; John P. Mulrone; John B. Neff; Sara S. Senior; Alvin V. Shoemaker (chairman); Nyles H. Tenenbaum; Robert L. Trescher; Frederick Warren; Charles S. Wolf; Harry J. Wolf; Richard B. Worley; and D. Robert Yarnell, Jr. Others present included: Michael Aiken; Arthur Asbury; Joseph Bordogna; Doris Cochran-Fikes; William Epstein; Carol Farnsworth; John Gould; Shelley Green; Sheldon Hackney; James Heinzen; Carol Karschi; George Koval; Robert G. Lorndale; Mary Ann Meyers; Marguerite Miller; Rick Nahal; Antonia Oberthaler; Patricia Pancoast; Joshua Rosenberg; John Scott; Hugo Sonnenschein; Lee Stetson; Glen Stone; Duncan Van Dusen; Marna Whittington; and Phyllis Wolf.

I. Call to Order

Chairman Shoemaker called the meeting to order and an invocation was offered by the Rev. John Scott. The minutes of the 20 January 1989 stated meeting were approved as written by the secretary.

II. Report of the Chairman

A. Action. A Resolution of Appreciation to Samuel H. Ballam, Jr. and the Designation of Mr. Ballam as a Trustee Emeritus was approved as follows:

Associated with the University of Pennsylvania for half a century, Samuel H. Ballam, Jr. (Ev '41, CGS '50) was president of the General Alumni Society and an ex-officio trustee from 1970 to 1972, a term trustee from 1972 to 1982, and a life trustee from 1982 to the present. He was a member of the Executive Board and then the Executive Committee for 15 years. His varied and tireless service included membership on the Investment Board, Government and Urban Relations Committee, Budget and Finance Committee, Development Committee, Audit Committee, and Council on Long-Range Planning.

He began his long involvement with health care as an associate trustee member of the Board of Managers of the Hospital of the University of Pennsylvania in 1968 and then chaired, beginning in 1972, the Trustees' Health Affairs Committee and its successor governing bodies, the Trustee Board of the Hospital and the Trustee Board of the Medical Center. He also contributed his leadership skills and organizational ability as chairman of the Board of Overseers of the School of Social Work and as chairman of Annual Giving for the Wharton Evening School. He received the Alumni Award of Merit in 1971.

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 appreciation to Sam Ballam for his
service; and be it

FURTHER RESOLVED, that they designate their friend and colleague as trustee emeritus.

B. Action. A Resolution of Appreciation to Anthony S. Minisi and the Election of Mr. Minisi as a Trustee Emeritus was approved as follows:

A graduate of the Wharton School in 1948 and of the Law School in 1952, Anthony S. Minisi was elected an at-large alumni trustee in 1973 and went on to serve as a term trustee, from 1979 to the present. Willing to assist where needed and unstinting in his devotion to assignments, he has been a member of the Facilities and Campus Planning, Student Life, and Legal Affairs committees; a member of the Trustee Board of the Hospital and its successor governing body, the Trustee Board of the Medical Center, chairman of the latter’s Professional Liability Oversight Subcommittee, a member of the Recreation and Athletics and Electronic Communications Subcommittees of the Student Affairs Committee, and a trustee representative on the WXPN Governing Board.

A back on the undefeated football team of 1947, he was elected an All-American and was later inducted into the National Collegiate Football Hall of Fame. He is a director and past president of the Varsity Club, was president of the Class of 1948, was an alumni member of the Advisory Council on Athletics, and presently chairs the Athletic Advisory Board.

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 appreciation to Skip Minisi for his service; and be it

FURTHER RESOLVED, that they designate their friend and colleague as trustee emeritus.

C. Action. A Resolution of Appreciation to Charles S. Wolf and the Election of Mr. Wolf as a Trustee Emeritus was approved as follows:

A 1942 graduate of the Wharton School and recipient of an MBA degree in 1943, Charles S. Wolf was first elected a term trustee 1968. After serving two terms, he was elected to two more, beginning in 1979. During the twenty years that we have had the pleasure of his company and the benefit of his judgment, he has been a member of the Student Life Committee, Finance Committee, Development Committee, Government and Urban Relations Committee, Health Affairs Committee, External Affairs Committee, and Nominating Committee.

In his undergraduate years he played on the basketball team and was a member of Sigma Phi Epsilon. As chairman of the South Central Pennsylvania Division for the capital campaign in the 1960s, he was a member of the National Council and an associate trustee. He has served as chairman of the Commonwealth Council, and since 1976 he has chaired the Board of Overseers of the School of Veterinary Medicine, inspiring that School to achieve new heights in education, research, and animal care.

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 appreciation to Charlie Wolf, for his service; and be it

FURTHER RESOLVED, that they designate their friend and colleague as trustee emeritus.

D. Action. A Resolution of Appreciation to Constance E. Clayton was approved as follows:

Recipient of a Doctor of Education degree from Penn, Constance E. Clayton joined us as a term trustee five years ago. During this period she has shared her counsel as a member of the Academic Policy Committee and Student Life Committee, assignments of her choice for which she was ideally suited.

Having begun her career in 1955 as an elementary school teacher in the
Philadelphia School District, immediately after she earned a bachelor's degree at Temple University, her outstanding ability as a teacher and administrator earned her appointment as superintendent of the district in 1982. She has maintained a close relationship with the Graduate School of Education as a lecturer and as a member of the Marcus Foster Scholarship Fund Committee and the School's executive committee.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves and the administration, faculty, students, and alumni of the University, express to Connie Clayton their appreciation for her service.

E. Action. A Resolution of Appreciation to Charles F. Fretz, Jr. was approved as follows:

A 1951 graduate of the Wharton School, Charles F. Fretz, Jr. has for the past three years been president of the General Alumni Society, representing not a region but all of the alumni as an alumni trustee. He has served with us, ably and diligently, as a member of the Executive Committee, External Affairs Committee, and Trustee Board of the Medical Center.

As an undergraduate he rowed on the varsity crew, was vice-president of the Christian Association and chief of the Sphinx Senior Society, and was a member of Mask and Wig and the Undergraduate Council. An active and loyal alumnus, he has served as chairman of Annual Giving and as chairman of the Benjamin Franklin Society. His dedication to Penn was duly recognized by the conferral of an Alumni Award of Merit by the General Alumni Society.

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 appreciation to Bud Fretz for his service.

F. Action. A Resolution of appreciation to Robert G. Lorndale was approved as follows:

Intention:

A quiet and efficient presence at meetings of the Trustees of the University of Pennsylvania for 28 years, Robert G. Lorndale is a Princetonian, Class of 1947, whose divided loyalties on autumn Saturdays in Franklin Field and Palmer Stadium stem from the Penn MBA degree he earned in 1951. He went on to spend 10 years in industry before returning to the University as Assistant to the Secretary. Named Assistant Secretary in 1962, he became Associate Secretary in 1969.

The dedication and professionalism that he has exhibited throughout his tenure are easy to take for granted but difficult to replace and impossible to imagine doing without. At meetings of the University Council and countless search committees, where he has caught in his minutes the nuance of every comment, at Commencement, where he has turned a professorial rabble into an academic procession year after year, at meetings of this board, where he has taken attendance, and in residence in College Hall, where he has tended to countless tasks from drafting Trustee resolutions to indexing Trustee Minutes to overseeing the production of the Trustee Administration Handbook, he has been a source of strength and stability whom colleagues throughout the University community have relied on for his knowledge of Penn and his sensibility.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the faculty, the alumni, and the administration of the University, express to Robert G. Lorndale upon his retirement their appreciation and thanks for his service.

G. Action. A Resolution on the Amendment of Article 2.2(b) of the Statutes was approved as:

Intention:

The Nominating Committee of the Trustees has concluded that the term Life Trustee is misleading given the requirement in Article 2, Section
2.2(e) of the Statutes the Life Trustees shall be designated as Trustees Emeriti upon attaining the age of seventy. It recommends, with the endorsement of the Executive Committee, the reclassification of Life Trustees as Charter Trustees.

RESOLVED, that Article 2, Section 2.2 (b) of the Statutes of the Trustees of the University of Pennsylvania shall be and hereby is amended to read in its entirety as follows:

(b) Charter Trustees: up to ten in number elected to serve until retirement from among persons who have served as trustees for a period of not less than five years.

H. Action. A Resolution on the Amendment of Article 2.2(d) of the Statutes was approved. See Appendix I.

I. Action. A Resolution on the Appointment of the University of Pennsylvania as Successor Trustee to the Trustees of the Moore School of Electrical Engineering Under the Will of Alfred Fitler Moore was approved. See Appendix II.

J. Nominating Committee

Mr. Miller offered eight resolutions, which he noted had been reviewed and approved by both the Nominating and Executive Committees.

1. Action. A Resolution on the Election of Saul P. Steinberg as a Charter Trustee was approved as follows:

RESOLVED, that Saul P. Steinberg be elected a charter trustee, effective 23 June 1989.

2. Action. A Resolution on the Election of Carol B. Einiger as a Term Trustee was approved as follows:

RESOLVED, that Carol B. Einiger be elected a term trustee for a five-year term, effective 23 June 1989.

3. Action. A Resolution on the Election of Natalie I. Koether as a Term Trustee was approved as follows:

RESOLVED, that Natalie I. Koether be elected a term trustee for a five-year term, effective 23 June 1989.

4. Action. A Resolution on the Election of Harry J. Woll as a Term Trustee was approved as follows:

RESOLVED, that Harry J. Woll be elected a term trustee for a term that shall expire at the conclusion of the first stated meeting of the Trustees following the date on which Dr. Woll reaches seventy years of age.

5. Action. A Resolution on the Election of Richard B. Worley as a Term Trustee was approved as follows:

RESOLVED, that Richard B. Worley be elected a term trustee for a five-year term, effective 23 June 1989.

6. Action. A Resolution on the Reelection of Alvin V. Shoemaker as Chairman of the Trustees was approved as follows:

RESOLVED, that Alvin V. Shoemaker be reelected chairman of the Trustees of the University of Pennsylvania for a one-year term, effective 1 July 1989.

7. Action. A Resolution on the Reelection of Gloria Twine Chisum and the Election of Richard P. Brown, Jr. as Vice Chairman of the Trustees was approved as follows:

RESOLVED, that Gloria Twine Chisum and Richard P. Brown, Jr. be elected vice chairman of the Trustees for one-year terms, effective 23
June 1989.

B. Action. A Resolution on the Election of the Executive Committee was approved as follows:

RESOLVED, that the following Trustees be elected members of the Executive Committee for one year terms, effective 1 July 1989:

III. Report of the President

President Hackney commented that as the Trustees look forward to the beginning of the 1989-90 academic year, he believed they could do so with considerable confidence that the past year has been one of progress for the University. He noted that 1988-89 had started with a lively debate centered on Penn's response to the new state legislation on consumption of alcohol. "In the end," Dr. Hackney said, "we managed to forge a consensus that appears to be serving the community well."

The president went on to observe that as the year progressed, a great deal of time was spent on race and other intergroup relations on campus. "The campus itself was not visited by the kind of violent racial incidents that took place at other institutions," he noted, "but there were several incidents in which individuals demonstrated, often anonymously, a clear lack of respect either for one another or for groups of people. I believe that our response to these incidents has been both timely and firm," he continued. "My colleagues and I have made it clear that at Penn we expect not only tolerance but appreciation of the diversity that all of us bring to our community." Dr. Hackney went on to observe that among the proactive steps the University has taken to address intergroup issues before problems develop is a diversity program that will make its debut this fall for all new students. "It will break new ground nationally in terms of its intensity, its ongoing nature, and the number of students it will include," he said, "and it will be part of the University's ongoing educational efforts." The president also mentioned the work of the President's Task Force on University Life, which is charged with developing recommendations on how Penn can best ensure that every member of the campus community has the opportunity to play a full role in the academic and social life of the campus. He said that he expected a report toward the end of the fall semester.

Dr. Hackney then called the Trustees' attention to the administration's success in finding new deans for the Law School, the Annenberg School of Communications, and the School of Dental Medicine. He said that a search continues for a leader of the School of Medicine, who again will hold the combined title of executive vice president for the Medical Center and dean, and that a search is getting underway to find a successor to Joseph Bordogna, who is stepping down after a distinguished tenure as dean of the School of Engineering and Applied Sciences. The president pointed out that he had just learned that Russell Palmer intends to step down as dean of the Wharton School when his seven-year term
expires in June of next year, so that a search for his successor will also
have to be undertaken.

On the subject of Penn's incoming Class of 1993, he noted that "the
quality of applicants and of those students accepted is up. This says,
for me, that the strides we are making in the quality of our undergraduate
experience are being noticed around the country and the world," Dr.
Hackney told the board. He went on to observe that the University also is
continuing to make strides in its work with its West Philadelphia
neighbors, and he called attention to Penn's Annual Report for 1987-88,
which reviews some of the institution's major outreach efforts.

Turning to the challenges ahead, the president mentioned the important
next phase of the capital campaign; Penn's 250th anniversary celebration;
and the continuing effort to locate the resources and personnel to carry
out the needs identified by the planning process of past years. He
acknowledged the support of the Trustees and the work of the provost and
senior vice president.

B. Action. A Resolution on the Election of Edward J. Stemmler as
Dean Emeritus of the School of Medicine was approved as follows:
Intention:

On 17 June, 1988, the Trustees adopted a resolution of appreciation to
Edward J. Stemmler for his able service as dean of the School of
Medicine. He had been elected executive vice president for the Medical
Center in 1986 and gave up the deanship to give his full attention to the
duties incumbent in that position. Dr. Stemmler has now resigned as
executive vice president to return to teaching and research as Robert G.
Dunlop Professor of Medicine.

RESOLVED, that, in recognition of distinguished leadership in medical
education and research during his thirteen years as dean, Edward J.
Stemmler be designated Dean Emeritus of the School of Medicine.

C. Action. A Resolution on the Election of George Gerbner as Dean
Emeritus of the Annenberg School of Communications was approved as
follows:
Intention:

On 17 June, 1988, the Trustees, adopted a resolution expressing their
appreciation to George Gerbner for his 24 years of service as dean of the
Annenberg School of Communications in the expectation that he would soon
be leaving the deanship at the end of the term. But the search for his
successor was extended, and it was not until the 12 May 1989 meeting of
the Executive Committee that Kathleen H. Jamieson was named to assume the
dehanship, effective 1 July. Be it, therefore,

RESOLVED, that, in recognition of George Gerbner's extraordinary
quarter century of service as dean, he be designated Dean Emeritus of the
Annenberg School of Communications.

D. Academic Report
1. The provost reported on search processes getting underway to
identify new deans for the Wharton School and the School of Engineering
and Applied Sciences. He noted that he had received the final report of
the Working Group on Professional Education and expects the reports of
other groups by mid-summer. They will be sent to members of the Academic
Planning and Budget Committee and the Council of Deans, according to the
provost, and will be discussed by these two groups at two separate retreats planned for the first week in September.

He went on to mention that the Howard Hughes Medical Institute had approved a $1.2-million grant for a five-year program to strengthen undergraduate science at Penn. Dr. Aiken also noted that SAS Overseer William Golden has allocated $200,000 for the William T. Golden Laboratory in Neuroscience, which will serve as the central training facility for laboratory courses conducted through the Howard Hughes Medical Institute grant. The provost further observed that The Henry Luce Foundation has approved a $450,000 grant to the University for the establishment of a Henry R. Luce Professorship in Language Learning.

Turning to faculty honors, he called attention to the following:
- Alexander Nehamas, professor of philosophy, has been selected as the Romanell-Phi Beta Kappa Professor in Philosophy for 1990-91;
- Terry Friesz and Wen Shieh in the School of Engineering and Applied Sciences and Alan Mann and Thomas Christensen in the School of Arts and Sciences have received Fulbright Awards;
- Lawrence E. Early, chairman and professor of medicine, was elected a member of the Institute of Medicine of the National Academy of Sciences;
- Associate Professor of Nursing Ann O’Sullivan, Mark Kelley, associate chairman and professor of medicine, and University Professor Eliot Stellar were elected Fellows of the College of Physicians of Philadelphia;
- History Professors Moshe Lewin and Richard Beeman received Senior Fellowships from the National Endowment for the Humanities;
- Professor of Classical Studies James Muhly received a Senior Scientist Fellowship from the Alexander von Humboldt Foundation;
- Wharton’s Edward J. Hopkinson Professor of Finance Robert Litzenburger has been elected vice president of the American Finance Association;
- Thomas W. Dunfee, chairman and professor of Legal Studies in the Wharton School, was named president-elect of the American Business Law Association; and
- Bulent Gultekin, a Wharton School associate professor of finance, was elected president of the European Finance Association.

Dr. Aiken noted that Zhiren Jin, a graduate student in mathematics, is one of twenty-five students studying in America selected to receive an Alfred P. Sloan Doctoral Dissertation Fellowship this year, and that two Wharton undergraduates, Barry Curtis and Kenny Ho, were among ten students from Pennsylvania colleges and universities selected as the first recipients in the Mellon Bank Corporation Minority Scholarship program.

Dr. Aiken then directed the Trustees attention to several faculty members recommended for tenured appointments: Elizabeth Johns, one of the nation’s leading scholar-teachers in nineteenth-century American art with a Ph.D. from Emory who has held the Andrew Mellon Professorship of Fine Arts and History at the University of Pittsburgh, proposed as a professor of the history of art; Matthew S. Santirocco, an outstanding Latinist with
a Ph.D. from Columbia University, who has been an associate professor and department chair at Emory University, proposed as a professor of classical studies; and Raymond Fonseca, the new dean of the Dental School, proposed as a professor of oral and maxillofacial surgery.

2. Action. A Resolution on Appointments, Leaves, and Promotions was approved as found on pages 1 through 29 in the meetingbook.

3. Profile of the Class of 1993

Dean Stetson observed that while the admissions situation at Penn this year had turned out very well, it has begun on a sobering note with 14 percent fewer applications than last year's record high of 13,100. He said that the decrease in applications from 1988 at other highly selective institutions was between 6 and 25 percent. The dean added that he and his colleagues in other admissions offices attributed the phenomenon to both a decline in the number of eighteen-year-olds and a reaction to the recent increase in selectivity at a number of colleges and universities by high school students unwilling to risk rejection. "You could call it a kind of market correction," Mr. Stetson said, "and we expect that applications will stabilize at about the 1989 level until there is an upturn in the college-age population in the '90s." He added that even though this year's applicant pool was smaller, it was stronger academically and, as a result, the Class of 1993 "is the strongest entering class in the history of the University."

The dean went on to note that 45 percent of the freshmen will come from outside of the East as opposed to 42 percent last year, which, he added, "is an encouraging sign that Penn has become better recognized in all parts of the United States." Mr. Stetson said that 7 percent of the Class of 1993 will come from abroad. He called the steady growth in matriculants from the international community a testimony to Penn's international stature. He went on to point out that minority students would constitute about 27 percent of the entering class in September as compared with 23 percent of the Class of 1992. "The growth in minority matriculants," the dean explained, "is primarily the result of an increase in the number of Asian-Americans and Asians of all nationalities applying and being admitted to Penn." Mr. Stetson observed that the overall yield for the Class of 1993 was 51 percent, which is a 2-percent increase over last year and "an encouraging sign in light of the selectivity of the institutions with which Penn competes for students." He noted that children of alumni will make up approximately 13 percent of the freshman class down from 15 percent last year, but he added that some 60 percent of the alumni children who applied were admitted as compared with an overall admission rate of about 41 percent. The yield for alumni applicants, according to the dean, was 67 percent, which is an all-time high.

Mr. Stetson went on to note that Penn's competition for students had become almost entirely Ivy League or Ivy League-type institutions. "We're moving further ahead of Cornell and Columbia," he said, "and we're moving into an equal posture with Brown, which is quite a change over the last five years, and continuing to nick away at Harvard, Yale, and Princeton."
Mr. Stetson added that major state universities, such as the University of Virginia and Berkeley, have taken students away from Penn because of their lower costs.

In response to questions from trustees, he went on to note that the average freshman SAT score had gone up about seven points last year and that the number of students in the very top academic group had increased to 180 from 143 in 1988. He further observed that the number of black applicants had declined slightly while the admissions rate for black students was the same as last year. "The yield dropped just a bit, too," the dean of admissions said, "so the number of blacks among next fall's freshman will probably be about 160 down from 180. The competition for the best minority students is extreme right now," he added. Mr. Trescher asked about the number of students from mainland China, and Mr. Stetson said that in the Class of 1993 there would probably be four or five.

E. Financial Report

Dr. Whittington reported that as of 31 May the administration was continuing to project a University surplus of $275,000 after the approved and budgeted allocations. She said the positive factors in the University's unrestricted performance are special program and fee revenues, indirect cost recoveries, and temporary investment fund income, and salary savings. The negative factors, according to the senior vice president, are graduate tuition and summer and special tuition income. She said that the unrestricted performance by school and center showed an aggregated $75,000 surplus.

"On the restricted side," Dr. Whittington continued, "endowment, gift, and grant and contract expenditures increased by 7.2 percent, 4.6 percent, and 7.9 percent, respectively, over the first 11 months of FY'88. The amount available for grant and contract expenditures was 8.1 percent greater on 31 May 1989 than on 31 May 1988," she said. "Projected on a straight line basis, it represents 9.29 months of expendable awards, which is 1.7 percent less than the backlog available at the same time last year."

Dr. Whittington went on to report that for the first 10 months of the fiscal year, the Hospital of the University of Pennsylvania had a deficit of revenues over expenses of $4,582,000, which was $3,789,000 worse than budget. She said the loss from operations was actually $4,552,000 worse than budget but that the non-operating revenue was $763,000 better than budget. The senior vice president also noted that for the same 10-month period, the Clinical Practices (CPUP) had an excess of revenues over expenses that was $2,4 million better than budget. CPUP's Educational Development Fund balances increased, net, by $5,734,000 for the first seven months of FY'89, the senior vice president observed.

F. Presentation on the Operating Budget for Fiscal Year 1990

Dr. Stine reported that the Fiscal Year 1990 budget will total $1,130,000,000. He explained that the University's expenditures were projected at $700 million, the Hospital's at $300 million, and the Clinical Practices at $130,000.
The executive director of the budget went on to note that the tuition increase for FY'90 would be 7.5 percent over the FY'89 tuition, which is a greater rate of increase than the University has had in the last two years. He pointed out that grant and contract recovery income is based on a rate of 65 percent in the FY'90 budget as opposed to a rate of 62 percent last year. Dr. Stine said that there continues to be "an excellent growth in revenues available from the endowment," and he noted that Penn's spending rule will allow about an 11-percent growth in spending next year.

Dr. Stine further observed that next year's budget anticipates a salary-rate increase that will provide real growth in salaries to both faculty and staff members. "It contains an increase in employee benefits, which is partially due to the extraordinary increases in the cost of health coverage," he said, "but also includes $1.6 million to meet new Federal regulations related to benefits."

The executive director of the budget went on to note that the FY'90 budget contains $5 million for graduate fellowships, which is a $800,000 over last year, increases to cover additional Trustee professorships, a major increase in support for the University's library system, and additional funds to provide for need-blind admissions. He said that the administration had budgeted an increase of about 4 percent in the state appropriation for FY'90. "It took considerable effort to reach full closure on the budget," he added, "due partly to the fact that while the University's rate of revenue growth continues to exceed the rate of inflation, it is down and has been down as a rate of growth in each of the last four years. Nevertheless," Dr. Stine continued, "we are presenting a budget today that is balanced for the fifteenth straight year, and we believe it will be balanced at the end of next year as well."

IV. Overseer and Other Boards
   A. Report of the Board of Overseers of the School of Engineering and Applied Science

   Mr. Mulroney reported that at its most recent meeting, the Board of Overseers of the School of Engineering and Applied Science reviewed the School's "directional plan and the quality of the School's achievement. In undergraduate education," he said, "there was every indication of success." The chairman of the SEAS overseers noted that during the coming year, undergraduate enrollment will approach 1500, which was the goal set at the start of the decade and will be the largest enrollment in the School's 137-year history. "The School has 316 dual degree students, which is far greater than any other engineering school in the country," he said. "The average SAT scores for incoming freshmen now exceeds 1300 routinely, which is a full 100 points above the SEAS' entrance scores at the beginning of the decade." Mr. Mulroney also called attention to the school's "excellent progress in the enrollment of women and in the admission and retention of racial minorities."

   Turning to graduate education, he pointed out that the number of Ph.D.
candidates has increased "an astounding 300 percent" to some 400 percent during the past 10 years. He further noted that SEAS had graduated five black Ph.D.s in 1988-89, which, he went on to point out, "is really quite an achievement when you consider the national average for Ph.D. black engineers is no more than about 20 or 25 per year over the last three or four years."

The SEAS Overseer chairman added the School continues to show excellent progress "not only in terms of honors accorded to senior faculty but also in terms of the recognition won by the younger faculty. Presidential Young Investigator Awards given by the National Science Foundation continue to come our way," he said, "and they underscore the School's position as one of the best in the nation." Mr. Mulroney observed that the SEAS faculty was highly productive in terms of its relatively modest size. He further noted that there are now seven women on the standing faculty, which is just about seven percent of the total, whereas the national average of women on engineering faculties is reportedly only two percent.

Mr. Mulroney went on to remind his colleagues that space had been an important issue for the Engineering School for many years. "The square feet available is below that of our peer institutions by roughly 200,000 square feet," he said. But he also noted that the University is planning to construct an additional 120,000 square feet for the combined needs of engineering and physical sciences, so part of the gap between SEAS and its peers will be closed over the next few years. Quoting from the minutes of the last SEAS Overseers meeting, the chairman stressed that the overseers had reaffirmed the validity of the School's strategic plan for the eighties while at the same time noting that the facilities problem has clearly caught up with SEAS. "We all should continue seriously to consider how those space needs are related to the maintenance of the momentum that has been built up in the School," he said. In conclusion, Mr. Mulroney observed that the remarkable statistics he had reported on SEAS advances during the 1980s were achieved largely under Dean Bordogna's leadership. "The search committee for his successor has quite a challenge in front of it," the SEAS chairman said.

B. Report of the Overseers of the University Museum

Mrs. Catherwood reported that the University Museum had opened two major exhibits during a "very productive year": one in March of its extraordinary material from Borneo, which were collected at the turn of the century, and another earlier in the week at the IBM Gallery in New York, which is made up of assorted Museum treasures and will run through the 26th of August. She said that campaign planning, under the able chairmanship of Bruce Mainwaring, continues to go very well. The Museum Overseers chairman further noted that the Museum's new life security safety system will be installed by September. Mrs. Catherwood also observed that the Museum had maintained an active schedule of research during 1988-89. "Our scholars have been, or will be in the next couple of months, in Sierra Leone, West Africa, Silver Reef, Utah, three Guatemalan
sites, three in Egypt, two in Greece as well as one in Crete and one in Cyprus, one in France, Turkey, and Syria, and one in Honduras, and in Mexico," she said. "They continue to work on the analysis of material from Thailand, Rhodesia, and India. They are publishing work from Ireland among a great many research papers and monographs."

C. Action. A Resolution on an Appointment to the Board of Overseers of the School of Engineering and Applied Science was approved as follows:

RESOLVED, that Harry R. Halloran, Jr. be appointed to the Board of Overseers of the School of Engineering and Applied Science for a three-year term, effective 23 June 1989.

D. Action. A Resolution on an Appointment to the Board of Overseers of the Graduate School of Fine Arts was approved as follows:

RESOLVED, that Jonathan F.P. Rose be appointed to the Board of Overseers of the Graduate School of Fine Arts for a three-year term, effective 23 June 1989.

E. Action. A Resolution on Appointments to the Board of Overseers of the University Libraries was approved as follows:

RESOLVED, that Jeffrey C. Keil, Herbert I. Moelis, and Lynda Rae Resnick be appointed to the Board of Overseers of the University Libraries for three-year terms, effective 23 June 1989.

F. Action. A Resolution on an Appointment to the Board of Overseers of the School of Nursing was approved as follows:

RESOLVED, that Robert T. Druckenmiller be appointed to the Board of Overseers of the School of Nursing for a three-year term, effective 23 June 1989.

G. Action. A Resolution on an Appointment to the Board of Overseers of the School of Social Work was approved as follows:

RESOLVED, that Joan M. Reeves be appointed to the Board of Overseers of the School of Social Work for a three-year term, effective 23 June 1989.

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

RESOLVED, that George A. Butler be appointed to the Board of Advisors of the Cancer Center for a three-year term, effective 23 June 1989.

I. Action. A Resolution on an Appointment to the Wistar Institute Board of Advisors was approved as follows:

RESOLVED, that Henry E. Grethel be appointed to the Wistar Institute Board of Advisors for a term beginning on 23 June 1989 and ending on 19 January 1990.

V. Trustee Committee Reports

A. Academic Policy

Dr. Kayser reported that the Academic Policy Committee had had "fascinating presentations" from Paul Mosher, the vice provost for libraries, and Ronald Arenson, a professor of radiology and acting vice provost for computing, at its meeting. "They talked to us about the University's resources, both the traditional ones represented by the Library and the rapidly-growing and increasingly-important computer systems and networks," the chairman of the Academic Policy Committee said. He noted that both Dr. Mosher and Dr. Arenson had presented
five-year plans. "The two plans are complementary," Dr. Kaysen observed, "and a large part of both are concerned with how to make sure that the traditional text resources of the Library are made as widely accessible as the new electronic technologies can make them and the electronic systems are configured so as to be maximally complementary to what we have in the Library." Noting that the standing of the Library in terms of collections is one of the major resource deficiencies of this University, he went on to point out that one of the virtues of the new technologies is that "they make possible the utilization, more rapidly and easier for the user, of the textual resources we don't have that are present in other research libraries. So these new systems provide us with a prospect of catching up in this important area at much less expense than would be required by traditional means," Dr. Kaysen said. "But they are by no means free," he added, "and part of the presentation at the meeting was to make clear to us what kinds of capital resources would be involved over the next five years in both areas."

The chairman of the Academic Policy Committee went on to report that in the course of the committee's discussion, the provost and several others had pointed out that getting money for the Library is hard and, while the University hasn't tried yet, getting money for an anonymous piece of a fiberoptics system is likely to be even harder. "We should find some way in the course of our campaign efforts to make sure that an appropriate portion of the funds raised are available for the purposes of these central, vital information systems," Dr. Kaysen said. "The provost reminded us that in the current budget, we essentially allocated as a current expense to departments and research and other operating units some appropriate proportion of the expenses of the library. We have to find some way of functionally performing the equivalent in our capital campaign."

B. Budget and Finance

Mr. Fox introduced seven resolutions, which he noted had been reviewed and approved by the Budget and Finance Committee. Mr. Shoemaker commented that the vote on the resolutions will be recorded as action by the Executive Committee of the Trustees.

1. Action. A Resolution on the Operating Budget for the University of Pennsylvania for Fiscal Year 1990 was approved as follows:

Intention:

The Budget and Finance Committee has reviewed the operating budget proposed for the University of Pennsylvania for Fiscal Year 1990, 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 the University of Pennsylvania for Fiscal Year 1990 is approved.

2. Action. A Resolution on the Operating Budget for the Hospital of the University of Pennsylvania for Fiscal Year 1990 was approved as follows:

Intention:
The Budget and Finance Committee has reviewed the operating budget proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1990, 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 the Hospital of the University of Pennsylvania for Fiscal Year 1990 is approved.

3. Action. A Resolution on the Operating Budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1990 was approved as follows:

Intention:

The Budget and Finance Committee has reviewed the operating budget proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1990, 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 the Clinical Practices of the University of Pennsylvania for Fiscal Year 1990 is approved.

4. Action. A Resolution on the Purchase of Redevelopment Parcels 2A, 8, AND 9 in University City Urban Renewal Area, Unit No. 4

Intention:

The University is presently negotiating with the Redevelopment Authority to purchase Redevelopment Parcels 2A, 8, and 9 in University City Urban Renewal Area Unit No. 4. These parcels are presently used for parking and ultimately may be used for other University purposes, including the proposed Student Center. The approximate purchase prices are:

<table>
<thead>
<tr>
<th>Parcel</th>
<th>Address</th>
<th>Size</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2A</td>
<td>3600 Walnut St.</td>
<td>120,184 sq. ft.</td>
<td>$3,900,000</td>
</tr>
<tr>
<td>9</td>
<td>38th and Walnut Sts</td>
<td>51,905 sq. ft.</td>
<td>$100,000</td>
</tr>
<tr>
<td>8</td>
<td>38th and Sansom Sts</td>
<td>6,475 sq. ft.</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Funds for these parcels will be advanced from general university funds. As projects are developed, these purchase costs will be capitalized and the University will be reimbursed.

RESOLVED, that the purchase of Redevelopment Parcels 2A, 8, and 9 in University City Urban Renewal Area Unit No. 4, estimated to cost no more than $4,000,000, be and the same hereby is approved and that the Senior Vice President or other appropriate officers of the University be and they hereby are authorized to proceed with contracts and incur such expenses and obligations - not, however, substantially in excess of the estimated cost presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to complete such purchase.

FURTHER RESOLVED, that the Senior Vice President or other appropriate officers of the University be and they hereby are authorized to execute and deliver such documents and to take such other actions as are necessary or convenient to the accomplishment of this transaction.

5. Action. A Resolution on the Sale of Land Comprising Part of the Wharton Sinkler Estate was approved as follows:

Intention:

The University entered into an agreement with Mrs. Wharton Sinkler in 1971 to use the Wharton Sinkler estate as a conference center for a trial
three-year period. This trial use was successful and the property was given to the University in 1974. There were no restrictions on the use or sale of the property. As part of the gift, Mrs. Sinkler agreed to pay up to one-half of the University's annual net operating expenses for the property up to a cumulative total of $250,000. The last payment was made in March 1988.

At present the Wharton Sinkler property operates on a minimal break-even basis. The administration proposes to sell two parcels of land comprising part of the property and to use the proceeds as an "endowment" for the Center's operations. The parcels represent approximately 6 acres out of a total of 32 acres. One parcel of about 3 acres is at the Northwest corner of the property accessed from Carlisle Road; the other parcel also of about 3 acres is at the Southwest Corner of the property and is accessed from Barley Road.

The net sale proceeds for the parcels are anticipated to be no less than $350,000. RESOLVED, that the Trustees of the University of Pennsylvania hereby approve the sale and conveyance of the said parcels of land and hereby direct and authorize the Senior Vice President or other appropriate officers of the University to proceed with the execution and delivery of the deed and all necessary affidavits and other documents required in connection with such sale and conveyance, and hereby further approve, confirm, and ratify all other actions taken by such officers or their designees in connection with or which are necessary or convenient to the accomplishment of such sale and conveyance including expending such funds as are necessary to enhance the marketability of the parcels prior to their sale.

6. Action. A Resolution on the Repairs to the 38th and Locust Walk Pedestrian Bridge was approved as follows:

Intention:

The 38th and Locust Walk Pedestrian Bridge has extensive deterioration of the concrete and brick walking area and cracking and spalling of the concrete parapet walls. In addition, the galvanized railing is rusting and causing rust stains on the sides of the bridge.

Planned repairs include removal of the railing in sections for regalvanization and reinstallation in such a manner that will not cause cracking and spalling of the concrete parapet walls. The footway will be taken up and a new surface prepared with asphalt pavers with brick borders. Also planned are installation of a new rain gutter system to ensure the removal of all water off the footway, and new pole lighting from the ground that will swing over the bridge on the east and west sides of 38th Street. Engineering documents are complete and the project has been bid. The cost of the project is $420,000. The funding source is the Deferred Maintenance Budget for fiscal year 1989.

RESOLVED, that the repairs to the pedestrian bridge costing $420,000 be and the same hereby are approved and that the Senior Vice President or other appropriate officers of the University be and they hereby are authorized to proceed with such repairs and execute such contracts and incur such expenses and obligations - not, however, substantially in excess of the estimated cost of such repairs presented to the Budget and Finance Committee - as may in their judgment be necessary or desirable to accomplish such repairs.

7. Action. A Resolution on Renovations to the Class of 1920 Dining Commons, Phase IIA was approved as follows:

Intention:

On 13 March 1987, the Trustees approved the first phase of renovations to the Class of 1920 Dining Commons in the estimated amount of $1,800,000. In order to ensure completion of the project for the fall
dining schedule, the project was deferred until the summer of 1988. An
increase in project cost to $2,200,000 was approved by the Trustees on 11
December 1987 to include additional utility work in Locust Walk and the
addition of a glass enclosed dining space on the west side of the
building.

The administration proposes to undertake Phase IIA of the project at a
cost of approximately $1,300,000. The work, which is scheduled for the
summer of 1989, includes demolition of the existing circular stair and
railing in the dining hall and infill of the same to expand the existing
service area. Sprinklers will be installed in the mechanical room,
kitchen, and selected dining areas, and new dish equipment will be
purchased for the Level III of the facility. This project will be
included in the Capital Budget for 1990. Costs will be amortized over a
period of five years and paid from Dining Service revenues.

RESOLVED, that Phase IIA of renovations to the Class of 1920 Dining
Commons, estimated at $1,300,000, be and the same hereby is approved and
that the Senior Vice President or other appropriate officers of the
University be and they hereby are authorized to proceed with such
renovations and execute such contracts and incur such expenses and
obligations — not, however, substantially in excess of the estimated cost
of such renovations presented to the Budget and Finance Committee — as
may, in their judgment, be necessary or desirable to accomplish such
renovations.

C. Development

Mr. Miller reported that the Development Committee had assessed
the status of the campaign nucleus fund and plans for kicking off the
campaign in October. He said committee members had reviewed campaign
marketing materials and the timetable of the announcements and come up
with "some very constructive criticism" of what was presented to them.

"I am delighted to report," Mr. Miller continued, "that the nucleus
fund, which we had hoped would be at $270 million this coming October, is
now at slightly over $300 million. Our success to date is being carefully
studied by the committee and by the administration," he said. "Over the
summer, we'll be assessing what should be the campaign goal. As you know,"
he added, "it has been tentatively pegged at $800 million." He said the
Development Committee would make a decision on its final recommendation to
the board prior to the October stated meeting.

The chairman of the Development Committee then noted that of the total
$300 million raised so far, the Trustees have committed $78 million.
"This is a terrific demonstration of leadership on the part of this
board," he said, "and it is four times more than the highest Trustee gift
ever made to Penn." Mr. Miller went on to report that alumni and friends
have contributed about $84 million to the campaign to date. He said
Annual Giving is setting a new record with more than 65,000 alumni donors
contributing in excess of $14 million this year. "In the process, the
reunion classes set records right and left," the Development Committee
chairman observed. "Nine set annual giving records, including the Class
of 1964, which came through with $10 million for its 25th reunion."

In conclusion, he stressed that the public announcement of the
campaign in October will be "a one-of-a-kind occasion in which the full
participation of the board is critical." Mr. Miller said he was counting
on all the Trustees being present. He added that there "is no better
weapon in terms of fund raising than to be able to say to foundations,
corporations, and individuals that everybody on the board has contributed to the campaign, so be assured," he told his colleagues, "your door's going to be knocked on between now and October."

D. External Affairs

Mr. Lauder reported that the External Affairs Committee had once again discussed The Pennsylvania Gazette. "A subcommittee, headed by Mr. Bodek, reported on the business policy aspects of the Gazette in order to help clarify some apparent problems," he continued, "and one of the subcommittee's strong suggestions, which was endorsed by the External Affairs Committee as a whole, was that the president of the General Alumni Society should appoint the chairman and members of the Gazette Publication Committee. We are recommending that the function of this committee be to advise the editor and publisher on the editorial content and business practices of the Gazette," he added. Mr. Lauder further noted that the External Affairs Committee had formed a consensus on the desirability of having an individual, rather than, as is currently the case, having the General Alumni Society, be the publisher of the Gazette. It would be the publisher's responsibility to pursue aggressively all avenues for the innovative acquisition of revenues from voluntary gifts, advertising, and subscriptions," he said. "The Gazette is crucially important for our relations with our alumni, as well as for our major development efforts," the External Affairs Committee chairman emphasized. "It's important, therefore, to clarify the relationship between the Gazette and the University."

Mr. Lauder added that the External Affairs Committee had heard "a very interesting report" from Assistant Vice President for University Relations Carol Farnsworth on the U.S. News and World Report ranking of the universities around the nation. "Our job," he concluded, "is to try to sell the University, not to U.S. News and World Report, but to the people the magazine surveys to make sure that the University is recognized for its great many strengths."

E. Facilities and Campus Planning

Dr. Chisum reported that at a joint meeting of the Facilities and Campus Planning and Student Life committees, the trustees had heard a report on the planning activities for the proposed campus center. She said Mr. Shoemaker had introduced the subject by stressing the importance of the planning process in light of the fact that "the development of the center will probably be the most important thing that's happened on the campus in the last 50 years." She then noted that the general planning that had gone on in the campus community over the past three years had been given focus by the announcement of Mr. Perelman's gift for the center. "At present," Dr. Chisum said, "there are a campus committee and three ad hoc Trustees' committees involved in the planning process."

She went on to note that the campus group, which is chaired by Vice Provost for University Life Kim Morrison and Professor Stephen Gale, consists of representatives from all of the constituencies on campus. It plans to give a report to President Hackney by December, according to Dr.
Chisum, and after much consideration, has decided to recommend as the site of the campus center the area between 36th and 37th streets on the north side of Walnut Street.

Dr. Chisum then reported on the roles of the ad hoc Trustee committees. The Campus Liaison Committee, which is chaired by Ms. Einiger, will be working with the Campus Planning Committee over the next several months to resolve the program issues. The Legal and Finance Committee, which is chaired by Howard Gittis, will be working on legal issues related to the proposed center and on the creation of the package required to finance it. The Real Estate Committee, which is chaired by Mr. Tanenbaum, has engaged a planner to help insure that the center will be complementary to the campus both at present and for the future.

Dr. Chisum also reported that a student liaison to the Student Life Committee had spoken to the members of the Student Life and Facilities and Campus Planning committees about the plight of students in China. She recommended a resolution in support of them, which was then adopted by the Trustees.

F. Legal Affairs

Mr. Harkins said that as chairman of the Legal Affairs Committee, he wished to commend Mr. Minisi on his role as chairman of the Subcommittee on Professional Liability of the Medical Center Trustees’ Health Services Committee. He applauded the risk management operation at the Medical Center under the supervision of Ellen Weiss and her staff. "They’ve done an outstanding job in terms of gaining control of the University’s litigation situation as it involves the Hospital and Clinical Practices," Mr. Harkins said. "The counsel for our insurance underwriters has said he thinks the University has one of the most outstanding risk management teams he has ever seen. The proof of their competence," he added, "is that the underwriters have seen fit, in one case, to lower our premium and, in another, to hold it down below that which we would have otherwise expected."

G. University Responsibility

Mr. Yarnall observed the University Responsibility Committee sees the relationship between the University and the surrounding community as part of its responsibility. "In the area of public education," he continued, "there are some very real opportunities for the University to reach out to its neighbors." He added that Penn’s Annual Report indicates that such extension has occurred under very strong presidential leadership. Mr. Yarnall said that at its meeting, the University Responsibility Committee had heard, in particular, about the collaborative program between the University and the West Philadelphia public schools from Dean Marvin Lazerson and two of his colleagues. "One of the most exciting things," he concluded, "is that over 500 students, the majority of them from Penn, are functioning as tutors to the West Philadelphia public school students."
H. Medical Center Board

1. Mr. Brown expressed the hope that the search presently underway for a new dean/executive vice president for the Medical Center would be concluded in the reasonably near future. He went on to observe that of the three parts of the Medical Center, teaching, research, and health care delivery, "the one that is obviously giving us the most problem is how to deliver high quality health care in a financially-sound manner and still contribute to the academic mission of the University. It's a problem for both HUP and the Clinical Practices," he added. "Their budgets for FY'90 are very tight; there is no room in them for contingencies. But since the Trustee Board of the Medical Center is operating under the proposition that the University expects all aspects of the Medical Center to at least break even, it passed a resolution last week approving budgets for HUP and CPUP with the understanding that their overall expenses during FY'90 would not exceed those budgets without the Medical Center Trustees' approval."

Mr. Brown went on to report that the Medical Center has in almost final draft form a master plan for the next five years that outlines its goals and missions. He noted that the Center produced, and the Trustee Board approved, a development plan, which outlines the needs the Medical Center hopes will be taken into account in the capital campaign. He pointed out that a new vice president for Medical Center marketing relations has been hired who is developing plans for marketing both medical and hospital services. "I suppose next year is going to be just as interesting as this one," Mr. Brown concluded.

2. Action. A resolution on Appointments to the Health Services Committee of the Trustee Board of the Medical Center of the University of Pennsylvania was approved as follows:

RESOLVED, that Albert F. Campbell, Leslie E. Goodman, and Anthony S. Minisi be appointed associate trustee members of the Medical Center Board of Trustees for three-year terms; that Myles H. Tanenbaum and Richard B. Worley be appointed trustee members for one-year terms; that Richard P. Brown, Jr., Susan W. Catherwood, G. Morris Dorrance, Jr., and John G. Harkins be reappointed trustee members for one-year terms; and that Samuel H. Ballam, Jr. be designated an emeritus member, effective 23 June 1989.

I. Investment Board

1. Mr. Neff reported that the Associated Investments Fund (AIF) common stocks for the almost completed fiscal year were up 20.8 percent (total return) compared to a 20.9-percent rise for the Standard and Poors 500 Stock Average during the same period. Since the 31st of December, he said, the Fund's equities had increased "16.7 percent (total return) versus a 17-percent appreciation in the S&P. We've had an average performance on the fixed side as well," the Investment Board chairman observed. "It's not our most stellar year viewed from the 12-month standpoint that is used by college and university business officers for comparing portfolio performance. But not every year is a bell ringer," he continued, "and if your off years are average, you can string together a
pretty good record." He pointed out that nine and a half years ago, the market value of the AIF was about $134 million compared to $700 million today.

Mr. Neff went on to note that the percentage of the portfolio in equities remains about 61 percent. He reported that the AIF has been fairly active since January, "not only taking profits in some areas where the market's embraced some of our enthusiasm, for example, banks, savings and loans, and airlines, but also building in the basic commodity cyclical areas, such as chemicals, papers, steels, and aluminums where the AIF was essentially not represented as recently as eight months ago. These cyclical areas have languished for a couple of years," Mr. Neff observed, "and earnings have now gone up many fold. The market is saying that these earnings are going to get hit hard by a recession and lower prices, but we don't quite buy that. We think in general the market is a little ahead of itself, and we may not stay at 61 percent of the Fund in equities."

2. Action. A Resolution on the 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, Christopher H. Browne, Henry M. Chance, II, Joseph B. Glossberg, H. Samuel Greenawalt, Samuel H.V. Hamilton, Adolph B. Kurz, Robert P. Levy, Paul F. Miller, Jr., F. Stanton Moyer, John B. Neff (as chairman), Wesley A. Stanger, Jr., Frederick Warren, Richard B. Worley, and D. Robert Yarnall, Jr.

J. General Alumni Society

Mr. Fretz introduced Richard Censits, who will succeed him as president of the General Alumni Society for 1989-90. He went on to say that the Society represents approximately 180,000 living alumni. Its board of directors totals 265 people and is made up of two representatives from each of the 70 regional clubs, class presidents, two representatives from each of the school societies, and presidents of graduate groups.

"The General Alumni Society is responsible for the nomination of alumni trustees," Mr. Fretz noted, "and for the determination of the recipients of the alumni awards of merit."

The GAS president pointed out that the Alumni Relations Office provides support for the General Alumni Society, as well as for the classes and the reunions. "Last month we had about 6,000 people here for Alumni Day," he said, "which is the largest number, by some measure, that has ever attended the annual reunion." He further observed that as a result of a much-needed increase in the Alumni Relations budget last year, the Alumni Relations staff was able to attend 36 regional alumni club meetings in 1988-89 and assisted in planning some 125 regional club events. He said the staff also provided support for events like Homecoming and for the Trustees Council of Penn Women, the Association of Alumni, and the Alumni Council on Admissions. "Alumni Relations is also responsible for The Pennsylvania Gazette," Mr. Fretz continued, "and for some merchandizing programs. Last year we introduced the Penn Visa card,
which will net the Society about $70,000 at the end of the fiscal year."

The GAS president concluded by observing that the two-fold purpose of the General Alumni Society and the Alumni Relations staff is to help alumni keep alive the friendships that they made while undergraduates and help identify and develop alumni who are, or want to become, knowledgeable about the University and participate in its affairs. The bedrock for any successful University development activity is an aggressive and comprehensible alumni relations program. We’re grateful for the recent increases in the alumni relations budget," he stressed, "but enhancement would produce a handsome return on the investment."

Mr. Shoemaker commented that Mr. Fretz had "stroked the boat well. We’re proud of the job you did," he said, "and we welcome Dick Censits."

Adjourned.

Respectfully submitted,

Mary Ann Meyers
Secretary of the University