Trustees of the University of Pennsylvania
Minutes of the Stated Meeting
June 10, 1994


I. Call to Order

A. Invocation. Rev. Stanley Johnson offered the invocation for the meeting.

B. Minutes. The Minutes of the Trustees’ Stated Meeting held January 21, 1994, were approved as written by the Secretary.

II. Chairman's Report

A. Report of Nominating Committee

1. Action. Mr. Shoemaker introduced the following resolutions, which were approved upon motion duly made and seconded:

RESOLVED, that James L. Vincent be elected a term trustee of the University for a five-year term beginning June 10, 1994.

RESOLVED, that Stephen A. Wynn be elected a term trustee of the University for a five-year term beginning June 10, 1994.

Messrs. Vincent and Wynn received warm applause of welcome as they took their places at the table.

2. Action. A Resolution on the Reappointment of Carol B. Einiger, Natalie I. Koether and Richard B. Worley as Term Trustees was approved as follows:

B. Resignations from Board of Trustees

1. Action. Mr. Shoemaker reported that Jon M. Huntsman had submitted his resignation from the Board of Trustees since family business commitments and recuperation make attendance at the Board’s meetings difficult. Mr. Shoemaker noted that while Mr. Huntsman will be missed on the board, he is expected to stay in close touch with the trustees and to remain active with the Wharton School. A Resolution of Appreciation for Mr. Huntsman was approved as follows:

The University of Pennsylvania takes enormous pride in the accomplishments of Jon M. Huntsman (W'59), who has been one of Penn’s--and the nation’s--leading citizens. His career exemplifies all that it is possible to accomplish when one is determined, hard-working, and possessed of vision and commitment.

The son of a Blackfoot, Idaho teacher, he grew up in a two-room house, working after-school jobs to help out while his father earned his doctorate at Stanford University. A star student and athlete, he was recruited by Harold Zellerbach to the Wharton School. After serving as a U.S. Navy Gunnery officer, he became an executive with Olson Farms Inc., and then Special Assistant to President Nixon and White House Staff Secretary, before founding in 1970 what would become the Huntsman group of companies.

Letting his career be guided by his commitment to his family and to the Church of Latter-Day Saints, Mr. Huntsman chose to locate his corporate offices in Salt Lake City and served the Church for three years in Washington, D.C. Equally dedicated to higher education and research, he founded the Huntsman Center for Global Competition and Leadership at Penn. He and Mrs. Huntsman also founded the Huntsman Center for Environmental Research at Utah State University, and his family has given a large gift to the University of Utah for a cancer research center. He has received numerous awards for his exceptional civic services and received Armenia’s Medal of Honor for his efforts in rebuilding that country following the 1988 earthquake. Mr. Huntsman has been a trustee of the University since 1987 and is an Overseer of the Wharton School.

As Penn’s Baccalaureate speaker in 1992, Mr. Huntsman told the graduates that education teaches us that we must achieve “wholeness and harmony and unity in everything we do.” Mr. Huntsman himself is the best possible example for our students of this ethic.

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 enduring gratitude to Jon M. Huntsman for his distinguished service, and they look forward to his continued counsel over many years.

2. Mr. Shoemaker also reported that he had just received the resignation of the Hon. A. Leon Higginbotham, Jr., a trustee for 27 years, who reports that his current schedule is simply overwhelming. A resolution of appreciation for Judge Higginbotham was passed at the time he
was appointed to the faculty of the Law School and had to resign as Charter trustee. He was at that time designated Emeritus trustee. He was reappointed as Charter trustee as of July 1, 1993, when he moved to New York and became Of Counsel with the Paul, Weiss firm. Mr. Shoemaker noted that while the Trustees will of course miss him on the Board, Judge Higginbotham hopes to continue to be of assistance on those projects with which the University might require his help.

C. Appreciation for Interim President Fagin and Interim Provost Lazerson

3. Action. A Resolution of Appreciation for Claire M. Fagin was approved as follows:

The Trustees of the University of Pennsylvania asked Claire Fagin to lead the University for a year pending the appointment of a new president, believing that the skills and enthusiasm that had served her well in two terms as dean of the School of Nursing would enable her to have a significant impact on the entire University. They were right.

In only twelve months, she changed the atmosphere at Penn from one of fragmentation to one of community. Stressing the importance of communication, she encouraged dialogue and civil and reasoned discourse. Students, faculty, and staff recognized anew their common goals and aspirations.

She has earned the respect and affection of students who appreciate her frankness and her obvious delight in their company. At any University gathering where students were present, they gave her center stage. As a former dean, she brought with her an understanding of faculty concerns that endeared her to Penn's teacher-scholars. And as a leader of innate charm and elegance, she has been an extraordinary representative of the University and an eloquent advocate for higher education.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the Overseers, administration, faculty, students, and alumni of the University, convey their thanks to Claire Fagin for her outstanding leadership, forthright decisionmaking, and charisma. We applaud her willingness to take on all challenges wherever she found them. We look forward to many years of continued collaboration and friendship. Her tenure may have been brief, but her legacy will endure.

4. Action. A Resolution of Appreciation for Marvin Lazerson was approved as follows:

Marvin Lazerson has been a student of higher education for his entire professional career. Coming to the deanship of Penn’s Graduate School of Education from Harvard in 1987, he brought with him a distinguished reputation as a teacher. Under his leadership, he also brought the School out of the red and well into the
black financially, increasing the endowment threefold. He has built a Board of Overseers that includes prestigious leaders from the field, encouraged and strengthened the faculty, and added to the number of endowed chairs. Among these new chairs is one particularly notable legacy to the School, the Constance Clayton Chair in Urban Education, which was achieved through the tireless joint efforts of Marvin and the chair of the School’s Board of Overseers, Gloria Twine Chisum.

A gifted administrator, the consummate educator and a beloved individual, his patience, skills in listening, and problem solving gave the School a common understanding of itself, its mission, and its place within the University as a whole. The fact that he did all of this with humor, humility, and good sense is why he was chosen to be Interim Provost, a role he has held with distinction for the past year. Working with Interim President Claire Fagin, he has been half of a team that has been appreciated for its warmth, style, and candor, as well as for its formidable achievements.

Marvin returns now to the life of scholar and mountain-climber. Having leapt high administrative hurdles, he will attain even greater heights in his research and teaching for decades to come. All of higher education will be richer for it.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the Overseers, administration, faculty, students and alumni of the University, convey their thanks to Marvin Lazerson for his service, for his relentless questioning, for his high expectations of those around him. We know that he will continue to bring glory and recognition to Penn.

5. Action. Mrs. Catherwood introduced a Resolution on the Reelection of Alvin V. Shoemaker as Chairman of the Trustees, which 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 July 1, 1994.

6. Action. A Resolution on the Reelection of Susan W. Catherwood and Gloria T. Chisum as Vice Chairmen of the Trustees was approved as follows:

RESOLVED, that Susan W. Catherwood and Gloria T. Chisum be reelected vice chairmen of the Trustees of the University of Pennsylvania for one-year terms, effective July 1, 1994.

7. 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, 1994: Susan W. Catherwood, Gloria Twine Chisum, Robert A. Fox, Stephen J. Heyman, Natalie I. Koether, Donald N. Langenberg, Paul F.
III. President's Report - Dr. Fagin, Interim President

A. Comments

Dr. Fagin began her remarks by noting that this would be her last Trustee meeting as Interim President. She thanked the Trustees for their support, dedication, and the intelligence and compassion they had brought to their work with herself and Interim Provost Lazerson, and for joining with her and Dr. Lazerson to achieve the goals of strengthening the Penn community and putting educational values at the top of Penn’s agenda.

Dr. Fagin recalled that at the start of this academic year, she and Dr. Lazerson had said they wanted to clear the deck of as many difficult issues as possible so that the new administration would have the advantage of a relatively “clean slate.” She reported that they believe that with the Trustees’ help they had done that and much more. The specific controversies of last spring are largely behind Penn. A new direction for the handling of student conduct, speech and civility issues has been crafted, and she will shortly promulgate a new Code of Student Conduct, based on the student-faculty committee’s recommendation. A new Judicial Charter and a new Code of Academic Integrity will come forward next fall out of the same student-faculty process.

Meanwhile, she said, there has been great and rapid progress on across-the-board implementation of the recommendations of the Commission on Strengthening the Community, and the work of this extraordinary Commission should be a major resource for Penn in the months and years ahead.

In other areas, there is now a realistic and doable plan for construction of the Revlon Center. Her administration has moved aggressively to further the diversification of Locust Walk; constructively examined the arrangements under which ROTC operates at Penn; and extended employee benefits to same-sex domestic partners; begun an important series of long-range discussions about the future shape of undergraduate education at Penn, about improving student services, about the important role of the residences in our living-learning environment, and about Penn’s relations with the City and with West Philadelphia. The Town Meetings Drs. Fagin and Lazerson held and the Firing Line programs taped at Penn have made the University a place known for its openness, spiritedness, and civility of discourse on controversial issues.

All of this, Dr. Fagin said, gives her--and, she was pleased to note based on comments the trustees had made over the past few days-- the trustees great confidence about Penn’s future. She added that she will be proud to be part of that future as she returns to the faculty, all the more so because the past year has seen a new spirit of partnership between the administration and the faculty and deans. This is yet one more manifestation of the most important change in the Penn family this year: it has come together as a community to discuss and wrestle with its problems.

A year ago, Dr. Fagin observed, she had told you the trustees that the Penn family had become dysfunctional. Today, she said, the family is healthy and functional, which is what she
had promised her interim administration would try to achieve this year. She concluded by noting her pleasure and pride in having been a part of that progress.

**B. Academic Report - Dr. Lazerson, Interim Provost**

1. Comments

   **Accreditation.** Dr. Lazerson reported that the University will be undergoing an accreditation review next spring by the Middle States Association that will focus on undergraduate education. Dr. William C. Richardson, President of Johns Hopkins University, will chair the evaluation committee; his co-chair will be Tom Burish, Provost at Vanderbilt University. Dr. Lazerson noted how fortunate Penn is to have these two individuals heading this committee.

   **Religious Studies.** As had been previously reported, in January, School of Arts and Sciences Dean Rosemary Stevens requested that her original recommendation to close the Department of Religious Studies be deferred pending further discussions with the faculty in that School. She subsequently named a Faculty Task Force to consider how best to strengthen the study of religion in the School of Arts and Sciences. She received their report at the conclusion of the spring semester. The report will be studied and discussed over the course of the summer, but at this juncture Dr. Lazerson could say that the School does not anticipate closing this department. It will instead focus on the best ways to strengthen religious studies within the School’s curricula and programs.

   **College of Arts and Sciences.** As part of continuing efforts to highlight the centrality of the College of Arts and Sciences to Penn, Dr. Lazerson reported that the University is in process of relocating the College into the Houston Hall space currently occupied by the Office of the Vice Provost for University Life. That office will move to temporary space on Locust Walk before finally being relocated in the Mellon Building space that is being vacated by the College. Dr. Lazerson called it a major move to have the undergraduate College right in center of campus, where it belongs.

   **Conclusion.** Dr. Lazerson said he wanted to echo Dr. Fagin’s thanks for the trustees’ wonderful support over the past year. He said that this an exhilarating moment on campus, which no one would have thought possible a year ago. The campus is booming, he said, and “it has been a treat to have been part of this process.”

2. Action. The Resolution on Appointments, Leaves, and Promotions provided at pp. 10-24 of the meeting book was approved.

3. Admissions Report - Dean Stetson

Dean Stetson reported that the past year has been Penn’s most successful year in admissions in terms of the quality of the entering Class of 1998 and also in terms of the number of applicants in the pool. Applications rose this year by 11%, to over 13,700. Many other institutions of Penn’s stature have also enjoyed a good year, but Penn’s increase is still slightly ahead of the other schools’.
The entering class is expected to number 2,365, one hundred fewer than last year. This estimate is the current projection based on the anticipated number of admits who will withdraw in the coming weeks as part of the summer “melt” period. It is not expected that it will be necessary to use the wait list to fill the class. The admit rate dropped from 42% to 36% this year, a step in the right direction and one which will certainly help in some of Penn’s rankings and ratings. The yield—that is, those who accepted admissions offers—is just under 50% compared to a national average yield of 28-30%. The applicant pool was the strongest that Penn has seen on all measures academically: in class rankings, the quality of the students’ curriculum and their performance on standardized tests.

Geographically, the class is as diverse as ever, with all states except Wyoming and the Dakotas represented, although a higher interest level in the east and northeast is reflected. This is a good sign, Dean Stetson said, since higher admissions from this area solidify Penn’s base. Pennsylvania continues to send the most students to Penn, and Philadelphia continues to be an area of focus, through the Mayor’s Scholarship program and other efforts. The number of admissions from Philadelphia is growing slowly now, but Dean Stetson expects greater increases in the years ahead.

Forty-eight percent of the entering students are women, compared to 39-40% not too many years ago and 44% last year, and 9% are of international background. One third of the students were admitted under the early decision option, and Admissions continues to encourage students to select this option. The class is measurably stronger academically, scoring some 4 points higher on the SAT, and is also stronger in high school preparation.

Penn’s Admissions officers continued to travel jointly with Duke and Georgetown, and are also now doing traveling with Harvard. Penn expects to reach 10,000 prospective students, parents and guidance counselors in its travel with those three schools next fall, which will be augmented with other travel.

Dean Stetson concluded by highlighting a few of the entering class’s students: a young woman from Fairbanks, Alaska who has designed a swimming pool especially suited for teaching village children from the Arctic, where there is a high incidence of drowning, how to swim; a young man from Cleveland, matriculated in the Wharton School, who has been investing in the stock market since he was 12 years old and whose profits are paying for his entire education; and a young man from Czechoslovakia who not only is an accomplished triathlete but has also performed extensive research on chaos theory.

C. Financial Report - Ms. Hale

Ms. Hale reported that as of April 30, 1993, the University is projecting an unrestricted University surplus of $25,000. This is after the budgeted, discretionary allocation to the Research Fund of $1.3 million and the budgeted, mandated Graduate Hospital deficit amortization of $97,000.
On the unrestricted side, positive factors are graduate tuition, summer and special tuition, indirect cost recovery, and savings in salary, direct centers’ current expense, graduate student aid expense and utility expense. Negative factors are sales revenue, gift income, special program and fee revenue, General University tuition, temporary investment fund income and several other expense categories.

As to unrestricted performance at the schools and centers, the Annenberg Center is projected with a deficit of $225,000. The Graduate School of Education is projected with a net surplus of $100,000 and the School of Social Work with a net surplus of $250,000. All other schools and centers are projected at breakeven performance.

On the restricted side, gift and grant and contract fund expenditures increased by 11.1%, 12.7% and 6.8%, respectively. The amount available at April 30, 1994, for grant and contract expenditures is 5.4% more than at April 30, 1993. Months of expendable awards are 1.2% less than at April 30, 1993.

Statements for the Hospital of the University and the Clinical Practices of the University are for the ten months ended April 30, 1994. HUP’s excess of revenue over expenses was $50.2 million better than budget and CPUP’s was $379,000 better than budget for that period.

D. Health System - Dr. Kelley

Health System Implementation. Reviewing the Health System’s progress made over the past year, Dr. Kelley reported that eight senior executives have been brought in to help in the implementation process: Dr. Risa Lavizzo-Mourey, an associate dean who will have responsibility for coordinating and implementing health services research relating to Clinical Care Associates; Dr. Joel Eisner, an associate dean who will be responsible for identifying and recruiting primary care physicians in the region; Dr. Paul Rogers, who will be medical director of CCA; John C.S. Kepner, Esq., who is responsible for the administrative direction of CCA; Martha Marsh, who is responsible for running the managed care organization that will be implemented next year; Leslie Dingler, who will be responsible for implementing the management services organization to be implemented next year; Sarah Dugan, Esq., chief counsel for the Health System; and Don Snell, the new chief operating officer for the Hospital. These eight important additions will be critical to the Health System as implementation continues, Dr. Kelley said.

E. Fiscal 1995 Budget - Mr. Hoyle

Mr. Hoyle reported that the budget presented for the University for FY95 totals $1.817 billion. Of the major revenue and expenditure lines within the budget, Tuition and Fees shows a 6.1% increase from FY94. This increase, he noted, is being driven by increases in the tuition and fee rates approved for next year and also by small increases in the undergraduate class size, as well as anticipated increases in some of the graduate and professional schools.

Commonwealth Appropriation. The Commonwealth Appropriation is being increased by the recommended appropriation for the University for next year, and includes subsidies for the General Instruction line as well as for the Schools of Veterinary Medicine, Dental Medicine and
Indirect cost recoveries are growing by 10%, driven by the increase in the University’s research program (primarily in the School of Medicine, which is anticipating indirect cost recoveries to increase about 13% for next year.

**Other Income.** All other income is growing by about 11%, with most of this increase relating to two areas: on the investment side, the Annenberg gift of $120 million is driving a significant increase in the University’s investment income line; the second factor is transfers to the School of Medicine in support of its operating budget. The total Health System revenue line is increasing by about 6.1% for next year.

**Expenditures.** With respect to expenditures, the compensation budget is growing at just over 10%, driven by several factors. The University had a salary pool of about 3.5% for next year for continuing staff and faculty, however, in several of the schools deans have planned on increasing the faculty size by some degree and in other cases have anticipated providing salary funds to meet competitiveness issues for their faculty.

**Deferred Maintenance.** The deferred maintenance line shows an increase of about 9.8%. In proposing this amount the University is attempting to restore funds that were removed in 1993 when the University lost 50% of its Commonwealth Appropriation. Over the next few years the University intends to increase this line significantly as it begins reinvesting funds back into the deferred maintenance program.

**Student Aid.** The 7.3% increase for student aid is being driven largely by the cost of undergraduate financial aid, which is growing by about 9.2%; on the positive side of this, however, Mr. Hoyle noted that this 9.2% increase is lower than the nearly 15% increase this past year and lower than the 12% increase two years ago. The University is working hard to continue to decrease this rate of growth, but in part the increase has been driven by the increase in the size of the undergraduate body over the past year or two.

**Transfers.** Inter-Health System transfers are being budgeted to go down about 8.6% and will total about $59.5 million next year. These represent transfers from the Health System to the School of Medicine in support of the School’s capital program.

**Health System.** A breakdown of the budget would show that one single component, the schools, represents the largest portion of the budget, at 40%. However, when combined, the three major components of the Health System—HUP, CPUP and CCA—comprise about 42% of the budget. These areas have grown significantly over the past few years, and particularly as CCA continues to grow, this group is expected to continue to increase in size relative to the rest of the University. HUP continues to show strong revenue and expenditure growth going into the next few years, to support the major initiatives Dr. Kelley has outlined for them. CPUP is also expected to show continued strong performance. Mr. Hoyle noted that one of the factors driving the slight reduction in gains from the clinical operations are transfers for CPUP’s malpractice reserve for next year.

**Summary.** Excluding the Health System budget, the University budget totals $1.048 billion. The amount of the transfer portion within this $1.048 billion has been increased over the
past several years as the capital program in the School of Medicine has continued to grow. On the expenditure side, compensation again is the largest part of the budget, and expenditure proportions have not changed significantly over past few years.

IV. Committee Reports

A. Audit - Mr. Riepe

Mr. Riepe reported that at its meeting the prior day, the Audit Committee reviewed Coopers & Lybrand’s preliminary audit work for the University, the Hospital, Clinical Care Associates and the Clinical Practices. The Committee also heard a report from the internal audit group and a status report on the work of the Accountability Task Force, which is moving along well. Finally, it approved charters for both the Audit Committee and an Audit Subcommittee within the Health System Trustee Board.

B. Academic Policy - Dr. Amodei

Dr. Amodei reported on the meeting of the Academic Policy Committee held the prior day, which he had chaired in Dr. Langenberg’s absence. The meeting was primarily devoted to update reports on a variety of subjects that were either discussed or acted upon in previous meetings.

Dr. Gregory Farrington, Dean of the School of Engineering and Applied Science, gave a progress report on the subject of education in the digital age, which had been discussed at length in an earlier meeting of the Committee and documented in a paper that was distributed to all the Trustees. Dean Farrington again stressed that the revolution in computers and telecommunications will lead to major changes in three key areas in education: how professors teach, who is taught and how education is delivered. A committee has been formed, including representatives from all relevant areas of the University, and has been meeting regularly and enthusiastically. Specific areas where progress has been made include the shooting of an introductory videotape that will be made available to interested people in the University and that will explain the technology program and how people can take advantage of it. Substantive discussions toward a cooperative venture with Penguin Classics are well underway relating to CD-Rolm publishing of books. Discussions with Bell Atlantic about joint ventures and possible support are also proceeding very well. Also, Mr. Mainwaring reported to the Committee that the University Museum has been invited to serve as the North American gateway to a multinational organization, RAMA, that has established electronic storage and remote access to museum archives in the European Union. MUSEE (Museums Universally Supporting Education and Entertainment) will represent the University of Pennsylvania Museum in its negotiations with the Ashmolean Museum at Oxford, which will negotiate for RAMA. A successful project could put Penn in the forefront of an exciting new teaching and revenue producing scheme.

The Committee also received an update from Dr. Lazerson on the departmental realignments in the School of Arts and Sciences. As Dr. Lazerson reported earlier in this meeting, the Department of Religious Studies has been removed from the list of departments to be closed, and ways to strengthen it are now under consideration. The Department of Astronomy has been
merged with the Department of Physics, and an effort is underway to create a strong Astrophysics research group by bringing on board a world-renowned scientist from another university. The Departments of American Civilization and Regional Sciences were closed, and most of the associated faculty reassignments have now been implemented. The Committee endorsed the suggestion made by Dr. Lazerson that procedures and criteria be established for departmental closings that can help in the objective planning, review and implementation of these actions when they are required in the future.

Finally, the Committee discussed generally issues relating to the quality of undergraduate education and methods of independent assessment of their quality.

C. **Budget and Finance - Mr. Fox**

Mr. Fox introduced the following resolutions, which Mr. Shoemaker noted would be recorded as Executive Committee actions:

1. **Action.** A Resolution on the Operating Budget of the University of Pennsylvania for Fiscal Year 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the University of Pennsylvania for Fiscal Year 1995 and recommends its approval.

   RESOLVED, that the operating budget for the University of Pennsylvania for Fiscal Year 1995 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 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1995 and recommends its approval. This budget was previously approved by the Health System Trustee Board Executive Committee.

   RESOLVED, that the operating budget for the Hospital of the University of Pennsylvania for Fiscal Year 1995 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 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1995 and recommends its approval. This budget was previously approved by the Health System Trustee Board Executive Committee.
RESOLVED, that the operating budget for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1995 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

4. **Action.** A Resolution on the Operating Budget of Clinical Care Associates for Fiscal Year 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed the operating budget proposed for Clinical Care Associates for Fiscal Year 1995 and recommends its approval. This budget was previously approved by the Health System Trustee Board Executive Committee.

   RESOLVED, that the operating budget for Clinical Care Associates for Fiscal Year 1995 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

5. **Action.** A Resolution on Capital Budget Expenditure Items for the Hospital of the University of Pennsylvania for Fiscal Year 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed capital budget expenditure items proposed for the Hospital of the University of Pennsylvania for Fiscal Year 1995, at an estimated cost of $55,869,500 (including $2,280,000 for Clinical Care Associates), and recommends their approval for expenditure. These expenditures were previously approved by the Health System Trustee Board Executive Committee.

   RESOLVED, that itemized capital budget expenditures, estimated to cost $55,869,500, for the Hospital of the University of Pennsylvania for Fiscal Year 1995 recommended by the Trustee Budget and Finance Committee be and the same hereby are approved.

6. **Action.** A Resolution on Capital Budget Authorization for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1995 was approved as follows:

   The Trustee Budget and Finance Committee has reviewed the capital budget authorization proposed for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1995 and recommends its approval. This budget authorization was previously approved by the Health System Trustee Board Executive Committee.

   RESOLVED, that the capital budget authorization for the Clinical Practices of the University of Pennsylvania for Fiscal Year 1995 recommended by the Trustee Budget and Finance Committee be and the same hereby is approved.

7. **Action.** A Resolution on Capital Budget Expenditure Items for Clinical Care Associates for Fiscal Year 1995 was approved as follows:
The Trustee Budget and Finance Committee has reviewed capital budget expenditure items proposed for Clinical Care Associates for Fiscal Year 1995, at an estimated cost of $2,820,000, and recommends their approval for expenditure. These expenditures were previously approved by the Health System Trustee Board Executive Committee.

RESOLVED, that itemized capital budget expenditures, estimated to cost $2,820,000, for Clinical Care Associates for Fiscal Year 1995 recommended by the Trustee Budget and Finance Committee be and the same hereby are approved.

8. Action. A Resolution on the Establishment of a Quasi-Endowment Fund for the Benefit of the Health System was approved as follows:

The Administration recommends the establishment of a fund of $200 million for the benefit of the Health System and which has been designated as quasi-endowment, i.e., a fund functioning as endowment. Funding will occur prior to June 30, 1994. It is the present intention of the Health System that with respect to this fund, all income earned and capital gains realized shall be used for Hospital purposes. The $200 million quasi-endowment principal may be expended only for such purposes as are approved by the Health System Trustees and the University Trustees.

RESOLVED, that the University Trustees do hereby approve the establishment of a $200 million quasi-endowment fund for the benefit of the Health System, from which all income earned and capital gains realized shall be used for Hospital purposes.

9. Action. A Resolution on the Acquisition of Medical Arts, P.C. was approved as follows:

Management of Clinical Care Associates of the University of Pennsylvania Health System ("CCA") proposes to cause CCA to acquire Medical Arts, P.C., a physician family medicine practice in Bucks County, Pennsylvania.

The Board of CCA and the Trustees of the University of Pennsylvania, as sole member of CCA, have adopted a Primary Care Practice Acquisition Approval Process establishing a policy on the required approval process for primary care physician practice acquisitions by CCA. In accordance with such policy, the acquisition of Medical Arts, P.C. requires approval of the CCA Board, the University of Pennsylvania Health System Trustee Board Executive Committee, the Budget and Finance Committee of the University of Pennsylvania Trustee Board, and the Executive Committee of the University of Pennsylvania Trustee Board. The CCA Board and the University of Pennsylvania Health System Trustee Executive Board Committee have approved the acquisition.
RESOLVED, that CCA is hereby authorized to acquire Medical Arts, P.C., in accordance with the Primary Care Practice Acquisition Approval Process, and to negotiate, execute, deliver and perform definitive agreements regarding such transaction, with such additional terms and changes as the Senior Executive and the Network Executive and each of them considers appropriate and in the best interest of CCA; and

FURTHER RESOLVED, that the Senior Executive and the Network Executive and each of them is hereby authorized, in the name and on the behalf of CCA, to take such further action and to negotiate, execute, deliver and perform such agreements and additional documents, consents, certificates and instruments as such officer may determine to be necessary, appropriate or desirable to carry out the purposes of the foregoing resolutions, such determination to be conclusively evidenced by the taking of such action or the execution of such documents.

10. Action. A Resolution on Primary Care Practice Interim Acquisition Approval Authority was approved as follows:

The University of Pennsylvania Health System ("UPHS") operates an integrated health care delivery system of which Clinical Care Associates ("CCA") is an integral part. CCA is engaged in building a primary care network, including the acquisition of physician practices, in furtherance of the UPHS educational mission.

The Board of CCA and The Trustees of the University of Pennsylvania, as sole member of CCA, have adopted a Primary Care Practice Acquisition Approval Process Policy (the "Acquisition Approval Policy") establishing a policy on the required approval process for the acquisition of primary care practices by CCA. Under this policy, the acquisition of certain practices requires the approval of the CCA Board only, certain acquisitions require the additional approval of the UPHS Trustee Board Executive Committee, and certain other acquisitions also require approval by the Budget and Finance Committee of the University of Pennsylvania Trustee Board and the Executive Committee of the University of Pennsylvania Trustee Board (hereinafter collectively sometimes referred to as the "Other Governing Boards"). In light of the meeting schedule of the Other Governing Boards, it is not feasible to follow the ordinary approval process procedures under the Acquisition Approval Policy during July and August, 1994. However, the CCA Board believes that it is crucial to continue to acquire practices during this time period to advance the important effort of building the CCA physician network. The CCA Board has recommended, and the UPHS Executive Committee has approved, the appointment of an Ad Hoc Primary Care Practice Acquisition Approval Committee (the "Ad Hoc Committee") for this purpose.

RESOLVED, that the Ad Hoc Committee, composed of five Trustees, at least three of whom shall be Trustees on both the UPHS Trustee Board Executive Committee and the Executive Committee of the University of Pennsylvania Trustee Board, and at least two of whom shall be members of the Budget and
Finance Committee of the University of Pennsylvania Trustee Board, be authorized to act on behalf of the Other Governing Boards to approve practice acquisition transactions pursuant to the Acquisition Approval Policy during the July and August, 1994.

FURTHER RESOLVED, that the Ad Hoc Committee be composed of the following five trustees: Susan W. Catherwood, Robert E. Cawthorn and James S. Riepe, all of whom are members of both the UPHS Trustee Board Executive Committee and the Executive Committee of the University of Pennsylvania Trustee Board, and Robert A. Fox and Carol B. Einiger, both of whom are members of the Budget and Finance Committee of the University of Pennsylvania Trustee Board.

FURTHER RESOLVED, that a majority of the trustees appointed to the Ad Hoc Committee shall be necessary to constitute a quorum at any meeting of the Ad Hoc Committee, and that the acts of a majority of the trustees present at a meeting at which a quorum is present shall be the acts of the Ad Hoc Committee.

FURTHER RESOLVED, that acts of the Ad Hoc Committee shall be based on the information provided by senior management of CCA and UPHS, and may be made at a meeting of the Ad Hoc Committee held in person or by telephone conference call in which all trustees participating are able to hear and speak to each other.

FURTHER RESOLVED, that all decisions made by the Ad Hoc Committee shall be reported at the next regularly scheduled meeting of each Other Governing Board that would have had the authority to approve the relevant acquisitions under the Acquisition Approval Policy.

11. **Action.** A Resolution on the Exterior Rehabilitation of Bennett Hall, Phase I was approved as follows:

The University proposes to undertake a phased rehabilitation of the exterior envelope of Bennett Hall. The scope of work of the first phase includes roof replacement and masonry repair on all facades above the elevation of the fourth floor. Phase I is estimated to cost $1,105,000 and will be funded by project funding sources.

RESOLVED, that the exterior rehabilitation of Bennett Hall, Phase I, estimated to cost $1,105,000, 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 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.
12. **Action.** A Resolution on the Renovation of the Third Floor of Leidy Laboratories for the Department of Biology, School of Arts and Sciences, was approved as follows:

The School of Arts and Sciences proposes to renovate approximately 1,780 net square feet of space on the third floor of Leidy Laboratories to provide modern research laboratory facilities for the Department of Biology. The project is estimated to cost $592,000 and will be funded by project funding sources.

RESOLVED, that the renovation of the third floor of Leidy Laboratories, estimated to cost $592,000, 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.

13. **Action.** A Resolution on the Purchase of 130-32 S. 39th Street, Philadelphia, Pennsylvania was approved as follows:

The University, through Delta Tau Omega Chapter House Corporation, proposes to acquire a four-story building located at 130-32 S. 39th Street, Philadelphia, Pennsylvania (the "Property"). The proposed purchase price is $465,000. The acquisition cost will be funded by project funding sources.

RESOLVED, that the Executive Vice President or any other appropriate officers of the University be and they hereby are authorized to proceed with the purchase of the Property for a purchase price of $465,000 and to proceed with the execution and delivery of a Purchase Agreement as well as all necessary affidavits and other documents required in connection with such purchase, and that any actions heretofore taken by such officers in furtherance of the purposes of this resolution are hereby ratified and affirmed.

14. **Action.** A Resolution Amending Borrowing Resolution of March 18, 1994 was approved as follows:

The Executive Committee of the Trustees of the University of Pennsylvania by resolution adopted March 18, 1994 (the "Borrowing Resolution") authorized the funding of various capital projects listed on Exhibit "A" thereto with the proceeds of up to $120,000,000 of taxable or tax-exempt indebtedness, the terms of which are to be approved by the Bond Ad Hoc Committee. The Administration recommends that Biomedical Research Building I be added to the list of facilities that can be financed pursuant to the Borrowing Resolution.

RESOLVED, that The Trustees of the University of Pennsylvania hereby approve the addition of Biomedical Research Building I to the list of facilities that can be
financed pursuant to the Borrowing Resolution and, except as amended hereto, the Borrowing Resolution shall remain in full force and effect.

15. **Action.** Mr. Fox reported that since the time when Mr. Neff and Miller Anderson & Sherrerd began handling Penn’s endowment fund the fund has increased from $200 million to $1.5 billion, the average return has been 16.1%, and Penn’s performance is tied for first place among all endowments of universities in the country. All of this has been done on a pro bono basis, but because of the size of the endowment and the cost involved it is now time to reconsider this arrangement. The Budget and Finance Committee proposes that endowments be created for each of Mr. Neff and Miller Anderson & Sherrerd. They in turn will be paid reasonable fees and then donate those fees to the specific areas of the University in which they are interested. The Budget and Finance Committee will monitor and evaluate this process. Accordingly, a Resolution on the Establishment of the John B. Neff Endowment Fund and the Miller Anderson & Sherrerd Endowment Fund was approved as follows:

For over fourteen years, the University of Pennsylvania has greatly benefited from the investment management expertise of John B. Neff and Miller Anderson & Sherrerd. During that time, the endowment has grown from $200 million to $1.5 billion. While this growth is due in part to gifts and reinvested income, investment performance has contributed significantly. As an example, total return performance for the Associated Investments Fund for the thirteen years ended June 30, 1993 averaged 16.1% on an annual compounded basis. This ties the University for first place among all endowments in the country for the period. This success has been accomplished without the payment of any investment management fees, which by itself has resulted in substantial savings.

As change in the University’s endowment management is contemplated and an evaluation of future strategies begins, it is appropriate to acknowledge and honor those who have provided such outstanding service. Accordingly, beginning in the next fiscal year, the University will establish endowment funds in honor of John B. Neff and Miller Anderson & Sherrerd. The honorees will determine the purposes of these endowment funds. Endowment amounts will be based on and funded from the same sources as the investment management fees that the University would have paid to external managers.

RESOLVED, that the Trustees approve the establishment of the John B. Neff Endowment Fund and the Miller Anderson & Sherrerd Endowment Fund, which will be funded from the same sources and in an amount equivalent to fees that would be charged for external investment management of the University’s endowment and similar funds, the purposes of which will be determined in the future.

**D. Development** - Mr. Shoemaker

Mr. Shoemaker reported on the Development Committee’s meeting the prior day, which he had chaired in Mr. Miller’s absence. The Campaign for Penn stands just at $1.3 billion,
reaching this revised goal, like the original goal, ahead of schedule. The Campaign books will not be closed until December 31, 1994. Excellent progress continues to be made against the benchmarks: 141 endowed chairs toward the 150-chair goal; 139% of the goal for undergraduate financial aid; and 91% of the goal for Minority Permanence. On behalf of the Development Committee, Mr. Shoemaker expressed appreciation to Claire Fagin for embracing the Campaign for Penn enthusiastically during her tenure in the presidency. “It has made an enormous difference,” he said, “and we are all grateful.”

E. **External Affairs - Mr. Reardon**

In Mr. Lauder’s absence, Mr. Reardon reported on the meeting of the External Affairs Committee held the prior day, which Mr. Lauder had chaired.

The Committee praised Interim President Claire Fagin for her role in turning around Penn’s image in one short year. The Committee also heard reports on the increasing number of Penn media mentions in print and broadcast news, on the greater efficiency being built into Penn’s media outreach program to better deliver Penn’s message to key audiences, and on the redirection of Penn’s public relations program to create a more client-centered service.

The Committee discussed with President-designate Judith Rodin her communication priorities for the new administration. One of those priorities includes her ongoing involvement in federal relations.

Wharton Dean Thomas Gerrity reported on the results, recommendations and implementation of Wharton’s new positioning study. The study concludes that Wharton is currently in a very good position to become known by the rest of the world “as what we already know it to be, the #1 business school in the country,” Mr. Reardon reported.

The Committee concurred that the University’s communication efforts are going a long way to increase the overall visibility of Penn through the highest level of media contacts and mentions. With Interim President Fagin and now with President Rodin, both of whom understand the importance of the University’s image, Penn is meeting the challenge of enhancing its current position of leadership among colleges and universities.

F. **Facilities and Campus Planning - Mr. Crow**

Mr. Crow reported that at its meeting held the prior day, the Facilities and Campus Planning Committee reviewed on a preliminary basis two projects. First it reviewed progress on the Biomedical Research Building II, which was originally going to be built in two different phases but is now anticipated to be built in one phase, with some portions finished and some left unfinished, to allow savings in costs and time. Construction is expected to begin in 1996, and this project will come back to the Trustees for final approval. The Medical Center made the point that it intends aggressively to pursue the hiring of minority contractors on this project, which the Committee believes will be good for both the University and the community.
Second, the Committee reviewed plans for a temporary building for the proposed new professor in Astrophysics mentioned by Dr. Amodei in his report for the Academic Policy Committee. This will be a small building near the David Rittenhouse Laboratory. The Committee commented on these preliminary plans; again, the plans will come back to the Committee for final approval.

G. Internationalization - Mr. Palmer

Mr. Palmer reported that at the meeting of the Committee on Internationalization held that morning, the Committee enjoyed lively discussion on several reports it received.

First, the Committee received a thoughtful progress report from Dr. Roger C. Allen of the School of Arts and Sciences on the language challenge at the University. Asked what one thing the University most needs to be doing in this area, Dr. Allen said that it would be to have all of the undergraduate students utilize in their continuing area of concentration while they go through the University the second language skills they should already have upon admission.

The Committee also heard a report from Dr. Stephen J. Kobrin, the new director of the Joseph H. Lauder Institute of Management and International Studies at the Wharton School. The Lauder Institute has been in existence now for 10 years, and there is wide agreement that it has been a great success. Now, after ten years’ experience, the Institute is reflecting on that experience to see how to be even better.

Finally, the Committee heard a progress report from Dr. Joyce Randolph, Director of International Programs, on the achievement of the academic plan to implement the University’s International Mission. Mr. Palmer reported that the Committee found this document, which summarizes the progress made in this area over the past year in various schools, to be so impressive that they suggested it be sent to all the trustees (see attachment to minutes).

H. Student Life - Ms. Killebrew

Ms. Killebrew reported on the meeting of the Student Life Committee held the prior day, which she had chaired in Dr. Chisum’s absence. The Committee hosted a presentation on the orientation of entering students to the intellectual and community life at Penn. Dr. Valerie Swain-Cade McCoullum, Acting Vice Provost for University Life, and Dr. Larry Moneta, Associate Vice Provost, gave an overview of the many and varied programs offered to incoming students. Some of the academic programs include a four-week pre-freshman program held in August that prepares students for college life. Students attend two core courses in English and Math and then select additional courses from a menu. Individual and group tutoring are available. Social activities are offered on the week ends. There is a mentor program which enhances the experience of first-year students of color, and there are programs such as PennQuest, a five-day Outward Bound-type experience for those students who choose to participate; an orientation program for Penn families; and a week-long program for graduate and professional students. Additionally, the highly successful Penn Reading Project for entering freshmen is now in its third year, and this year the text will be *Einstein’s Dreams* (Alan Simpson, 1993). The Project involves the incoming freshmen in small discussion groups led by faculty members from all the
Schools across the University. While the program is not mandatory, most freshmen do participate.

In addition to the academic programs, there is also a wide variety of social events. For example, for undergraduates, there is a “wild video dance party,” a casino night, a scavenger hunt, a performing arts night and a trip to the Great Adventure amusement park in New Jersey. There are also opportunities to become involved in community service work: Into the Streets has been a very popular volunteer project, as has Habitat for Humanity. Ms. Killebrew reported that the Committee was surprised and very interested in the many orientation programs that are offered.

I. University Responsibility - Mr. Heyman

Mr. Heyman reported that at its meeting held the prior day the Committee on University Responsibility received and discussed three reports: first, a report on minority and female faculty recruiting and retention; second, a report on the administration’s implementation of the recommendations of the Commission on Strengthening the University Community; and third, a report on how Penn is improving its relationship with its neighbors and communities.

On faculty recruiting, Deputy Provost Walter Wales reported that over the past 12 months the number of minority standing faculty members had increased from 163 to 169 and the number of women from 384 to 419. Dr. Wales acknowledged that these gains appear modest but noted that progress in this area can best be measured over a longer period of time: from fiscal 1986 to fiscal 1994, minorities on the standing faculty have increased from 134 to 169 and women from 303 to 419. While recognizing the limiting factors on progress in this area--keen competition for minority faculty members, changes in the laws affecting retirement age and the limited pool from which universities draw--the Committee encourages the University to continue its efforts in this regard.

As to the administration’s implementation of the recommendations of the Commission for Strengthening the University Community, the Committee heard first from Commission Executive Director Rebecca Bushnell on the process by which the Commission had reached its recommendations, and then from Linda Hyatt, Executive Director of the Office of the President, on the procedure by which the Commission’s recommendations will be implemented. The Committee was pleased to hear of the breadth of the Commission’s meetings with campus constituencies, the civility that characterized its meetings with groups across the University, and the high level of the discourse, all of which lays a promising groundwork for the future. It was also pleased with the coordinated and thoughtful response of the administration to the recommendations and the promptness with which the recommendations are being implemented. The Committee on University Responsibility, along with the Committee on Student Life, has been designated to monitor and assist as implementation proceeds.

Finally, with respect to Penn’s efforts to improve its relationship with its neighbors, the Committee heard from John Gould, Vice President and Director of Planning, and Ira Harkavy, Director of Community Partnerships and Assistant to the President, on Penn’s continuing efforts to be a member of, not just in, its community. It was pleased with the initiatives underway to ensure that Penn leads the way in collaborative efforts with corporations and other community
citizens and to better identify Penn’s strategic interests and priorities in its many community-related efforts.

J. Investment Board - Mr. Neff

1. Comments. Mr. Neff reported that since the Trustees were last together, securities markets have been marked by a sharp decline in the bond market, and conversely an increase in interest rates. It is not known whether this increase in interest rates will thwart the moderate economic recovery that is underway. Looking at one of the two biggest ticket consumer items, houses, fixed rate mortgages are at about 8.5%, and adjustable rate mortgages have become more attractive as well. If anything these rates might move down a little as the bond market enjoys mild recovery, and with the current business recovery, this area and the other big-ticket consumer item, automobiles, should continue to do well.

The stock market has not been affected to nearly the same degree as the bond market: the bond market has probably declined some 20% in long-term bond prices from high to low, while the S&P 500 is only down 2% in the year to date and the Dow Jones Industrial Average has decreased 8%. There has, however, been some internal carnage within specific industries. The Investment Board has used this opportunity to increase Penn’s investment position a fair bit. At year-end equities represented 44% of the Associated Investments Fund (AIF), and this portion is now up to 50%. This is still a good bit less than at 12/31/79, when this percentage was 58%. The concentrations on the purchase side were banks and energy. Banks are an area that has enjoyed some recovery, but they are still behind what the Board thinks are fundamentals. Twenty percent of the portfolio is now in banks, and because banks are now overcapitalized and overreserved, the Board thinks dividend growth should be in excess of earnings growth, perhaps in the area of 12-14% for the banks Penn holds.

The Board has also managed to increase the percentage of the AIF invested in other areas: the investment in high yield, or so-called “junk,” bonds, is up to 14%. These investments give a return of about 400 basis points better than long-term government bonds and are comparable in maturity. The Board believes it can “earn the coupon” here, about 11%, which will not look at all bad in the 1990s relative to the alternatives. The “Other” portion of the AIF is now 5%, largely in distressed real estate and distressed junk bonds, and this should grow by a couple of percentage points. In short, the Board has been “doing some tinkering at the edges.”

The NACUBO fiscal year ends on June 30, and for this period through May 31, 1994, the AIF common stocks have had a total return of 13% as compared to 3.9% for the S&P 500. Mr. Neff noted that since December 31, 1979, the AIF common stocks’ annualized total return was 18.6%, compared to 14.9% for the S&P 500, for an edge of about 370 basis points a year. The Board’s goal has always been a 400 basis point edge, but it is still absorbing the poor 1990 experience, which continues to pull the 14-year average down. For now, Mr. Neff reported that investments are “plugging along pretty well.”

2. Action. A Resolution on Appointment of 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, 1994 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 and Richard B. Worley.

K. University Museum - Mr. Mainwaring

Teaching and Research. Mr. Mainwaring summarized for the Trustees a report prepared by the Museum for the administration detailing the teaching and research activities of the eight Museum curators in the School of Arts and Sciences during the 1993-94 academic year. These activities were in addition to the curators’ field projects and collections curatorial duties at the Museum. They taught an average of 2.9 course units each and enrolled 375 students, generating over $750,000 in tuition income. Additionally, five of the eight curators led active excavations in four countries this year and trained Penn students in the process. The curators were also actively involved in dissertation committees, as student advisors, in administrative positions, and on standing SAS committees. These and other contributions of grants and services combine for a total value at $1.479 million; the contribution from SAS in salary support was $546,000.

Capital Campaign. Mr. Mainwaring also presented highlights of the Museum’s development activities, a detailed report of which had been forwarded to the Trustees’ Development Committee:

- As of April 30, 1994, total Campaign gifts and pledges are $22.7 million, 126% of the original goal of $18 million and 103% of the revised goal of $22 million.

- Over $12 million of this amount is for endowments, including fully endowing the directorship and two curatorship chairs. One of these is the Robert H. Dyson Chair in Near Eastern Archaeology in honor of Bob Dyson upon his retirement as Museum Director.

- About 60% of the total was contributed by current or past members of the Board of Overseers. Twenty-one donors contributed over $100,000 each, including four who made gifts in excess of $1 million.

- Numerous projects and programs have been funded through campaign gifts to supplement the Museum’s ongoing operations. The creation of the multiple levels of giving in the Loren Eiseley Society, patterned after the Benjamin Franklin Society, has resulted in substantial increases over pre-campaign levels.

International Fundraising. Mr. Mainwaring reported that Dr. Dyson and Development Officer David Nelson are meeting in Turkey this week to participate in the formal creation of a legal entity there which will be the equivalent of a U.S. charitable foundation. This is the culmination of a year-long effort which started with a spectacular candlelight dinner attended by
Turkish and American government and business leaders last July at Gordion, the site of continuing excavations by the Museum. The foundation will seek funds from business activities in Turkey, which must remain and be spent in that country.

**MUSÉÉ (Museums Universally Supporting Education and Entertainment).** Mr. Mainwaring reported that this independent corporation has just received approval from the IRS as a 501(c)(3) organization. It will represent museums worldwide in dealing with the multimedia in matters related to programming, preservation of archives, and merchandising.

**New Director.** Dr. Jeremy Sabloff, a renowned scholar who has specialized in New World archaeology, particularly of the Maya, has been appointed director of the Museum, commencing July 1, 1994. Dr. Sabloff received his undergraduate degree from Penn in 1964 and his M.A. and Ph.D. degrees from Harvard in 1969. He is currently University Professor at the University of Pittsburgh.

**V. Overseer and Other Boards**

The following resolutions were approved:

RESOLVED, that Juan J. Amodei be appointed Chairman of the Board of Overseers of the School of Engineering and Applied Science, effective June 10, 1994.


RESOLVED, that Marvin Schwartz, Esq. be appointed Emeritus Overseer of the Board of Overseers of the Law School, effective June 10, 1994.

RESOLVED, that Carol Heppenstall be appointed to the Board of Overseers of the University Museum for a three-year term, effective June 10, 1994.

RESOLVED, that Mr. Charles B. Grace, Jr. be reappointed to the Board of Overseers of the University Museum for a three-year term, effective June 10, 1994.

RESOLVED, that David M. Slap be appointed to the Advisory Board of the Institute of Contemporary Art for a three-year term, effective June 10, 1994.

There being no further business to come before the meeting, it was adjourned.

Respectfully submitted,

Barbara R. Stevens
Vice President and Secretary of the University