A Stated Meeting of the Trustees was held on Friday, 22 June 1990, in Hoover Lounge of Vance Hall. Trustees attending included: Arlin M. Adams; Gustave Amsterdam; Leonore Annenberg; Gordon S. Bodek; Richard P. Brown, Jr.; Susan W. Catherwood; Richard Censits; Gloria Twine Chisum; D. Michael Crow; Charles D. Dickey; S. Morris Dorrance; John W. Eckman; Melvyn J. Estrin; Robert A. Fox; Joseph B. Glossberg; Sheldon Hackney; Stephen J. Heyman; Reginald Jones; Carl Kaysen; Gena Kutin; Robert P. Levy; Margaret R. Mainwaring; Paul F. Miller; Anthony Minisi; John F. Mulrone; John B. Neff; Adele K. Schaeffer; Sara S. Senior; Alvin V. Shoemaker; Myles H. Tanenbaum; Michael Tarnopol; Robert L. Trescher; Sandra D. Williamson; Harry Woll; and Richard Worley.

Others present included: Michael Aiken; Emuata Bass; Jonathan Bing; Joseph Bordogna; Richard Cleland; Duncan Van Dusen; William Epstein; Karen Gaines; Michael Goldstein; John Gould; Joseph Grum; Benjamin Hoyle; Helen Jung; William N. Kelley; George Koval; Mary Ann Meyers; Rick Nahm; Antonio Oberthaler; Allison Rose; Rev. John Scott; Lee Stetson; and Marna Whittington.

I. Call to Order
Chairman Shoemaker called the meeting to order and an invocation was offered by the Reverend John Scott. The minutes of the 19 January 1990 meeting were approved as written by the secretary.

II. Chairman’s Report
A. Action. A Resolution of Appreciation to Carl Kaysen was approved as follows:

Intention:

Carl Kaysen graduated from the College 50 years ago this month. Winner of a full-tuition scholarship awarded by Penn to the valedictorian of each Philadelphia high school senior class, he went on to fulfill in every measure the promise the University saw in him. Elected to Phi Beta Kappa as well as Phi Gamma Mu, the social science honor society, Delta Phi Alpha, the German honor society, and Philomathean, the oldest undergraduate literary society in the United States, he took his bachelor of arts degree with "major honors." Joining the staff of the National Bureau for Economic Research upon graduation, he became an economist with the Office of Strategic Service when the United States entered World War II and rose to the rank of captain in the Army Air Corps.

After the war, he earned his Ph.D. at Harvard University where he was a Junior Fellow in the Society of Fellows and later taught economics, serving as Lucius N. Littauer Professor of Political Economy and as associate dean of Harvard’s Graduate School of Public Administration. From 1961 to 1963 he served as Deputy Special Assistant for National Security Affairs to President John F. Kennedy. From 1966 to 1976 he was director of the Institute for Advanced Study in Princeton where he created the new School of Social Science. In 1977 he was named the David W. Skinner Professor of Political Economy at M.I.T in the Program in Science, Technology, and Society and became vice chairman and director of research of The Sloan Commission of Government and Higher Education. A member of the American Philosophical Society and the American Academy of Arts and Sciences, Dr. Kaysen also served on the Carnegie Commission on Higher Education from 1968 to 1973. He was chairman of the President’s Task Force on Foreign Economic Policy in 1964, chairman of the Bureau of the Budget Task Force on Federal Statistical Data in 1964, chairman of the Committee on Scholarly Exchange with the Soviet Union of the National Academy of Science from 1975 to 1977, and an advisor to Boston’s WGBH on the production of the acclaimed PBS program, "War and Peace in the Nuclear Age." Dr. Kaysen is a director of the Polaroid Corporation, United Parcel Service, Inc., and AM International and a trustee of the Russell Sage Foundation. Penn awarded him an honorary doctor of laws degree in 1976.
Elected a term trustee of the University in 1967 and a life (now a charter) trustee in 1972, he has served his alma mater in many significant capacities. He was chairman of Penn's School of Arts and Sciences Board of Overseers from 1976-80 and for 21 years he has chaired the Academic (formerly Educational) Policy Committee and served on the Executive Committee, bringing to the deliberations of the Trustees a profound understanding of the dynamics of educational institutions. Recognizing his high standards, global imagination, and confident of his good taste, his colleagues turned to him to chair the Honorary Degree Committee. He also has served on the University Responsibility Committee and the Long Range Planning Council. He was a member of the search committee charged with finding a president of the University in 1980 and a decade later served on Penn's 250th Anniversary Commission.

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 Carl Kaysen 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 Joseph Bordogna was approved as follows:

Intention:

Joseph Bordogna came to the University of Pennsylvania 39 years ago as a student in electrical engineering. After receiving his B.S.E.E. degree in 1955, he took a master's degree at M.I.T., then he returned to Penn for his Ph.D. and joined the faculty of the Moore School. During the past 26 years he has taught circuits, signals, systems, communications, and electro-optics with such distinction that he was awarded a Christian R. and Mary F. Lindback Award for Distinguished Teaching in 1967. Dean Bordogna concurrently conducted significant research in electro-optics, signal processing, and optical recording materials, and he was appointed Alfred Fitler Moore Professor in 1979. In addition he has served as master of Stouffer College House and on many important campus committees. He is an exemplary citizen of the University community.

Dean Bordogna began his administrative service in 1973 when he was named associate dean of the School of Engineering and Applied Sciences. Chosen as director of the Moore School of Electrical Engineering in 1976, he was selected as acting dean of SEAS in 1980 and elected dean the next year. The school thrived under his leadership. The endowment has increased from seven million to $33 million. Outstanding new faculty have been recruited, good teaching has been emphasized, significant new educational offerings have been initiated, and funded research has more than tripled from five million to $17 million a year.

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 Dean Joseph Bordogna their appreciation for his service and express their delight that Dean Bordogna plans to remain active as a member of the University community.

C. Action. A Resolution of Appreciation to Russell E. Palmer was approved as follows:

Intention:

Russell E. Palmer, an alumnus of Michigan State University, became tenth dean of the Wharton School and Reliance Professor of Management and Private Enterprise in 1983 after a distinguished career of 27 years with Touche Ross International, where he served as managing director and chief executive officer for nine years.
Returning to the world of education with enthusiasm and determination, he led in developing a more effective and updated curriculum in all components of the Wharton School, fostered a broad-based program of internationalization, oversaw the hiring of more than 120 new faculty members, encouraged the establishment of three major centers and of the Aresty Institute of Executive Education and the Steinberg Conference Center, and succeeded in increasing the Wharton endowment from $21 million to more than $100 million. He has been an effective spokesman for Wharton within the University and a superb representative of the School throughout the world. In leaving the deanship, he intends to remain involved in Wharton’s Huntsman Center for Global Competition and Leadership as well as undertaking several entrepreneurial business ventures.

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 Russell Eugene Palmer their appreciation for his service and express their delight in his continued relationship with Penn.

D. Mr. Miller offered six resolutions for the Nominating Committee. He noted that the Executive Committee endorsed the Nominating Committee’s recommendations.

1. Action. A Resolution on the Election of Arlin M. Adams as a Charter Trustee was approved as follows:

RESOLVED, that Arlin M. Adams be elected a Charter Trustee, effective 22 June 1990.

2. Action. A Resolution on the Reelection of Robert A. Fox as a Term Trustee was approved as follows:

RESOLVED, that Robert A. Fox be reelected a term trustee, for a five-year term, effective 22 June 1990.

3. Action. A Resolution on the Election of Donald N. Langenberg as a Term Trustee was approved as follows:

RESOLVED, that Donald N. Langenberg be elected a term trustee for a five-year term, effective 22 June 1990.

4. 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 1990.

5. Action. A Resolution on the re-election 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 chairmen of the Trustees for one year terms, effective 22 June 1990.

6. 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 1990: Richard P. Brown, Jr., Susan W. Catherwood, Richard Censits, Gloria Twine Chisum, G. Morris Dorrance, Jr., Robert A. Fox, Stephen J. Heyman, Donald N. Langenberg, Paul F. Miller, Jr., John B. Neff, Sara S. Senior, Saul P. Steinberg, and Myles H. Tanenbaum.
III. President's Report

A. Dr. Hackney expressed his pride in the execution of the Peak Week segment of the University's 250th Anniversary celebration. He noted that the events attracted some 14,000 alumni and their guests to the campus. The president further observed that the success of the celebration was attributable to the efforts of students, faculty, and staff who volunteered countless hours of their own time and to whom Penn is deeply indebted. The president took special note of President Emeritus Martin Meyerson’s contributions to the Anniversary observance. He described Mr. Meyerson as its “guiding intellectual source of inspiration.”

Turning to other matters, Dr. Hackney spoke of his initiative in forming a committee to recommend steps the University might take to add to the mix of students being housed in the center of the campus on Locust Walk. He said he believed the presence of students living at the core of the campus "is very important to the quality of life at Penn. There is a need to add to that presence so that it is reflective of the diversity of our campus," he added, "and that is the central thrust of the committee's charge." He said he believes that it will be possible to add to the mix of students living along Locust Walk "without disturbing those residents who now enjoy the privilege" of living there.

The president went on to express appreciation of the efforts of Penn alumni in helping to once again attract a "top-flight freshman class" for the fall of 1990. He congratulated the Quaker men’s baseball team for their success in capturing the championship of the Eastern Inter-collegiate Baseball League for the third consecutive year and earning a birth in the NCAA playoffs.

B. Action. A Resolution on Policies and Procedures for the University Archives and Records Center was approved. See Appendix I.

C. Academic Report

I. The provost reported on the status of several searches underway at the University. He said searches for a vice-provost for computing and information sciences and a vice-provost for graduate education should be completed in the early fall, that searches for deans of the Graduate School of Fine Arts and the School of Nursing had just begun, and that searches for a director of the Lauder Institute and executive director of the budget will be brought to a close in the very near future.

Turning to faculty honors, Dr. Aiken mentioned that: Emeritus Professor of Physics Herbert Callen and Dean of Arts and Sciences Hugo Sonnenschein had been elected to the National Academy of Sciences; Daniel Janzen, professor of biology, and Jane Menken, professor of sociology, had been elected as fellows of the American Academy of Arts and Sciences; Benjamin Shen, professor of astronomy, had been appointed to the National Science Board; Charles Kahn, professor of philosophy, had been selected as a Phi Beta Kappa Visiting Scholar for 1990-91; Law Dean Colin Diver had received an honorary degree from his alma mater, Amherst College; two assistant professors of chemistry, Donald Berry and William P. Dailey, had been awarded Sloan Fellowships; and Thomas P. Hughes, professor of the history and sociology of science, was a nominee for the 1990 Pulitzer Prize in History.

The provost then commented briefly on the "unfortunate incident" at New Bolton Center, which involved the possible exposure of several University employees and veterinary students, as well as some pre-schoolers, to the HTLV-I virus. He went on to report that a Provost Council on International Programs will be established in the fall as a policy body in the area of international education. He noted that the campus community was reviewing three codes related to the University’s behavioral expectations of students: the charter of the University Student Judicial System, the code of academic integrity, and the guidelines on open expression. He mentioned that a draft of the five-year-plan for Penn will be shared with the Trustees in October. Finally, Dr. Aiken also reported that the Lindback Society, which is made up of the winners of the Lindback Awards for outstanding teaching, would be reactivated and asked to help the central administration formulate policies that would communicate the importance of teaching to the members' faculty colleagues.
2. Action. A Resolution on Changing the Name of the Department of Insurance to the Department of Insurance and Risk Management was approved as follows:

INTENTION:

In recent years departments of insurance in schools of business have generalized their missions so as to consider not only all aspects of insurance companies and their products but also analysis of uncertain future situations for which some form of insurance may be an answer but not necessarily the only answer. Many of these departments now include the word "risk" in their names. In keeping with this trend, the Department of Insurance proposes changing its name to the Department of Insurance and Risk Management. This move is supported by the Dean and the Faculty of the Wharton School.

RESOLVED, that the name of the Department of Insurance shall be and hereby is changed to the Department of Insurance and Risk Management, effective 22 June 1990.

3. A Resolution on the Termination of the Department of Dental Care Systems and Pediatric Dentistry and the Creation of Separate Departments of Dental Care Systems and Pediatric Dentistry was approved as follows:

Intention:

At its meeting of 19 June 1987, the Trustees approved a resolution terminating the Department of Dental Care Systems and the Department of Pedodontics in the School of Dental Medicine and creating a combined Department of Dental Care Systems and Pediatric Dentistry. The arrangement proved to be unsatisfactory. After study, Dean Raymond Fonseca and the Faculty of the School of Dental Medicine recommend returning to separate departments.

RESOLVED, that the Department of Dental Care Systems and Pediatric Dentistry be terminated as of 1 July 1991 and that separate departments of Dental Care Systems and Pediatric Dentistry be created as of that date.

4. Action. A Resolution on Appointments, Leaves, and Promotions was approved as found on pages 1 through 26 in the meetingbook.

5. Profile of the Class of 1994

Dean Stetson observed that Penn's admissions challenge in 1989-90 had been to maintain its position among the nation's most selective universities. He noted that many institutions saw a significant decrease in applications, and he further observed that the drop in applications for the Class of 1994 at Penn had been about 5 percent. "We were able to choose our entering class of 2,250 students from an applicant pool of slightly less than 11,000," he said. "It was a very strong pool," the dean continued, and he noted that the percentage of students accepting the University's offer of admission was about 50 percent, a yield characteristic of the past several years. Mr. Stetson said that 55 percent of the entering students will come from the Northeast and the Middle Atlantic states, which is about the same percentage as last year and indicates that Penn is holding its own in terms of geographical diversity. He reported that students from abroad will constitute 9 percent of the freshman class, up from 7 percent last year, and just short of Penn's goal of drawing 10 percent of its freshman from the international community.
The dean also pointed out that nearly 32 percent of the entering class will be from minority backgrounds, including 19 percent from the Asian community (as compared with 16 percent last year), 7 percent from the African-American community (about the same as last year), and 5 percent from the Hispanic community (representing a 17 percent increase over last year). "Penn continues to be a school of choice for many minority students," he said, "and that is encouraging in light of our efforts to guarantee a diverse experience for all our students."

Mr. Stetson went on to note that women will constitute 44 percent of the entering class, which is 2 percent more than last year and compares with 38 to 40 percent women freshmen in the early eighties. He said that 280 alumni sons and daughters will be in the Class of 1994, which will be about 5 percent fewer alumni-related matriculants than last year, but these matriculants will still constitute more than 12 percent of the entering class. The admissions dean noted that Penn's admit rate for alumni children remains at approximately 65 percent as compared with the overall admit rate of about 40 percent, and the yield is also at the 65 percent level for alumni children.

D. Financial Report

Senior Vice President Whittington reported that as of 31 May 1990, the administration projects a general University surplus of $100,000 for the fiscal year ending 30 June 1990 after approved, budgeted, discretionary allocations to the Undergraduate Development Fund, the Research Fund, and the campaign and after the budgeted, mandated Graduate Hospital deficit amortization. "On the unrestricted side," Dr. Whittington said, "the positive factors are graduate tuition, indirect cost recoveries, temporary investment fund income, and savings in salary expense. The negative factors are summer and special tuition, special programs and fee revenues, and general University tuition," she noted, "but all schools and centers are projecting either a year-end surplus or break-even performance. On the unrestricted side," the senior vice president continued, "grant endowment and gift and contract expenditures increased by 31.5 percent, 10.6 percent, and 7.7 percent, respectively. The amount available at year end for grant and contract expenditures was 5.1 percent greater on 31 May 1990 than on 31 May 1989," she said.

Dr. Whittington also reported that for the first 10 months of the fiscal year the Hospital had an excess of revenues over expenditures of $12,895,000, which is $7,361,000 better than budget. She noted that as of 31 March 1990, the Clinical Practices had an excess of revenues over expenses of $7,821,000, which is $4,292,000 better than budget, and a net increase in the Education and Development Fund balance of $585,000. The senior vice president said the University expects to balance its budget in terms of performance at the end of FY'90 as it has for the past 14 years.

E. Presentation of the Operating Budget for Fiscal Year 1991

In a slide presentation of the FY'91 Operating Budget, the provost pointed out that the budget for next year, which is pegged at $1.22 billion, would represent an increase of 8.3 percent over the $1.13 billion FY'90 budget. He said the Hospital and Clinical Practices would account for 38 percent of the overall FY'91 budget and that their budgets next year will be 10.7 greater than in FY'90 whereas the budget for the rest of the University is increasing at the significantly slower rate of 6.9 percent.

Dr. Aiken went on to note that tuition revenues will account for 35.2 percent of the FY'91 academic budget of $681 million as compared with 35.5 percent of the $437 academic budget in FY'90 due to a lower rate of increase in tuition for FY'91 than in any year during the past 15 years and a stable undergraduate population.
He said investment revenues will constitute 7.2 percent and gift revenue 7.9 percent of next year's budget, which are about the same percentages as last year and underline the fact that the success of the development campaign will not have an impact on the operating budget for some years to come. The provost further observed that Commonwealth appropriations, which are expected to total some $35 million, will represent 5.7 percent of the FY'91 budget.

Turning to expenditures, Dr. Aiken pointed out that about 70 percent of next year's budget would be spent directly by the schools in addition to those monies for services to the schools that are spent by the central administration. He added that the distribution of budget monies among the schools remained relatively stable. Alone among the 12, the School of Medicine will receive a 1 percent greater portion of the pie in FY'91 than it did in FY'90.

Dr. Aiken then outlined for the Trustees what he described as "worrisome trends". On the one hand, he pointed to a decline in the rate of growth of unrestricted funds, which he linked to the decrease in the rate of growth of tuition, stability in the size of the undergraduate and graduate student bodies and some decrease in the number of special students, and a failure of either Federal financial aid for students or Commonwealth appropriations to keep up with inflation. On the other hand, he noted that there will be increasing pressure on the expense side of the budget. In particular, he pointed to a 10-percent rise over the past decade in the cost of utilities, a $1.5 million or 48 percent increase in security costs over the past two years, a need to spend more money for library acquisitions, deferred maintenance, and academic computing, government mandated expenditures in such areas as asbestos removal and control of radioactive substances, and anticipated pressure to raise faculty salaries as faculty retirements force Penn to compete aggressively in the '90s. "Given these inflationary stresses and Penn's goal of continuing to improve academic performance, it's going to be a real juggling act to keep the budget in balance throughout the next decade," Dr. Aiken said.

IV. Trustee Committee Reports
   A. Academic Policy

   Dr. Kaysen reported that the Academic Policy Committee had heard presentations from William H. Kelley, the new executive vice president for the Medical Center and dean of the School of Medicine, and two of his colleagues, Peter Nowell and Robert Barchi, on some of the frontier research being carried out in the Medical School. He said Dr. Nowell had focused on molecular genetics and understanding cancer, Dean Kelley had talked about developments in gene therapy, which may make possible the replacement of defective genes that cause certain diseases and disabilities, and Dr. Barchi had surveyed developments in neuroscience that are leading to new understanding of a wide variety of problems, including those associated with old age, such as Alzheimer's disease. "The presentations were superb," Dr. Kaysen observed, "and there are two lessons to be drawn from them. One is that we have some world-class people at Penn doing research of the greatest importance."
The other is that just to continue in this fashion, to say nothing of bringing on new faculty members or expanding the research horizons of existing faculty, we need more research space for bio-medicine." He noted that Dean Kelley had reported on the additional research space created recently by some of the other leading medical schools and pointed out that Penn is far behind. The creation of "new research space for bio-medicine has to be an important part of our concern for the future," the chairman concluded.

B. Audit

Mr. Dorrance reported that the Audit Committee had met with representatives of Coopers and Lybrand, Penn's outside auditors, Senior Vice President Whittington and members of her staff, and representatives from the Hospital and the Clinical Practices. Discussions focused on the preliminary audit work going forward in connection with the closing of the University's books on 30 June, the chairman said, and the committee "took great comfort in the fact that the Coopers and Lybrand's representatives seemed to be happier than ever before and said that they did not anticipate any problems." Mr. Dorrance went on to note that the committee had reviewed the report of the University's internal auditors. He said members were pleased to hear that "there is growing cooperation from all parts of the University with the internal audit staff." He further observed that a number of outside special audits are being carried forward.

C. Budget and Finance

Mr. Fox reported that the Budget and Finance Committee had discussed and approved 20 resolutions, which he recommended to the Trustees. Mr. Shoemaker commented that 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 1991 was approved as follows:

   Intention:

   The Budget and Finance Committee of the Trustees of the University of Pennsylvania has reviewed the operating budget proposed by the administration for Fiscal Year 1991 and, based on the presumption that this budget is in balance, will recommend its approval.

   RESOLVED, that the operating budget recommended to the Budget and Finance Committee for Fiscal Year 1991 be and hereby is approved.

2. Action. A Resolution on the Operating Budget for the Hospital of the University of Pennsylvania for Fiscal Year 1991 was approved as follows:

   Intention:

   The Budget and Finance Committee of the Trustees of the University of Pennsylvania has reviewed the operating budget proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1991 which is recommended by the Trustee Board of the Medical Center and its Subcommittee on Budget and Finance and, based on the presumption that this budget is in balance, will recommend its approval.

   RESOLVED, that the operating budget for the Hospital of the University of Pennsylvania for Fiscal Year 1991, which is recommended to the Budget and Finance Committee by the Trustee Board of the Medical Center and its Subcommittee on Budget and Finance, be and hereby is approved.

3. Action. A Resolution on the Operating Budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1991 was approved as follows:
Intention:

The Budget and Finance Committee of the Trustees of the University of Pennsylvania has reviewed the operating budget proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1991 which is recommended by the Trustee Board of the Medical Center and its Subcommittee on Budget and Finance and, based on the presumption that this budget is in balance, will recommend its approval.

RESOLVED, that the operating budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1991, which is recommended to the Budget and Finance Committee by the Trustee Board of the Medical Center and its Subcommittee on Budget and Finance, be and hereby is approved.

4. Action. A Resolution on the Capital Budget for Fiscal Year 1991 was approved as follows:

Intention:

The Budget and Finance Committee of the Trustees of the University of Pennsylvania has reviewed the capital budget proposed by the administration for Fiscal Year 1991 and recommends its approval.

RESOLVED, that the capital budget recommended by the Budget and Finance Committee for Fiscal Year 1991 be and hereby is approved.

5. Action. A Resolution on Certain Capital Expenditures for the Medical Center was approved as follows:

Intention:

Medical Center Management proposes to make $2,250,000 in capital expenditures for the purpose of meeting code requirements, making patient care unit renovations, and satisfying systems and clinical equipment needs and contingencies as further detailed below. These capital expenditures, which will be funded from general operations, will be applied towards the Hospital's Fiscal Year 1991 Capital Budget to be presented for approval at a subsequent meeting.

<table>
<thead>
<tr>
<th>Item</th>
<th>($000)</th>
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<tr>
<td>Life Safety and Regulatory Requirements</td>
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<tr>
<td>Fire Code Improvements (Includes repair of</td>
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<tr>
<td>air handling system and wall penetrations)</td>
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<tr>
<td>Fire Alarm System Upgrade (Upgrade of entire system)</td>
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<tr>
<td>Asbestos Management</td>
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<tr>
<td>Subtotal</td>
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<tr>
<td>Patient Care Programs</td>
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<tr>
<td>Medical Equipment</td>
<td>45</td>
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<tr>
<td>Hospital Operations and Infrastructure</td>
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<tr>
<td>Renovations</td>
<td>205</td>
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<tr>
<td>Bed Plan</td>
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<tr>
<td>Ravdin Renovations (Ravdin 9 now out of service)</td>
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<tr>
<td>Ravdin Structural Analysis</td>
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<tr>
<td>Silverstein Renovations</td>
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<td>Physical Medicine and Rehabilitation Move</td>
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<tr>
<td>Subtotal</td>
<td>$1,000</td>
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Total Current Period Recommended Items $2,250

This proposal has been approved by the Trustee Board of the Medical Center and its Subcommittee on Budget and Finance.
RESOLVED, that the Medical Center capital expenditures outlined above in
the amount of $2,250,000, which is approved by the Trustee Board of the
Medical Center and its Subcommittee on Budget and Finance, be and the
same hereby are approved.

6. Action. A Resolution on the Renovation of a Facility at 30 West
44th Street, New York, New York, for a Penn Club - Phase I was approved as
follows:

Intention:

On June 19, 1987 and March 3, 1989, the Trustees approved resolutions
on the purchase of property at 30 West 44th Street in New York City for
use as a Penn Club. Now the administration proposes to proceed with the
first phase of the project - renovation and alteration of the basement to
the thirteenth floors. Phase II, to be completed sometime in the future,
will consist of the construction of four new floors of athletic facilities
on the top of the existing structure.

Phase I of this project, which is included in the Capital Budget for
1991, is estimated to cost $25.0 million and will be covered by
fundraising. Work on Phase I of this project is scheduled to begin in
September 1990.

RESOLVED, that Phase I of the renovation of the Penn Club, estimated to
cost $25.0 million 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 take such actions, proceed with such renovations,
execute such contracts, and incur such expenses and obligations -- not,
however, substantially 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 the purposes of this
resolution.

7. Action. A Resolution on the Master Plan for the Area Bounded by
34th, Walnut, 38th and Chestnut Streets including a Campus Center was
approved as follows:

Intention:

The initial programming for the development of a campus center on the
3600 block of Walnut Street has been completed. The administration now
proposes to proceed, first, with the development of a master plan for the
area bounded by 34th, Walnut, 38th and Chestnut Streets and subsequently,
with the design of the campus center. The proposed center, which is
included in the Capital Budget for 1991, is estimated to cost $30.0
million, which it is anticipated will be covered by fundraising. At this
time, the administration proposes to spend $2.0 million for planning,
surveys, fees and related costs.

RESOLVED, that the development of the master plan for such site and the
design of the campus center, estimated to cost $2.0 million 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 take such actions, proceed with such work, execute such contracts, and
incur such expenses and obligations -- not, however, substantially in
excess of the estimated cost of such work as presented to the Budget and
Finance Committee -- as may in their judgment be necessary or desirable to
accomplish the purposes of this resolution.

was approved as follows:

Intention:

The University proposes to refurbish the bathroom, shower, and locker
room areas of Hutchinson Gymnasium. The scope of work includes upgrading
the floor and wall finishes, plumbing fixtures, lighting, and ceiling
tiles.
This project which is included in the Capital Budget for 1991 is estimated to cost $450,000 and will be funded by the Athletic Department and the University's deferred maintenance fund.

RESOLVED, that the renovation of the Hutchinson Gymnasium shower, locker room and related areas, estimated to cost $450,000, 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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations — not, however, substantially 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 the purposes of this resolution.

9. Action. A Resolution on the Renovation of the Sol C. Snider Entrepreneurial Center, Fourth Floor, Vance Hall for the Wharton School was approved as follows:

Intention:

The Wharton School has identified the need for the overall renovation of Vance Hall in its capital plan. The renovations covered by this resolution are intended to serve as a pilot project for the overall renovation program. The Sol C. Snider Entrepreneurial Center on the 4th floor of Vance Hall is one of the most active research centers at the Wharton School but the existing space configuration of the center is inefficient.

The administration proposes to undertake the renovation of the Snider Center, including re-configuring the 4th floor, providing an identifiable entrance to the center and updating building finishes. This project, which is included in the Capital Budget for 1991, is estimated to cost $330,000. Funds for this renovation will be provided from gifts. The work is scheduled to start in the summer of 1990.

RESOLVED, that the Vance Hall - Sol C. Snider Entrepreneurial Center renovation, estimated to cost $330,000, 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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations — not, however, substantially 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 the purposes of this resolution.

10. Action. A Resolution on the Renovation of Surgical Facilities South Wing, Old Vet Quad for the School of Veterinary Medicine was approved as follows:

Intention:

In order to meet stricter governmental regulations and standards for laboratory animal care, the University has been required to upgrade existing animal research facilities.

This project which is included in the Capital Budget for 1991 is estimated to cost $830,034 and will be funded by a NIH award and the Research Facilities Development Fund. Construction is scheduled to begin in July 1990.

RESOLVED, that the renovation of the South Wing of the Old Vet Quad, estimated to cost $830,034, 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 take such actions, proceed with such renovation, execute such contracts, and incur such expenses and obligations — not, however, substantially in excess of the estimated cost of such renovations as presented to the Budget and Finance Committee — as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.
11. A Resolution on the Renovation of a Student Lounge on the First Floor of the Medical Education Building for the School of Medicine was approved as follows:

Intention:

The School of Medicine, in its efforts to improve the quality of student life, proposes to renovate space on the first floor of the Medical Education Building for use as a student lounge.

This project which is included in the Capital Budget for 1991 is estimated to cost $300,000, and will be funded by the School of Medicine. Construction is scheduled to begin in July 1990.

RESOLVED, that the renovation of the first floor of the Medical Education Building, estimated to cost $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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations -- not, however, substantially 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 the purposes of this resolution.

12. Action. A Resolution on the Exterior Rehabilitation of the Evans Building, Phase I, for the School of Dental Medicine was approved as follows:

Intention:

Due to the deteriorated condition of masonry walls and limestone on the Evans Building, a structural engineer conducted a survey exploration of the building's exterior steel lintels in 1988. The resulting report indicated that rehabilitation and restoration of the exterior envelope of the Evans Building was necessary. The work will include roof replacement, exterior masonry restoration, lintel repair and replacement, and repair of windows for all four wings of the building quadrangle.

The administration proposes to begin construction in the summer of 1990 on the rehabilitation of the building's central tower and west wing, designated as Phase I of this project. Phase I which is included in the Capital Budget for 1991 of this project is estimated to cost $2 million and will be financed from deferred maintenance funds. The remaining three phases of this project will be completed over the next five years. The entire project is estimated to cost $4.59 million.

RESOLVED, that Phase I of the exterior rehabilitation of the Evans Building, estimated to cost $2 million, 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 take such actions, proceed with such rehabilitation, execute such contracts, and incur such expenses and obligations -- not, however, substantially in excess of the estimated cost of such rehabilitation as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

13. Action. A Resolution on the Exterior Rehabilitation of College Hall, Phase I was approved as follows:

Intention:

Due to the historical significance of College Hall and the deteriorated condition of its serpentine stone walls, architects and structural engineers conducted a structural investigation and related studies of the building in 1989. The resulting reports indicated that rehabilitation and restoration of the exterior envelope of College Hall was necessary. Necessary work will include roof replacement, repairs to the interior face of the exterior wall, reconstruction and restoration of the masonry wall, and repair of windows.
The administration proposes to begin construction in the summer of 1990 on the rehabilitation of the building's southeast quadrant, designated as Phase I of this project. Phase I of this project which is included in the Capital Budget for 1991 is estimated to cost $3.9 million and will be financed from deferred maintenance funds. The remaining four phases of this project will be completed over the next four years. The entire project is estimated to cost $14 million.

RESOLVED, that Phase I of the exterior rehabilitation of College Hall, estimated to cost $3.9 million, 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 take such actions, proceed with such rehabilitation, execute such contracts, and incur such expenses and obligations -- not, however, substantially in excess of the estimated cost of such rehabilitation as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

14. Action. A Resolution on the Renovation of the Landscape of the Area Bounded by Vance Hall, the McNeil Building, the Lauder Fisher Building, the Steinberg Conference Center and 37th Street was approved as follows:

Intention:

The University proposes to renovate approximately one square block of campus landscape in an area bounded by Vance Hall, the McNeil Building, the Lauder Fisher Building, the Steinberg Conference Center and 37th Street. The scope of work includes installation of brick walkways, plantings, and providing lighting and seating areas.

This project which is included in the Capital Budget for 1991 is estimated to cost $1,200,000 and will be funded through gifts. Work on this project is scheduled to begin in June 1990.

RESOLVED, that the renovation of the landscape of the area, estimated to cost $1,200,000, 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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations -- not, however, substantially 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 the purposes of this resolution.

15. Action. A Resolution on the Sale of Land to the County of Ocean, New Jersey was approved as follows:

Intention:

The University received as a gift in December 1984 a parcel of land in Ocean County, New Jersey valued at $150,000. This property has been held pending an opportunity to sell at an optimum price. The County of Ocean has proposed to acquire a certain part of this property, valued at $1,500, in connection with the County's reconstruction of a bridge. The administration is prepared to accept this offer. The proceeds will go to the School of Arts and Sciences.

RESOLVED, that the sale and conveyance of the said land 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 take such actions, proceed with such sale and conveyance, and execute and deliver such deeds, affidavits or other documents as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

16. Action. A Resolution on the Renovation of the Rosengarten Micro-Computer Room was approved as follows:
Intention:

The administration intends to proceed with renovations to the Rosengarten Reserve Room which will provide a micro-computer room of 30 computer workstations for student use on a twenty-four hour basis. The work will include new partitions, HVAC system, electrical, and related work. This project, which is included in the Capital Budget for 1991, is estimated to cost $350,000. Funds for this project will come partially from Library endowments and partially from a University loan to be repaid from operating budgets.

RESOLVED, that the Rosengarten Micro-Computer Room renovation, estimated to cost $350,000 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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations — not, however, substantially 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 the purposes of this resolution.

17. Action. A Resolution on the Hiring of an Architectural Firm to Provide Site Selection and Design Services for Construction of a Module #6 Central Utility Plant was approved as follows:

Intention:

The administration intends to construct a central utility plant which will also require the upgrading of an existing electric substation. The new plant will supply the cooling and electrical power needs of the proposed Institute of Science and Technology, Law School Library addition, campus center, Logan Hall, College Hall, Houston Hall and certain athletic facilities. The administration is prepared to hire an architectural firm to do site selection studies and provide full design services for this project. These studies and design services are estimated to cost $1,000,000 and, as part of total project costs, will ultimately be recovered from utility charges.

RESOLVED, that the site selection and full design of the Module #6 Utility Plant, estimated to cost $1,000,000 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 take such actions, proceed with such site selection and design, and execute such contracts, and incur such expenses and obligations — not, however, substantially in excess of the estimated cost of such site selections and design as presented to the Budget and Finance Committee — as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

18. Action. A Resolution on the Acquisition of 5001-11 Lancaster Avenue was approved as follows:

Intention:

The administration proposes to purchase a 39,500 square foot warehouse building at 5001-11 Lancaster Avenue. The building is located on an 18,277 square foot lot; it contains three floors, a loading dock, handicapped access facilities, a sprinkler system, all basic utilities and a security system. In addition, its exterior "weather" shell has recently been rehabilitated or replaced, and the first floor is fully air-conditioned.

The space will be used principally to provide additional storage capacity for the University Records Center, the University Museum, and the University Library. The solid, dry quality of the space, and the fact that a portion of it is air-conditioned, makes it particularly suitable as a facility to meet the requirements of the Library and the Museum. The purchase price and closing costs are estimated to be $327,000.
In addition to these acquisition costs, it is estimated that another $100,000 will be required for renovations. Acquisition and renovation costs will be covered from general University funds to be repaid through rental charges.

RESOLVED, that the acquisition and renovation of 5001-11 Lancaster Avenue, estimated to cost $427,000, 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 take such actions, execute such contracts and incur such expenses and obligations -- not, however, substantially in excess of the estimated cost of such acquisition and renovation as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

19. Action. A Resolution on the Renovation of the Third Floor, Cret Building, School of Arts and Sciences was approved as follows:

Intention:

The Department of Chemistry of the School of Arts and Sciences intends to upgrade the antiquated research lab space on the third floor of the Cret Building. The scope of this work includes installation of new fume hoods, lab benches and related equipment, installation of new floor, ceiling and wall finishes and upgrading the HVAC systems to serve the new equipment. Preliminary estimates indicate that this project, which is included in the Capital Budget for 1991, will cost $1,000,000. Funds will come from a Merck Foundation grant and gifts.

RESOLVED, that the renovation of the third floor of the Cret Building, estimated to cost $1,000,000, 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 take such actions, proceed with such renovations, execute such contracts, and incur such expenses and obligations -- not, however, substantially 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 the purposes of this resolution.

D. Development

Mr. Miller reported that the Development Committee had held its first meeting as a Campaign Steering Committee and reviewed the progress of the campaign, which he described as "superb". He noted that pledges, as of 21 June, totalled more than $468 million, which is some $130 million more than had been pledged as of the October kickoff. He further observed that gifts and commitments had been received for 80 endowed professorships, which is half of the campaign goal for endowed chairs and better than any of Penn's peers have done recently.

The chairman went on to say that on 30 June, the University will have set new records for gift receipts, Benjamin Franklin society memberships, and the number of alumni donors. In addition, he pointed out that the classes of 1930, 1940, 1945, 1950, 1955, 1960, 1965, 1970, and 1975 set new high-water marks for gifts.

"Keep in mind that progress so far has resulted from our contacting about 1,000 prospects", Mr. Miller said, "and we have identified over 10,000,000 prospects, so we have a lot deeper to dig over the next four years." He noted that since October of 1989, the University has raised $14.7 million dollars a month. "If you put that on a straight line over the next four years," he concluded, "it means we're going to raise $1,217,000,000. I'm not suggesting I'm that much of an optimist, but you can see we're very much on track, and we should all have some confidence we'll make our goal."

E. External Affairs

In the absence of Mr. Lauder, Mr. Bodek reported for the External Affairs Committee. He noted that members had heard a presentation from Carol Farnsworth, the assistant vice president for University Relations,
on the highlights of Penn's news coverage during the past year, which was climaxed by the extensive press and television attention to the May celebration of the Universities 250th Anniversary.

He further observed that Donald Morrison, a senior editor at Time and chairman of the General Alumni Society Publications Committee, had reviewed with the committee the performance of The Pennsylvania Gazette during the last year. Mr. Bodek pointed out that a highly successful 250th issue of the alumni magazine had grossed $116,000 in advertising revenues and that, during 1989-90, the Gazette was awarded two gold medals, three silver medals, and three bronze medals by the Council for the Advancement and Support of Education. He added that both the Gazette and Penn Medicine had been included in the CASE list of the top ten alumni magazines in the country. Mr. Bodek said that committee members made a number of valuable suggestions about ways to enhance the profit-making capability of the Gazette, and all of them were duly noted by Doris Cochran-Fikes, the publisher.

He also reported that the committee had had a lively discussion of various current issues in higher education and their implications for Penn. Among them are "racism on campus, the quality of teaching, the decline in student enrollment," he said. The acting chairman noted that Ms. Farnsworth had talked about ways to practice damage control and some of the problems associated with local TV coverage of demonstrations. "A number of interesting suggestions were made for additional positive steps that could be taken," he concluded, "and Ms. Farnsworth was pleased to receive them."

F. Facilities and Campus Planning

Mr. Tanenbaum reported that the Facilities and Campus Planning Committee had met jointly with Student Life and then held a brief separate meeting at which members reviewed the University's capital budget and a plan for the New York Penn Club. He said the latter was approved and that members expressed the hope that the Budget and Finance Committee would approve the former. He noted that a long summer meeting of the Facilities and Campus Planning Committee is scheduled for July.

G. Student Life

Dr. Chisum reported that at the joint meeting of the Facilities and Campus Planning and Student Life committee, members had received a summary of the report of the Campus Center Advisory Committee from Vice Provost Kim Morrison. Dr. Chisum quoted Dr. Morrison as saying that the advisory committee had developed a vision for the campus center as "a place of warmth, beauty, and human proportion" in which five major components or magnets, a reserve library and computing center, a performance and cultural area, a student organization area, a student support area, and retail space, would attract students, faculty, staff, and alumni and serve to introduce them to the opportunities contained within the center as a whole. She noted that the magnets would be linked by common spaces consisting of lounges, meeting rooms, and multiple purpose spaces. Dr. Chisum further observed that the advisory committee had recommended campus-level access to the center, as well as parking facilities. The Facilities and Campus Planning and Student Life Committees approved continuation of the planning effort for the campus center, she said, in conjunction with ongoing master planning for related and surrounding sites.

Dr. Chisum went on to report that during the discussion at the Student Life Committee meeting, which followed the joint meeting, it became apparent that there were several issues, including questions about the adequacy of support services for undergraduate men, which were related to the campus center development that needed further examination. In conclusion, she mentioned a statistic, which had been presented by Vice Provost Morrison in the context of a discussion of other campus issues, that she said she considered "totally unacceptable," that is, the occurrence of five student suicides in the past academic year. The chairman observed that these deaths lead to questions about "the adequacy of counseling and psychiatric support services for students," and she added that the subject will be examined by the Student Life Committee at its next meeting.
H. Medical Center Board

1. Mr. Brown observed that it was a pleasure to report to the Trustees at a time when, as Dr. Whittington had mentioned, the Hospital was showing an operating surplus of nearly $13 million in contrast with the multi-million dollar operating deficit it was running when he assumed the chairmanship of the Medical Center Board. Mr. Brown attributed the HUP turn-around to carefully prepared and monitored departmental budgets, structured to avoid "unpleasant surprises" in the expense category, and an increase in patient admissions beyond the number budgeted for Fiscal Year 1990. He said the Hospital's FY'91 budget anticipates at least a breakeven performance. The chairman further noted that the Medical Center Board had approved a revision in its Bylaws, which reflect Dr. Kelley's proposals for reorganizing the board's governance structure. He offered the revised Bylaws to the Trustees for action.

2. Action. A Resolution on Adoption of Revised Bylaws of the Trustee Board of the University of Pennsylvania Medical Center was approved as follows:

Intention:

The present Bylaws of the University of Pennsylvania Medical Center, establishing its governance structure, were approved by the Trustees on 19 June 1987 and amended on 21 October 1988. Since that time, experience and review by the University administration and Trustee Board of the Medical Center have suggested the desirability of making further revisions in the interest of creating a governance structure to promote the Medical Center's leadership role in teaching, research, and health care delivery in the 1990's.

RESOLVED, that the revised Bylaws of the Trustee Board of the University of Pennsylvania Medical Center, which were approved by the Trustee Board of the Medical Center on 21 May 1990 and a copy of which is filed herewith, be and hereby are approved, effective 1 September 1990.
(See Appendix II)

3. Action. A Resolution on Appointments to the Medical Center Board of Trustees was approved as follows:


I. Investment Board

Mr. Neff reported that since 30 June 1989, the value of the common stock portion of the Associated Investments Fund (AIF) had appreciated 2.6 percent (total return) versus a 17.7-percent increase in the Standard and Poor 500 Stock Average. "It was as abysmal a year as we've had under my tutelage," he said, "and it's due in significant part to the market's overvaluation, in our view, of the consumer non-durable, so-called super-safe, stocks, such as the beverage, food, tobacco, telephone, drug, and household products offerings, which aren't represented in our portfolio. In our judgement, they are going to hit an inflection point and shatter at some point in this momentum-intent market, but we don't know when quite yet. There are probably too many momentum players out there relative to the real strength of these stocks, but as long as they appreciate, they're valid and we're hurting."

Mr. Neff went on to observe that the banks and savings and loans, which make up some 24 percent of Penn's portfolio, have been under market pressure. He added that while the pressure has not been without some reason, the market hasn't differentiated between well-managed and poorly-managed institutions. "The area of particular stress has been commercial real estate and construction lending," he said. "But it is an area where the AIF's three biggest holdings have only about 9 percent of their loans compared to the average, garden variety regional bank which would have 20 to 25 or even 30 percent of its loans there. "We've increasingly moved towards the consumer," Mr. Neff continued.
"Our largest savings and loan holding, Golden West Financial, has some 84 percent of its loans in single family houses and 14 percent in apartment houses or multi-family units, leaving only 2 percent in other areas.

"Typically when we've had a blue period like this, twice during my tenure as a chairman of the Investment Board and four times since I've been managing the Windsor Fund," he continued, "we do twice as well on the recovery. The market has a way of sowing its own seeds of destruction, so we'll maintain our current stance and conviction and, rest assured, we'll try to keep our head as others seem intent on losing theirs."

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. Ballan, Jr., Julian S. Bers, Christopher H. Browne, Henry M. Chance, II, Joseph B. Glossberg, H. Samuel Greenawalt, 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., Frederick Warren, Richard R. Worley, and D. Robert Yarnall.

V. Overseers and Other Boards
A. School of Nursing Report

Mrs. Mainwaring presented a brief snap-shot of changes in the School of Nursing since her last report to the Trustees. She noted that the School ranks first among the nation's academic schools of nursing by many measures. It is the only school in the Ivy League offering baccalaureate, master's, and doctoral degrees to nursing students, she pointed out, and the student body now consists of 250 undergraduates, 500 candidates for master's degrees, and 70 Ph.D. candidates for a total of 820 students. The Nursing Overseer chairman went on to observe that this year an unprecedented 86 percent of the students offered admissions to the freshman class accepted the School's offer.

She further noted that there had been a dramatic increase in the amount of faculty research, with some 82 percent of the present faculty serving as principle investigators or co-investigators of government-funded projects. She said Penn had the second highest level of Federal funding of all schools of nursing in 1990 and pointed out that "since most of the projects deal with improved clinical practice for nurses, they will have great impact on national health care and its costs."

Mrs. Mainwaring went on to say that no school of nursing in the country has more faculty members in the American Academy of Nursing or in the Institute of Medicine than Penn's School of Nursing. She also noted that the School's establishment of a clinician-educator track in 1983 had been a major fact or in improving nursing care at HUP.

The Nursing Overseer chairman then observed that such "stellar performances" in so many areas was directly attributable to the outstanding leadership of Dean Claire Fagin for the past 13 years. "She brought with her and continued to attract and retain a faculty of exceptional ability," Mrs. Mainwaring said. "In size, the standing faculty has grown from six to 45 during her tenure", she continued, "and together, the dean and faculty have forged international linkages and exchange programs." She pointed out that these programs have led in turn to the appointment of the School as a World Health Organization Collaborating Center.

Mrs. Mainwaring noted that the Nursing School's budget, which grew from $2.4 million to $15 million between 1977 and 1990, has grown at a faster rate than that of any other school in the University due primarily to the dramatic increases in overhead recovery from government-sponsored research, as well as to some increases in endowment and gifts. She reminded the Trustees that in earlier reports to them, she had stressed the School's dependency on tuition income, which for years was above the 80 percent level. "Now tuition dependency is down at a 67-percent level," she said, "and while it's higher than desired, there's been a very significant improvement."
Mrs. Mainwaring observed that the School's greatest need at present is increased funding for scholarships, fellowships, and loans. "Costs of approximately $20,000 per year for an undergraduate is high," she said, "and while Penn's financial-aid packages are generous, there is great need for more help," she continued, "especially if Nursing is to continue to attract the brightest and the best. In order to compete successfully and still maintain fiscal stability, the School has as one of its major goals in the Campaign for Penn the raising of $4.5 million for innovative financial aid programs."

B. University Museum Overseers

1. Mrs. Catherwood reported that the Museum was proceeding with many programs and exhibits and was especially excited about the travelling dimension of many of these exhibits since a great number of additional viewers throughout the world would thereby be exposed to the Museum's collection. She noted that during Peak Week, the Museum attracted thousands of visitors, many of whom were lured by a work-study student dressed in Egyptian garb who gave out free passes.

Turning to development matters, Mrs. Catherwood reported that a little over $12 million of the Museum's $18-million goal had been raised under the direction of Overseer Bruce Mainwaring. "We are especially excited that the Museum directorship has been endowed by Overseer Charles K. Williams," she said, and she added that the board's volunteer fund-raisers had received strong support from the University administration.

"As a board we commend the scholarly, administrative, and fundraising abilities of our director Bob Dyson," Mrs. Catherwood concluded. "He has lead us once again through a most exciting and productive year."

2. Action. A Resolution on Repatriation of a Zuni War God from the University Museum was approved as follows:

Intention:

The University Museum holds in its American Section collections a Zuni War God and associated Zuni War God navel. The Museum acquired the pieces in 1902. Although the documentation is insufficient, it is presumed that the artifacts were removed from Zuni shrines. By letter dated February 14, 1989 (received in the Director's Office on February 20, 1990), the governor of the Pueblo of Zuni wrote to the Director of The University Museum and requested that The University Museum return to the Zuni People those Zuni War Gods in its collection. He explained in his letter the spiritual significance of the War Gods and the Zuni belief that removal of War Gods from their shrines "causes fires, earthquakes, wars, storms, and wanton destruction in [their] world" because the Zuni religious leaders and Zuni people cannot pray to them. Furthermore, he stated that the War gods are communally owned, no individual has the right to remove them from their shrines, and thus any removal must have been unauthorized. He advised that twenty-seven other Zuni War Gods have been returned by various museums and private collectors around the country. The University Museum, having confirmed the accuracy of the statements in the Governor's letter, and not wishing to obstruct Native American religious practices, upon the unanimous recommendation of its Collections Committee and relevant Museum staff, and upon motion of its Board of Overseers, wishes to repatriate the Zuni War Gods in its collection, in accordance with the University Museum's Deaccessioning Policy and Procedures dated October, 1987.

RESOLVED, that the Director of The University Museum, or his designee, be and hereby authorized to take such actions as are required to repatriate to the Zuni Pueblo the Zuni War God and associated War God navel held by The University Museum in its American Collections, in accordance with The University Museum's Deaccessioning Policy and Procedures dated October, 1987.

C. Action. A Resolution on Appointments to the Board of Overseers of the School of Engineering and Applied Science was approved as follows:
RESOLVED, that C. Michael Gooden and Edward J. Kfoury be appointed to the Board of Overseers of the School of Engineering and Applied Science for three-year terms, effective 22 June 1990.

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

RESOLVED, that Robert L. Friedman and Charles A. Heimbold, Jr. be appointed to the Board of Overseers of the School of Law for three-year terms, effective 22 June 1990.

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

RESOLVED, that Ruth K. Sackner and Alberto Vitale be appointed to the Board of Overseers of the University Libraries for three-year terms, effective 22 June 1990.

F. Action. A Resolution on an Appointment to the Board of Overseers of The University Museum of Archaeology and Anthropology was approved as follows:

RESOLVED, that J. Garfield DeMarco be appointed to the Board of Overseers of The University Museum of Archaeology and Anthropology for a three-year term, effective 22 June 1990.

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

RESOLVED, that Geoffrey T. Boisi and James A. Uhruh be appointed to the Board of Overseers of the Wharton School for three year terms, effective 22 June 1990.

H. Action. A Resolution on Appointments to the Board of Advisors of the Annenberg Center was approved as follows:

RESOLVED, that Mary Ann Meyers and Judy Wickes be appointed to the Board of Advisors of the Annenberg Center for three-year terms, effective 22 June.1990

I. Action. A Resolution on Appointments to the Advisory Board of the Institute of Contemporary Art was approved as follows:

RESOLVED, that Lorna Hauslohner, Lynne Honickman, Margery P. Lee, Amarilice Lefton, and Patsy Rugart be appointed to the Advisory Board of the Institute of Contemporary Art for three-year terms, effective 22 June 1990.

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

RESOLVED, that Albert J. Aguayo be appointed to the Advisory Board of the David Mahoney Institute of Neurological Sciences for a three-year term, effective 22 June 1990.

Adjourned.

Respectfully submitted,

Mary Ann Meyers
Secretary of the University