A Stated Meeting of the Trustees was held on Friday, June 19, 1992, in Hoover Lounge of Vance Hall. Trustees attending included: the Hon. Arlin M. Adams, Gustave G. Amsterdam; Edward T. Anderson; the Hon. Leonore Annenberg; Judith Roth Berkowitz; Christopher H. Browne; Susan W. Catherwood; Richard J. Censits; Henry M. Chance; Gloria Twine Chisum; D. Michael Crow; G. Morris Dorrance, Jr.; John W. Eckman; Carol B. Einiger; Richard L. Fisher; Robert A. Fox; Bruce J. Graham; Sheldon Hackney (ex officio); Stephen J. Heyman; Norma Killebrew; Natalie I. Koether; A. Eugene Kohn; Donald N. Langenberg; Leonard A. Lauder; A. Bruce Mainwaring; Paul F. Miller; Anthony S. Minisi, Esq.; Andrea Mitchell; John P. Mulroney; John B. Neff; Vivian Piascik; Joseph F. Rascoff; Michael R. Sandler; Adele Schaeffer; Bernard G. Segal, Esq.; Sara S. Senior; Alvin V. Shoemaker (chairman); Myles H. Tanenbaum, Esq.; Robert L. Trescher, Esq. and D. Robert Yarnall. Others present included: Michael Aiken; Richard Clelland; Carol Farnsworth; Karen Gaines; Stephen Golding; Constance Goodman; John Gould; Shelley Green; George Hain; Ira Harkavy; David Hildebrand; Ben Hoyle; Sam Hughes; Susan Golden Jacobson; George Kovall; Edwin Ledwell; Kim M. Morrison; Carolyn Morton; Rick Nahm; Charles Pak; Pat Pancoast; Allison Rose; Jay Saddlington; Rev. John M. Scott; Robert Shepard; Larry Singer; Lee Stetson; Barbara R. Stevens; Duncan Van Dusen; Marianna Wakulowska and Marna Whittington.

I. Call to Order

Chairman Shoemaker called the meeting to order. An invocation was offered by the Rev. John M. Scott, who it was noted was retiring after 30 years of service with St. Mary’s Church. The minutes of the January 24, 1992, meeting were approved as submitted by the secretary.

II. Chairman’s Report

A. Chairman Shoemaker had no report.

B. Action. A Resolution of Appreciation to Martin E. Lipton was approved as follows:

Martin E. Lipton graduated from the Wharton School in 1952. He studied at New York University Law School, where he received a law degree in 1955. Mr. Lipton became a specialist in mergers and acquisitions and is a founding senior partner of Wachtell, Lipton, Rosen and Katz.
Mr. Lipton serves as a Trustee of New York University, the New York University Law Center Foundation and the Museum of Contemporary Art. He is also president of the Charles Zirkin Memorial Foundation.

Mr. Lipton was appointed an overseer of the School of Arts and Sciences in 1984. He was elected a term trustee in June 1987 and has served on the Academic Policy and Development Committees. He is the donor of the William Smith Chair and has helped raise money for many other University activities.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the overseers, administration, faculty, students, and alumni of the University, record their grateful appreciation to Martin E. Lipton for his distinguished service.

2. Action. A Resolution on the Creation of a Trustees Standing Committee on Internationalization was approved as follows:

Intention:

True to the spirit and life of its founder, Benjamin Franklin, the most international of 18th-century citizens, the University of Pennsylvania is an international institution of higher education and research. In recognition of the importance to the Penn community of international students, faculty and visiting scholars and the range of international programs and initiatives on campus and around the world, the Trustees have reviewed the depth and breadth of the University's efforts. The Trustees conclude that the University has made an extremely important decision in designating internationalization as one of its strategic priorities in the years ahead. Further, the Trustees recommend that in order to increase Penn's visibility and recognition as an international institution of higher education and research, a Trustee Committee on Internationalization should be formed to support these activities, including Penn's international education and research programs, faculty and student exchanges, and alumni contact and development efforts throughout the world.

RESOLVED, that the Trustees of the University of Pennsylvania hereby create a Standing Committee on Internationalization.

C. Report of the Nominating Committee - Mr. Miller

1. Action. A Resolution on the Election of Judith Roth Berkowitz as a Term Trustee was approved as follows:
RESOLVED, that Judith Roth Berkowitz be elected a term trustee for a five-year term, effective June 19, 1992.

Mrs. Berkowitz was welcomed to the Board.

2. Action. A Resolution on the Re-election of Michael S. Brown as a Term Trustee was approved as follows:

RESOLVED, that Michael S. Brown be re-elected a term trustee, for a five-year term, effective June 19, 1992.

3. Action. Mr. Miller introduced a Resolution on the Election of Susan W. Catherwood as a Charter Trustee, noting Mrs. Catherwood’s wide-ranging contributions over her eleven-year association with the Trustees. It was then

RESOLVED, that Susan W. Catherwood be elected a charter trustee, effective June 19, 1992.

4. Action. A Resolution on the Election of Robert E. Cawthorn as a Term Trustee was approved as follows:

RESOLVED, that Robert E. Cawthorn be elected a term trustee for a five-year term, effective October 29, 1992.

5. Action. Mr. Miller commended Mr. Censits’ stalwart assistance throughout his association with the Trustees as Alumni Trustee and president of the General Alumni Society and introduced a Resolution on the Election of Richard J. Censits as a Term Trustee, which was approved as follows:

RESOLVED, that Richard J. Censits be elected a term trustee for a five-year term, effective June 19, 1992.

6. Action. A Resolution on the Re-election of Jon M. Huntsman as a Term Trustee was approved as follows:

RESOLVED, that Jon M. Huntsman be re-elected a term trustee for a five-year term, effective June 19, 1992.

7. Action. A Resolution on the Re-election of Alvin V. Shoemaker as Chairman of the Trustees was approved as follows:

RESOLVED, that Alvin V. Shoemaker be re-elected chairman of the Trustees of the University of Pennsylvania for a one-year term, effective July 1, 1992.
8. **Action.** A Resolution on the Re-election of Gloria Twine Chisum and Susan W. Catherwood as Vice Chairmen of the Trustees was approved as follows:

RESOLVED, that Gloria Twine Chisum and Susan W. Catherwood be re-elected vice chairmen of the Trustees of the University of Pennsylvania for one-year terms, effective July 1, 1992.

9. **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 July 1, 1992: Susan W. Catherwood, Gloria Twinc Chisum, D. Michael Crow, G. Morris Dorrance, Jr., Robert A. Fox, Stephen J. Heyman, Natalie I. Koether, Donald N. Langenberg, Paul F. Miller, Jr., John B. Neff, Russell E. Palmer, John N. Reardon, Sara S. Scni, Saul P. Steinberg, and Myles H. Tanenbaum.

III. **Report of the President**

A. **Commonwealth Appropriation.** President Hackney reported that the University was awaiting the results of the legislative conference process in Harrisburg that would begin to determine whether and how much of the University's Commonwealth appropriation would be restored. Whether or not the appropriation was restored, however, the fiscal year 1993 budget, based on the worst-case scenario of no fund restoration, would be implemented as proposed. He observed that while the budget contains "some pain," it was the result of team work marked by a cooperative spirit and had been well received by the campus community. Most important, he stressed, was that the budget protects the academic core of the University and the people of Penn. If the worst happens, the University can therefore make realistic and well thought-out adjustments, while if the University's appropriations are restored, the Commonwealth funds would continue to enrich Penn's educational offerings and enhance its flexibility.

President Hackney reported that recent meetings with state legislators suggested that both the legislators and the Governor understand the importance and appropriateness of state support to Penn and to private higher education generally, even if driven to this budget by the state's extraordinary fiscal situation. He also noted the great value of the many letters of support from friends and alumni throughout the state to legislators and editors. He thanked all who had taken the time to write on Penn's behalf and encouraged everyone to continue to write, noting that these letters do make an impression in Harrisburg.

As a final comment on the Commonwealth negotiations, President Hackney reported that he had undertaken a series of meetings with members of the University community to share his perspective on the University's current challenges and future prospects given the budgetary uncertainties. He had met in April with the Faculty Senate and then, joined by Executive Vice President Marna Whittington and Vice President for Human Resources Bill Holland, had met
with several hundred professional and support staff in the A-1, A-3 and Librarians Assemblies. He was enheartened at these meetings, he said, by the wide-spread understanding of the difficult fiscal circumstances Penn faces.

2. **Rodney King Verdict.** Dr. Hackney also reported on the campus reaction to events in Los Angeles following the Rodney King verdict: this potentially dangerous and disruptive situation had been handled by all concerned with seriousness, tact and decency. Instead of dividing the community, it had brought the community together in common commitment to each other. Many members of the community, he noted, had gone out of their way to express their appreciation for the tone and rapidity of the University's responses to these events, reinforcing his sense that "we have somehow managed to navigate through very troubled waters to a relatively peaceful, if temporary, harbor as we end the academic year." He thanked all the members of the University community, and student leaders in particular, for contributing to that achievement.

3. **Center for Community Partnerships.** Finally, President Hackney announced the appointment of Dr. Ira Harkavy, Vice Dean of the School of Arts and Sciences, as the University's first Director of its new Center for Community Partnerships. The formation of the Center, which he had announced during the 250th year, will create a permanent anchor for the university-based research and programs that have made community service an integral part of Penn's teaching and research mission. Dr. Harkavy, he noted, has been a local and national leader in these efforts for the past decade and will make Penn a national model for the kind of "practical idealism" that unites Penn and its community. He noted further that the center will foster both the ability for and the inclination to civic action, both of which are such important Penn traditions.

**B. Academic Report - Provost Alken**

1. **International Activities.** Provost Alken began by noting that the University had been gratified by the contents of the report of the ad hoc committee on internationalization and expressed his pleasure at the establishment of a permanent Trustee Standing Committee on Internationalization. He reported that the University was in a take-off stage, with many new international opportunities opening up for both students and faculty. He offered several examples of the exciting current activities:

   - An agreement of cooperation had been signed with Yonsei University in Seoul, Korea, from which he had just returned; the Wharton School, he noted, was nearing exchange of papers with Yonsei to establish a similar agreement.

   - A possible summer internship program with Seoul National University, the most prestigious university in Korea, was being explored. This program would complement the exchange arrangement for fourth-year students recently completed between the School of Dental Medicine and that university's dental school.
- An agreement of cooperation with St. Petersburg University was discussed on the provost’s trip to Russia this past spring.

- As a first step under an agreement of cooperation between Penn’s School of Medicine and St. Petersburg First Medical Institute which will create a program similar to the one Penn now has with the Russian National Medical University in Moscow, two Russian medical students were being invited to Penn for a two-month clerkship this summer.

- Penn has expanded its exchange with the University of Leuven in Belgium, with which it has long enjoyed a cooperative relationship, to include undergraduate students.

- Penn will next summer offer an undergraduate study-abroad program in Prague.

- The Wharton School has established with the University of Tokyo a cultural and business immersion program for MBA students and has also expanded its undergraduate student exchange with Hitotsubashi University in Japan.

- The University is considering the possibility of cooperative activities between Tsukuba University in Japan.

- A delegation of undergraduate deans recently was in Seville, Spain to explore the possibility of establishing additional undergraduate study opportunities there that would serve the curricular objectives of undergraduates in Wharton, Nursing and SAS. Spanish, Provost Aiken noted, is now the most popular foreign language for study in all of the undergraduate schools. The University already has a cooperative agreement with Complutense University in Madrid, and the School of Nursing has established a semester-long study-abroad program there; similar arrangements have been made by Wharton with Pontifical University and by SAS with Seville University.

Finally, Provost Aiken noted, he would be visiting the University of London and the University of Paris in July to continue negotiations with those two institutions. All in all, there was a great blossoming of international activity in the schools, among faculty and among students.

**French Institute for Culture and Technology.** Relatedly, Provost Aiken reported with pleasure the establishment of the French Institute for Culture and Technology at Penn, to be directed by Professor Emeritus Frank Bowman. This experimental program marked the first time the French government has ever made a financial contribution to the establishment of an institute for French studies in the United States. The provost noted the University’s appreciation for the gifts from the Gould Foundation and Mr. Leonard Lauder which had facilitated the establishment of the Institute.
**Deans.** The provost then reported that the search for a dean for the School of Social Work continued and that Prof. Peter Vaughan, currently Associate Dean in the School of Social Work, has agreed to serve as Acting Dean of the School of Social Work until a new dean is in place. Additionally, Dean Marvin Lazerson of the Graduate School of Education has requested a two-month leave of absence, from September 1st to October 31st, to devote full-time to research and writing. Associate Dean Michael Tierney has agreed to serve as Acting Dean of the School during Dean Lazerson’s absence.

**Judicial Systems.** The provost then reported on the University’s review of the Undergraduate Judicial System and Code of Academic Integrity. Three years ago a committee was established to review the Code of Academic Integrity for Undergraduates, the Student Judicial System and the Guidelines on Open Expression. The faculties of the four undergraduate schools have now approved the proposed revised Student Judicial System and Code of Academic Integrity, and these will become effective on July 1, 1992. A number of graduate and professional schools have also adopted the codes or some portion thereof. The provost expressed the University’s hope and belief that these codes would lead to a smoother process for handling the delicate and difficult issues that arise under them.

The University has also established a faculty committee to review the University’s Just Cause Procedures and to recommend possible changes that would allow for the prompt resolution of charges, while providing proper due process and the protection of academic freedom. The Committee will attempt to integrate and clarify the University’s various disciplinary procedures and ensure that the University’s procedures are in keeping with the challenges the University will face over the next decade.

**Faculty Honors.** The provost announced with pleasure honors recently bestowed on five faculty members. Prof. Daniel Janzen (Biology) was selected a member of the National Academy of Sciences, and the Institute of Medicine of the National Academy of Sciences selected three Penn faculty as new members: Dr. Robert Austrian, the John Herr Musser Emeritus Professor and chairman of research medicine; Dr. Clyde Barker, the John Rhea Barton Professor of Surgery; and Dr. Britton Chance, the Eldridge Reeves Johnson Emeritus University Professor of Biophysics and Physical Chemistry. Finally, Prof. Amos Smith, Chair of the Chemistry Department, was elected a recipient of a Senior U.S. Scientist Award given by the Alexander von Humboldt Foundation in recognition of his past achievements in research.

**Deputy Provost Richard Clelland.** The provost concluded his report by noting that this was the last meeting of the Trustees that Dr. Richard Clelland, who was retiring this year, would be attending in his official capacity as Deputy Provost. Prof. Walter Wales will assume that position on July 1st. Provost Aiken lauded the outstanding job Dr. Clelland had done and spoke for the entire University in stating how much he would be missed. Dr. Clelland acknowledged the warm applause he was accorded by noting how much he had enjoyed his 39 years with the University.
2. **Action.** A Resolution on Appointments, Leaves, and Promotions was approved as found on pages 1 through 31 in the meeting book.

3. **Action.** A Resolution on the Harold G. Scheie-Nina Mackall Research Professorship was approved as follows:

   **Intention:**

   By a January 21, 1983 Resolution of the Board of Trustees, certain monies received from the Paul Mackall and Evanina Evans Mackall Trust were used to establish an endowed professorship to be known as "The Harold G. Scheie Research Professorship in Ophthalmology." It is now the desire of the trustees of the Mackall Trust and the Scheie family that the name of the chair be changed so that it shall also honor Nina C. Mackall, who established the Mackall Trust under her will.

   RESOLVED, that the professorship formerly known as "The Harold G. Scheie Research Professorship in Ophthalmology" shall be known in the future as "The Harold G. Scheie-Nina C. Mackall Research Professorship in Ophthalmology."

4. **Profile of the Class of '96.** Dean Stetson reported that applications for places in the Class of '96 had numbered approximately 12,500, a 27% increase over the prior year. The large number of applications gave Penn an opportunity to be very selective in choosing this class. The admit rate was 39%, a healthy decrease from the 47% of the prior year. The yield—those who accepted offers out of those who were admitted—dropped from 50% to 48%, but Dean Stetson observed that this was predictable given the large increase in applications. It is evidence that Penn is in a select group of very popular schools. Seven hundred and eight of the freshmen came from the early decision group, an increase of 50 over last year of students actually choosing Penn as a first choice.

   Geographically, all states are represented but Mississippi and Montana, and Admissions will work on attracting students from those states next year. Demographically, 33% of the freshmen are students of color, a significant increase from 30% last year. There are 150 African-American students, up from 112 last year. Forty-three percent are female and 10% are of international background, with 50 countries represented, some for the first time in recent memory: Romania, Czechoslovakia, Poland, New Guinea and Sierra Leone.

   Twelve percent of the students are from families of alumni of the University, and the yield for alumni admissions was almost 70%, an increase over last year’s 63%. The publicity over the Mayor’s Scholarship issue and some celebrated University efforts brought 88 students from the city itself, compared to 59 last year. Dean Stetson noted that there was more work to be done in this regard and that efforts would be increased in the years ahead.
Dean Stetson reported that this was another very special class, not only in the classroom but beyond in the students' activities and involvements. He took special pleasure in citing a few of the extraordinary students in the class: an aspiring scientist who is also a glass blower, a Romanian freedom fighter, an engineer who is a gold-medalist in table tennis, a world recordholder in track, an Olympic gold medalist from the People's Republic of China here to study physics, and (a first, to his knowledge) a student from a Navajo reservation in New Mexico. In short, Dean Stetson concluded, it is a very special group whom he hoped the Trustees would get to know over the next four years.

C. Financial Report - Dr. Whittington

Dr. Marna Whittington reported that as of May 31st Penn continued to project a general University unrestricted surplus of $25,000. In the unrestricted performance, positive factors were graduate tuition, summer and special tuition, special program and fee revenue, indirect cost recovery on sponsored program funds, general University annual giving and savings in salary and utility expense. The negative factors were indirect cost recovery on other restricted funds, other income, principally sales revenue, non-guaranteed student aid expense, general University tuition and several other expense categories, including a reserve for potential loss of the Commonwealth appropriation. At the school/center level, the Graduate School of Education is projected to have a net surplus of $1.4 million. All other schools and centers are projected at break-even performance. With regard to restricted performance, endowment and grant and contract expenditures increased by 8.2% and 10.1%, respectively. Conversely, gift fund expenditures decreased by 5.4%. The Hospital of the University of Pennsylvania had an excess of revenue over expenses at March 31, 1992 of $42,572,000, which was $20,663,000 better than budget. For the Clinical Practices the statements for March 31, 1992 showed an excess of revenue over expenses of $9,072,000, which was $3,750,000 better than budget. The Educational Development Fund balances showed a net increase of $1,723,000 for the same period. Dr. Whittington stated that at this point Penn was reasonably certain that it would complete fiscal year 1992 with a balanced performance.

D. Presentation of the Operating Budget for FY93 - Golding

Mr. Golding presented the fiscal 1993 Consolidated Operating Budget for the University, including the Health Services area, which totalled $1.521 billion in expenditures, an increase of 11% over the fiscal 1992 projection. He noted that it embodied the goals enunciated in his original presentation in March 1992:

- Maintaining competitive faculty salaries. The salary pool will increase by 4.5%, and the provost has set aside $1 million in subvention funds for faculty salary reserve. These funds were not provided last year due to the Commonwealth appropriation problems experienced in 1992.

- Continued support for the Campaign for Penn.
Continued support for campus security. He noted that the cost of escort service, which is now close to $1 million, is for the first time being allocated to the schools.

Increasing graduate fellowships funding, which had been kept constant last year, by $500,000.

As part of the Commonwealth-related adjustments, drawing down the account balance in the undergraduate initiatives fund in order to maintain that fund.

Maintaining a significant emphasis in the budget on the research infrastructure, allowing sufficient funds for both assistants and facilities.

Reducing the increase in tuition rate while maintaining need-blind admissions.

Protecting the academic core, faculty, staff and students even while removing $18 million from the Operating Budget.

Mr. Golding stressed that removing the $37.6 million Commonwealth funding from the budget would be achieved over a multi-year period rather than in one year. He stated that the $63.166 million budgeted deficit was represented by three components, as follows:

1) $19.549 million related to operating deficits of (i) the Veterinary School, which, in view of the $16.6 million cut in its Commonwealth appropriation, was being allowed to budget a deficit for fiscal 1993; and (ii) $3 million in the General University Resource Pool earmarked for undergraduate financial aid committed before the Governor's budget was announced.

2) $11.984 million related to the conversion of HUP and CPUP budgets to conform to Generally Accepted Accounting Principles for Universities; and

3) $31.633 million related to the transfers of HUP and CPUP accumulated surpluses to support the Medical School's Capital and Operating Programs. The HUP and CPUP combined budgets will increase 20.4%, compared to the growth in the schools of 3.9%. (If the transfers for capital projects to the School of Medicine are excluded and the impact of presenting the HUP and CPUP budgets according to GAAP for universities is ignored, the budget growth for HUP and CPUP combined becomes 2.3%.)

Mr. Golding then reported on revenue trends, noting that these reflected the loss of the $37.6 million Commonwealth appropriation. Investment income showed an increase of 9.2%, which increase was directly attributable to the effectiveness of the Campaign in raising new endowment. Gifts were projected to increase at 8.7% for fiscal 1993. Sponsored research was projected to increase by $9.6 million, or 5.5%, and revenues from tuition by $16 million, or 6.1%. 

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HUP revenue figures were attributable to the methodology employed for budgeting third-party payments. Third-party reimbursements had totalled $25 million in fiscal 1992, but since reimbursement rates were currently being negotiated for fiscal 1993, these were not being projected, so that the budget would reflect a conservative position. Adjusted for conservatively-estimated reimbursements, the HUP budget would show projected growth of 5.8%. Mr. Golding noted the significant projected gains over operating expenses for fiscal 1993 of $52.6 million. These, he said, are the resources being deposited to their fund balance to be used to support the capital program described above.

In uncapped numbers, an overall revenue growth of 6.3% was projected for CPUP, primarily due to increases in fees and activity, the latter increasing at 6%. The CPUP budget was expected to increase at 10%, consisting of an increase of 9.2% in personnel costs (5.4% in increases and 3.8% in the additional incremental increase in staff); other expenses would increase about 4%. CPUP was increasing by 7% its investment in research and education programs, and so would end up with $6.6 million in assets and revenues over expenses.

Mr. Golding reported that the adjustment for the loss of the $41.194 million requested Commonwealth appropriation was the most critical part of the budget. Only $900,000 of this amount had been for new initiatives (for the Veterinary School). Current projections were therefore for a deficit of $19.59 million. Remaining resource cuts would be made at the Dental School ($1.067 million) and the Medical School ($4.596 million) and in general University resources, which will be reduced by cutting general University support for the schools. Four and a half million dollars will be cut from administrative overhead, and some strategic investments previously planned for fiscal 1993 will be eliminated.

Mr. Golding explained that it was important to understand certain other revenue trends:

- a continued decline in the rate of increase of unrestricted revenues;
- a decrease in the indirect cost recovery rate (62.5% this year against 65% the prior year);
- the tuition increase of 5.9%, the lowest percentage increase since 1974;
- investment income on the temporary investments fund showing a slight decrease from the prior year due to declining interest rates.

On the positive side, restricted revenue is expected to increase 3.1% and in fact would show an increase of 5.2% were it not for the $5.8 million transfer from Medicine's restricted budget to its unrestricted budget as a result of the proposed loss of Commonwealth funding. The two primary budget factors were the Campaign and sponsored research. The latter continued to increase both in the number and dollar amount of grants awarded even after 1990, its high-water-mark year for growth. In 1990, sponsored research revenues were $211.7 million, while
$246.7 million was projected to be available for fiscal 1992 at the close of the year. Among the Schools, Medicine, SAS, Veterinary Medicine and Nursing were leading in growth in this area.

Importantly, Mr. Golding noted that Penn’s low tuition increase rate would put the University in an excellent strategic position should the Commonwealth not reinstate its funds, with room left for some future growth even while maintaining the trend of lowering Penn’s rate of increase.

Finally, Mr. Golding directed the Trustees’ attention to the seeming deficit between the Educational and General Expenditure budget for fiscal 1993 of $792 million and the revenue base of $772 million, explaining that while there was some increase in the portion of this Fund expended by the Schools, the bulk of the difference related to transfers of funds for capital programs at the School of Medicine.

IV. Committee Reports

A. Academic Policy - Dr. Langenberg

Dr. Langenberg reported that the Academic Policy Committee had met that morning and heard presentations from Dean Gerrity and his colleagues at the Wharton School on curricular changes at that School. The changes were significant and exciting, he noted, both at the undergraduate level and at the graduate level. He observed that the evidence would support the assertion that Wharton has seized the lead among American business schools in curricular reform. This, he said, would redound to the credit of Wharton and the University in years to come.

B. Audit - Mr. Dorrance

Mr. Dorrance reported that the Audit Committee had met the day before with representatives of Coopers & Lybrand and received a preliminary report on the 1992 audit, which was posing no special problems. The Committee had also discussed with the representatives the role of internal auditors, which, he noted, the Committee had always considered to have a very important effect on the finances of the University. He remarked that considerable progress had been made in ensuring that the audit staff is large enough to encompass all of the activities that it should be carrying on pursuant to the guidelines for internal control formulated in 1988.

C. Budget and Finance - Mr. Fox

Mr. Fox reported that the Budget and Finance Committee had discussed and approved 17 resolutions (pp. 44-60 of the meeting book), all of which he recommended to the
Trustees for approval. He described each resolution in turn, taking the first six as a group. Mr. Shoemaker noted that the resolutions will be recorded as action by the Executive Committee of the Trustees. Upon motion duly made and seconded, the resolutions were approved as follows:

1. **Action.** A Resolution on the Operating Budget of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

   **Intention:**

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the University of Pennsylvania for Fiscal Year 1993 and recommends its approval.

   RESOLVED, that the operating budget for the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

2. **Action.** A Resolution on the Operating Budget of the Hospital of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

   **Intention:**

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1993 and recommends its approval. This budget was previously approved by the Executive Committee of the Trustee Board of the Medical Center.

   RESOLVED, that the operating budget for the Hospital of the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

3. **Action.** A Resolution on the Operating Budget of the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

   **Intention:**

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 and recommends its approval. This budget was previously approved by the Executive Committee of the Trustee Board of the Medical Center.

   RESOLVED, that the operating budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.
4. **Action.** A Resolution on the Capital Budget of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

Intention:

The Trustee Budget and Finance Committee for the University of Pennsylvania has reviewed the capital budget proposed for Fiscal Year 1993 and recommends its approval.

RESOLVED, that the capital budget for the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

5. **Action.** A Resolution on the Capital Budget of the Hospital of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

Intention:

The Trustee Budget and Finance Committee has reviewed the capital budget proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1993 and recommends its approval. This budget was previously approved by the Executive Committee of the Trustee Board of the Medical Center.

RESOLVED, that the capital budget for the Hospital of the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

6. **Action.** A Resolution on the Capital Budget of the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 was approved as follows:

Intention:

The Trustee Budget and Finance Committee has reviewed the capital budget proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 and recommends its approval. This budget was previously approved by the Executive Committee of the Trustee Board of the Medical Center and is for the Health Services component of Clinical Practices capital expenditures only; the Educational and Research components of Clinical Practices capital expenditures are reflected in the University’s Capital Budget.

RESOLVED, that the capital budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1993 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.
7. **Action.** A Resolution on the Renovation of the First and Second Floors, Stemmler Hall, for Teaching Laboratories and Classrooms, School of Medicine was approved as follows:

**Intention:**

In order to respond to changing curriculum needs and provide modern educational facilities, the School of Medicine proposes to renovate approximately 10,544 net square feet on the first and second floors of Stemmler Hall. The renovations will provide the School with modern educational facilities and will permit the School to convert existing teaching laboratories in the Johnson Pavilion to research laboratories. The architectural and engineering fees for this project were approved by the Trustees on January 23, 1992.

This project was included in the Capital Budget for Fiscal Year 1992. The total project cost, based on bids, is estimated to be $2,945,540 and will be funded by the School of Medicine.

RESOLVED, that the renovation to the teaching space on the first and second floors of Stemmler Hall, estimated to cost $2,945,540, be and the same hereby is approved and that the Executive 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 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.

8. **Action.** A Resolution on the University's Guarantee of up to $14,000,000 of Loans of University City Associates, Inc. was approved as follows:

**Intention:**

University City Associates, Inc. ("UCA") desires to borrow up to $14,000,000 from two lenders to repay existing indebtedness in favor of The Trustees of the University of Pennsylvania (the "University") and Mellon Bank, N.A. ("Mellon"), in order to lower its costs of funds, extend the maturity dates of its indebtedness and for other corporate purposes. In that regard, UCA has received oral commitments from National Westminster Bank NJ (the "Bank") for $5,000,000, and Morgan Guaranty Trust Company of New York ("Morgan"), acting in a fiduciary capacity, for $9,000,000. The loan from the Bank is to mature seven years after date, provide for payment of all principal at maturity and bear interest at a fixed rate to be determined at or immediately prior to closing based upon the Bank's cost of funds plus 80 points. The Morgan loan is to
mature ten years after date, provide for payment of all principal at maturity and
bear interest at a variable rate based upon short-term taxable money market rates.

UCA has requested that the University execute one or more guaranty agreements
guaranteeing UCA's obligations to repay the loans to reduce UCA's interest costs;
and the Administration recommends favorable action in connection therewith.

RESOLVED, that the Trustees of the University hereby approve the University's
guaranty of the loans by the Bank and Morgan to UCA, pursuant to one or more
guaranty agreements, provided that the total amount of UCA's borrowing to
which the guarantees relate shall not exceed $14,000,000 plus the interest and
other charges payable thereon;

FURTHER RESOLVED, that the Executive Vice President, Vice President for
Finance, and the Treasurer be and any one of them is hereby authorized and
empowered to approve the form, conditions and terms of the guaranty agreements
and to execute and deliver on behalf of the University any such documents, such
execution and delivery to be conclusive evidence of approval thereof by the
officer executing them;

FURTHER RESOLVED, that the Secretary, Associate Secretary, and any
Assistant Secretary be and any one of them is hereby authorized and empowered
to attest the corporate seal to any document executed and delivered in connection
with such guaranty on behalf of the University; and

FURTHER RESOLVED, that the Executive Vice President, Vice President for
Finance, and the Treasurer be and any one of them is hereby authorized and
empowered to take any action or to do anything that shall be necessary to carry
out the intent and purpose of this resolution.

9. Action. A Resolution on the Sale of 138 South Peach Street, Philadelphia,
Pennsylvania was approved as follows:

Intention:

In March 1990, the University acquired a property and improvements thereon
located at 138 South Peach Street, Philadelphia, Pennsylvania (the "Property") for
a purchase price of $7,500. Since its acquisition, the Property has been
rehabilitated and renovated by University students participating in the Dynamics
of Organization Renovation Project.

The renovation of the Property being complete, the University has received an
offer to purchase the Property for $41,000. The purchase price of the Property
will enable the University to recover its investment in the acquisition and renovation of the Property.

RESOLVED, that the Executive Vice President or any other appropriate officers of the University be and they hereby are authorized to proceed with the sale and conveyance of the said Property for a purchase price of $41,000, and 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 that any actions heretofore taken by such officers in furtherance of the purposes of this resolution are hereby ratified and affirmed.

10. Action. A Resolution on the Sale of 427 North Market Street, Opelousas, Louisiana was approved as follows:

Intention:

In July 1987, the University received as a gift for the Department of Anesthesiology a one and three-quarter acre property, operating as a Bed and Breakfast Inn, located at 427 North Market Street in Opelousas, Louisiana (the "Property"). At the time of the gift, the donor suggested that the Bed and Breakfast operation could be continued profitably and that a future sale of the Property would provide more funds. With the concurrence of the Department of Anesthesiology, the Bed and Breakfast operation was maintained. Market conditions, however, proved adverse and after an accumulated deficit, the Bed and Breakfast operation was closed in June 1988. Since that time, adverse market conditions have also hindered the University's ability to sell the Property. Previous offers to purchase the Property were received in 1989 and 1991 and acceptance approved by the Trustees, but the buyers were later unable to complete the purchase.

The University has recently received an offer to purchase the property for $66,000, contingent upon the buyer's ability to obtain financing.

RESOLVED, that the Executive Vice President or any other appropriate officers of the University be and they hereby are authorized to proceed with the sale and conveyance of the said Property for a purchase price of $66,000, and 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 that any actions heretofore taken by such officers in furtherance of the purposes of this resolution are hereby ratified and affirmed.

11. Action. A Resolution on the Renovation and Construction of an Addition to 3400 Walnut Street for the History of Art Department, School of Arts and Sciences, was approved as follows:
Intention:

The University intends to renovate and construct an addition to the building at 3400 Walnut Street for the use of the History of Art Department, School of Arts and Sciences. In October 1991, the Trustees approved $335,000 for project design documentation fees. The renovated building with the addition will be 13,000 gross square feet and will house classrooms, seminar rooms, departmental and faculty offices and graduate student lounge and work spaces.

Construction bids have been received and the University requests approval to proceed with the project. Construction is to be completed in the summer of 1993. The new building will be called the Elliot and Roslyn Jaffe History of Art Building.

This project is included in the Capital Budget for Fiscal Year 1993 and is estimated to cost $3,298,700. Funds will be provided by gifts and other funds of the School of Arts and Sciences.

RESOLVED, that the renovation and construction of an addition to 3400 Walnut Street, the building to be known as the Elliot and Roslyn Jaffe History of Art Building, estimated to cost $3,298,700, be and the same hereby is approved and the Executive Vice President or other appropriate officers of the University be and they hereby are authorized to take such action, proceed with such construction, execute such contracts, and incur such expenses and obligations -- not, however, substantially in excess of the estimated cost of such construction as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

12. Action. A Resolution on the University's Guarantee of up to $35,000,000 in Student Loans was approved as follows:

Intention:

In 1986, the Trustees approved the creation of a contingent liability of up to $1 million for the purpose of guaranteeing loans granted to students in graduate and professional programs. Individual schools were to provide a reserve for loan losses of 15% of the outstanding loans and absorb losses in excess of the reserve. Defaults under the present program have amounted to only 7% of loans made. The program having proven successful and advantageous, the Administration proposes to increase the amount of loans and the contingent liability to $10 million over five years.

In addition, the Administration proposes that the University undertake a loan guarantee program for undergraduate students in order to satisfy an increasing
need to provide loan funds to financially aided students. It is estimated that up to $25 million will be needed over the next five years for this purpose. This demand can be met by using currently available student loan funds as reserves for potential loan losses and enlisting the Pennsylvania Higher Education Assistance Agency to make and service the needed loans. In this manner, the amount actually available for lending increases substantially from the amount currently available. Historical experience indicates that a reserve of 10% of outstanding loans would be sufficient to cover losses. These requirements are available from existing loan fund sources. The administration proposes to establish a contingent liability of up to $25,000,000 over a five year period for this undergraduate loan program.

RESOLVED, that the Executive Vice President, Vice President for Finance, Associate Vice President for Finance and the Treasurer be and any one of them is hereby authorized and empowered to approve the form, conditions and terms of the guaranty agreements of up to $10,000,000 for loans to graduate and professional students and up to $25,000,000 for loans to undergraduate students, and to execute and deliver on behalf of the University any such documents, such execution and delivery to be conclusive evidence of approval thereof by the officer executing them.

13. Action. A Resolution on the Electrical Renovation of the Penn Tower Garage was approved as follows:

Intention:

The University intends to undertake electrical renovations to the parking garage located adjacent to the Penn Tower (Garage #36). The scope of the project will be to replace corroded conduit, deteriorated wiring, and inefficient fixtures throughout the garage. This project will correct serious electrical deficiencies inherent in this garage that was constructed in 1974. It will also result in reduced energy consumption costs by the replacement of fluorescent fixtures with high pressure sodium fixtures.

Construction bids have been received and the University requests approval to proceed with the project. Construction is to be completed during the summer of 1992.

This project is included in the Capital Budget for Fiscal Year 1993 and the estimated cost is $430,000. Funds are available in the FY 1993 Penn Tower Garage Operating Account to fund this project.
RESOLVED, that the electrical renovation to the Penn Tower Garage, estimated to cost $430,000, be and the same hereby is approved and that the Executive Vice President or other appropriate officers of the University be and they hereby are authorized to take any 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 renovation as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purpose of this resolution.

14. **Action.** A Resolution on the Structural Renovation of the 32nd and South Street Garage was approved as follows:

**Intention:**

The University intends to complete the structural renovation of the parking garage located at 32nd and South Streets (Garage #7). This is the final phase of a project begun in Fiscal Year 1988 to correct serious structural deficiencies inherent in this garage which was constructed in 1971.

Construction bids have been received and the University requests approval to proceed with the project. Construction is to be completed during the summer of 1992.

This project is included in the Capital Budget for Fiscal Year 1993 and the estimated cost is $430,000. Funds are available in the Parking Building Account to fund this project.

RESOLVED, that the structural renovation to the 32nd and South Street Garage, estimated to cost $430,000, be and the same hereby is approved and that the Executive Vice President or other appropriate officers of the University be and they hereby are authorized to take any 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 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 Installation/Replacement of Telephone Conduit and Cabling was approved as follows:

**Intention:**

The University intends to complete conduit and cabling work to establish new rate demarcation points (RDP's) that will facilitate the direct feed of telephone cable from the Bell of Pennsylvania central office to various sectors of campus. This
transition is taking place as the cabling to various sectors of campus becomes inadequate, and will result in substantial future economies by reducing the length of wire pulls. Sectors to be addressed in Fiscal Year 1992 and Fiscal Year 1993 include quadrant #1 (Stiteler, Annenberg, Faculty Club, etc), quadrant #2 (Penn Tower, University Museum), the LRSM/32nd and Walnut garage quadrant and the Medical School complex. Construction bids have been received and the University requests approval to proceed with the project. Construction on the Medical School complex is to begin during the summer of 1992, with the remaining quadrants to be completed later in the fiscal year.

This project is included in the Capital Budget for Fiscal Year 1993 and the estimated cost is $360,000. Funds are available in the Fiscal Year 1992 and Fiscal Year 1993 Telephone Service budget.

RESOLVED, that the establishment of RDP's and associated telephone cabling and conduit work, estimated to cost $360,000, be and the same hereby is approved and that the Executive Vice President or other appropriate officers of the University be and they hereby are authorized to take any 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.

16. Action. A Resolution on the Renovation of 3940 Spruce Street was approved as follows:

Intention:

The University is the owner of the property at 3940 Spruce Street, now occupied by the Alpha Epsilon Pi Fraternity, subject to a reversionary interest held by the Penngam Alumni Corporation. The Penngam Alumni Corporation has agreed to release their reversionary interest in exchange for $258,000 (based on a formula in the existing Dormitory Agreement), the execution of a revised Dormitory Agreement (for a term of twenty-nine years with three five-year renewal options at the University's discretion), and the University's assistance in obtaining financing for a renovation of the building.

Pending the completion and signing of the revised Dormitory Agreement, the Administration wishes to proceed with a renovation of the property estimated to cost $718,000. The renovation includes sealing the building envelope, replacing windows, converting the heating system to gas, increasing electrical service, general repairs and painting.
Funding for the project will come from the University's payment of $258,000; gifts on hand and Alpha Epsilon Pi reserves totaling $95,000; and a loan to Penngam Alumni Corporation from National Westminster Bank, guaranteed by the University for $365,000.

RESOLVED, that the renovation of 3940 Spruce Street, estimated to cost $718,000, be and the same hereby is approved and that the Executive 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 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 University’s Guarantee of a $365,000 Loan to the Penngam Alumni Corporation was approved as follows:

**Intention:**

To assist the Penngam Alumni Corporation (Alpha Epsilon Pi Fraternity) in financing a renovation of 3940 Spruce Street, the University intends to guarantee a loan from National Westminster Bank in the amount of $365,000. The University’s guarantee will enable Penngam to obtain favorable financing.

RESOLVED, that the Executive Vice President, Vice President for Finance or Treasurer of the University be and the same hereby are authorized to execute and deliver such documents and to take such actions as are required to effect the University’s guarantee of a $365,000 loan from National Westminster Bank to Penngam Alumni Corporation.

**D. External Affairs - Mr. Lauder**

Mr. Lauder noted that the External Affairs Committee had enjoyed a very interesting meeting the day before. After a stimulating report from Dr. John W. Gould, Executive Director of the Office of the President, and Dr. Ira Harkavy, the new Director of the Center for Community Partnerships, there had been spirited discussion on Penn's commitment to the community as a whole. The Committee suggested, based on this discussion, that in his welcoming comments to the entering Class of 1996 President Hackney encourage the entire class to participate actively in community efforts. The Committee had then received a very interesting report from Dean Stetson on the reasons behind Penn's 27% increase in applications this year. Mr. Lauder commended the 13-year effort this increase represented to broaden the constituency of the University, to make it more of a national and international university.
E. Development - Mr. Miller

Mr. Miller reported that just 60% of the way into the five-year Campaign, 80% of its goal had been achieved, with $800 million out of $1 billion raised. He recalled that in the earliest planning stages for the Campaign $800 million had been the goal, and that this was only raised to $1 billion in view of the generous gifts of Trustees and others to the nucleus fund.

To date 111 chairs have been fully endowed, which, while short of the difficult goal of 150, still means Penn has had more chairs endowed than any other university has in any campaign in this country. He also noted that the response to the Lauder-Young Alumni Challenge, particularly in number of donors, had been terrific. He reported that the Campaign was behind in some areas, but said that while these require work, the problem areas have been identified. After careful review of an analysis of where the Campaign stands, the Committee was optimistic that it would meet its goal.

F. Facilities and Campus Planning - Mr. Tanenbaum

Mr. Tanenbaum reported that the principal business before the committee was the proposed "swing space" building for the Hospital. There had been healthy discussion at the meeting and valuable input from the members, concerning the materials to be used in this building, which should be a hundred-year-life building. Subject to consideration of the modifications they had proposed, the committee approved the building as it was presented.

The second item before the Committee was a presentation by Dr. Zemsky on the status of the Campus Master Planning framework. After discussion it was agreed that the Committee would meet on July 16th for a full-day meeting to work with Dr. Zemsky further and provide input in regard to the Campus Plan.

G. Student Life - Dr. Chisum

Dr. Chisum reported that the entire agenda of the Student Life Committee's meeting the day before had been devoted to a review of the status of the Campus Center Plan on which work had been commenced five years ago when attention was called to the need for a new campus center which would serve the University into the 20th century as well as Houston Hall has done for the past century. The Committee had received a status report from Kohn Pederson and Fox, the architects who had been engaged two years ago to develop those plans. The report was well received, and it is anticipated that the next phases of the development will begin shortly after some refinement of these plans and that construction will begin approximately a year from now, with completion approximately two years after that (summer/fall 1995). The new campus center will be a major addition both programmatically and aesthetically to Penn's campus, she concluded.
II. University Responsibility - Mr. Heyman

Mr. Heyman reported that the Committee had been briefed at its meeting on the effect of the University's affirmative action program on the hiring, retention and promotion of faculty and staff and recruitment of graduate students. Dr. Richard Clelland, Deputy Provost, and Ms. Patricia Wilson, his executive assistant, had provided information on the hiring and promotion of female and minority members of the standing faculty. During the last five years the most dramatic increase of women faculty occurred in the School of Medicine, with the number of women in other schools increasing more modestly. The number of African-American faculty had declined slightly during the last academic year but is expected to return to previous levels by the beginning of next year. On a promising note, four African-American faculty had received tenure this year. The Committee discussed the need for aggressive recruitment of minority and female candidates. Several members recommended that the University implement a process to determine why some faculty leave Penn and some candidates decline job offers from Penn. Prof. Janice Madden, the Vice Provost for Graduate Education, presented to the Committee statistics on minority and female representation in the University doctoral programs which indicated that while the number of minority Ph.D. candidates remains small, recent efforts to attract candidates by increasing financial aid packages have met with success. Dr. Allen V. Green, director of the African-American Resource Center, outlined many programs designed to recruit and retain students of color, including those that provided students with academic mentors that offer in-depth research opportunities and career counseling. Finally, Joanne Mitchell, director of the Office of Affirmative Action, provided information about women and minority non-faculty employees, an area where the University gets very good marks except for in skilled crafts, where special efforts are now being made to enhance the representation.

I. Investment Board - Mr. Neff

1. Mr. Neff directed the meeting's attention to the Investment Report that had been provided. He noted that the Associated Investment Fund ("AIF" or the "Fund") had a total market value of about $870 million at June 10, 1992, which, taken with the $61 million of Separately Invested Funds, brought these funds to over $930 million. He observed that because the market was starting to labor, prospects for increasing the Fund to $1 billion were not bright at present. He further noted that common stock participation remained at 47%, as compared to 58% at the end of 1979, evidencing a "somewhat wary, if not cautious, position." Mr. Neff felt that at this moment the economy was enjoying a modest recovery, with the GNP up 2.5% in the first quarter, and characterized this growth as "solid and probably sustaining," with housing and the automotive industries, especially light-duty trucking, leading this trend.

Inflation remained bothersome, he noted; of the various estimates generally being used, ranging from 3-4%, Mr. Neff felt 4% was closest to the mark. He observed that happily the market seemed to be discounting the lower estimates and operating on an assumption of 4% inflation. With the market's decline over the past few days, the University was beginning to buy two additional stocks, broadening its generally undiversified portfolio, which has been
concentrated essentially in basic commodities cyclical, largely financial intermediaries (banks, multi-line insurance and thrifts). It had recently built natural gas up to 9% of its assets. With the market opportunities on the horizon, the common stock percentage would be increased more aggressively over time.

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, effective July 1, 1992 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, Jr., Samuel M.V. Hamilton, Adolph B. Kurz, Robert P. Levy, Paul F. Miller, Jr., F. Stanton Moyer, John B. Neff (chairman), Wesley A. Stanger, Jr., Myles H. Tanenbaum, Frederick J. Warren, Richard B. Worley and D. Robert Yarnall, Jr.

J. Medical Center - Mrs. Catherwood

1. Mrs. Catherwood reported that the administration of the Medical Center and the Trustee Board continue to devote a great deal of planning and thought to the Master Site and Facilities Planning process, including the swing space building that represents one half of the Medical Center’s capital budget coming up for this next year. The Committee is also devoting a great deal of time to the health services program strategic planning process and will receive more information on both of those planning processes in the months ahead.

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


V. Overseer and Other Boards

A. University Museum - Action. Mr. Mainwaring explained that Trustee approval of the resolution printed on page 63 of the meeting book was required so that the Museum could comply with a request it had received from two Alaskan Indian tribes for repatriation of remains in the Museum’s possession. Accordingly, the Resolution on the Repatriation of Native American Human Remains and Associated Grave Artifacts was approved as follows:

Intention:
The Native American Graves Protection and Repatriation Act (the "Act"), Public Law 101-601, was enacted by Congress on November 16, 1990. Among the Act's requirements is that museums holding Native American human remains and associated funerary objects, as defined by the Act, compile an inventory of such items, on or before November 16, 1995, in consultation with Native American tribes, and to the extent possible, identify the geographical and cultural affiliation of such items. If cultural affiliation is established, as defined under the Act, the Museum is to notify the affected tribe, and upon request by a known lineal descendant of the tribe, the Museum is to return expeditiously such human remains and associated funerary objects.

The University Museum holds in its collections items that may be identified as human remains or associated funerary objects, and is currently in the process of compiling the inventory required by the Act. The Museum has pending requests from the Kenaitze and Chugach tribes for the return of any of their tribes' human remains and associated funerary objects held by the University Museum. For so long as the Act is in existence, The University Museum wishes to repatriate those requested human remains and associated funerary objects to which it holds title and which fall within the requirements of the Act, as such Act may be amended from time to time, to the two tribes which have made such requests, and to such other tribes as may make such requests in the future. The Board of Overseers of the Museum has approved such repatriation.

RESOLVED, that the Director of The University Museum, or his designees, be and are hereby authorized to take such actions as are required to repatriate to the appropriate representatives of Native American tribes, upon their request, those Native American human remains and associated funerary objects determined by an inventory compiled by The University Museum to have a cultural affiliation with the tribe, all the foregoing in accordance with the requirements of the Native American Graves Protection and Repatriation Act, as such Act may be amended from time to time, for so long as such Act is in existence.

Mr. Mainwaring noted that the year just passed was the tenth year of Dr. Dyson's directorship of the Museum, which had been marked by tremendous achievements, and that 1992 in particular had been a banner year for the Museum, with a balanced budget, the return of the Museum's crystal ball, and the award of the NEA Gold Medal for the Gift of Birds exhibition catalog. The School is in the middle of its five-year plan, the end of which would also mark the end of Mr. Dyson's term (although he has expressed interest in remaining beyond normal retirement age). Looking forward, it has established a committee charged with identifying a vision for the Museum for the year 2000. The Committee will oversee the formulation of a strategic plan on which all Museum department heads will be asked to collaborate.

B. SAS - Action. A Resolution on an Appointment to the Board of Overseers of the School of Arts and Sciences was approved as follows:
RESOLVED, that Robert W. Cort be appointed to the Board of Overseers of the School of Arts and Sciences for a three-year term, effective July 1, 1992.

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

RESOLVED, that Stephen G. Perry, William H. Rackoff and John J. Wise be appointed to the Board of Overseers of the School of Engineering and Applied Science for three-year terms, effective July 1, 1992.

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

RESOLVED, that Lawrence J. Fox, A. Gilchrist Sparks and Mark M. Weinstein be appointed to the Board of Overseers of the Law School for three-year terms, effective July 1, 1992.

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

RESOLVED, that Bernard E. Anderson, Roland C. Baker, Julia O. Barnes, Carol Ware Gates, Hannah L. Henderson, Jeffrey S. Levitt and Georgia Robins Sadler be appointed to the Board of Overseers of the School of Nursing for three-year terms, effective July 1, 1992.

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

RESOLVED, that Robert Paley Levy be appointed to the Board of Overseers of the School of Veterinary Medicine for a three-year term, effective June 19, 1992.

G. A Resolution on an Appointment to the Athletic Advisory Board was approved as follows:

RESOLVED, that W. Joseph Blood be appointed to the Athletic Board of Advisors for a three-year term, effective July 1, 1992.

H. A Resolution on an Appointment to the Advisory Board of the Institute of Contemporary Art was approved as follows:

RESOLVED, that Linda Seale Baron be appointed to the Advisory Board of the Institute of Contemporary Art for a three-year term, effective July 1, 1992.
There being no other business to come before the meeting, it was adjourned.

Respectfully submitted,

[Signature]

Barbara R. Stevens
Vice President and
Secretary of the University