A Stated Meeting of the Trustees was held on Friday, January 24, 1992 in Hoover Lounge of Vance Hall. Trustees attending included: Juan J. Amodei; Gustave G. Amsterdam; Edward T. Anderson; Walter G. Arader; Gordon S. Bodek; Christopher H. Browne; Susan W. Catherwood; Richard J. Censits; Henry M. Chance; Gloria Twine Chisum; D. Michael Crow; John W. Eckman; Carol B. Einiger; Richard L. Fisher; Robert A. Fox; Joseph B. Glossberg; Sheldon Hackney (ex officio); Stephen J. Heyman; Elsie Sterling Howard; Carl Kaysen; Norma Killebrew; A. Eugene Kohn; Donald N. Langenberg; Robert P. Levy; A. Bruce Mainwaring; Paul F. Miller; Andrea Mitchell; John B. Neff; Russell E. Palmer; Vivian Piasecki; Joseph F. Rascoff; James S. Riepe; Michael R. Sandler; Adele Schaeffer; Sara S. Senior; Alvin V. Shoemaker (chairman); Myles H. Tanenbaum; Richard B. Worley and D. Robert Yarnall. Others present included: Michael Aiken; Richard Clelland; Stephanie Desmon; Jean Dykstra; Karen Gaines; Stephen Glass; Stephen Golding; Constance Goodman; John Gould; Shelley Green; Eileen S. Heron; Jordana Horn; Susan Golden Jacobson; Stanley Johnson; You-Lee Kim; Kim M. Morrisson; Rick Nahm; Allison Rose; Jay Saddlington; Louise Shoemaker; John Shu; Larry Singer; Michael Sirolly; Lee Stetson; Barbara R. Stevens; Duncan Van Dusen; and Marna Whittington.

I. Call to Order

Chairman Shoemaker called the meeting to order. An invocation was offered by the Reverend Stanley Johnson. The minutes of the October 11, 1991 meeting were approved as written by the secretary.

II. Chairman’s Report

Chairman Shoemaker had no report.

B. Action. A Resolution of Appreciation to Robert Paley Levy was approved as follows:

Robert Paley Levy graduated from the College in 1952, continuing a family tradition at the
University of Pennsylvania. Mr. Levy was a varsity tennis player as an undergraduate and as an alumnus has made it possible for thousands of others to participate in and enjoy athletics at the University. He was largely responsible for raising the funds to build the Levy Tennis Pavilion and the synthetic “astroturf” playing surface that transformed Franklin Field from a simple football field into a multi-purpose athletic and recreational facility. Mr. Levy and his family made possible the creation of Blanche Paley Levy Park, which magnificently re-created the heart of Penn’s campus, as well as the Leon Levy Oral Health Building in honor of his father Dr. Leon Levy (Dental ’15) and the Paley Professorship for the dean of the Graduate School of Fine Arts.

Mr. Levy serves as president and chairman of DRT Industries, Inc. He has served as a term trustee of the University for twenty years. He has been a member of the Student Life Committee and chair of its Recreation and Athletics Subcommittee, and a member of the committees on Development, Government and Urban Relations, and Facilities and Campus Planning. Mr. Levy was the founding chairman of the Board of Overseers of the School of Dental Medicine.

RESOLVED, that the Trustees of the University of Pennsylvania, on behalf of themselves, the overseers, the students, the faculty, the alumni, and the administration of the University, express to Robert Paley Levy their enthusiastic and grateful thanks and hope that he will always remain active in service to the University of Pennsylvania.

C. Report of the Nominating Committee - Mr. Miller

1. Action. A Resolution on the Re-election of John G. Harkins, Jr., as a Term Trustee was approved as follows:

RESOLVED, that John G. Harkins, Jr. be re-elected a term trustee, for a five-year term, effective January 24, 1992.

III. Report of the President

A. President Hackney reported that the Governor had announced the sequestering of funds of all institutions of higher education that receive appropriations from the Commonwealth and that 3.5% of Penn’s FY92 appropriation was affected. Although there was some indication that the funds might be restored, the president said he was "not counting on it." Because the state’s economy has not rebounded in the manner the tax authorities in Harrisburg would have liked, the president said that Penn’s Commonwealth budget cycle for FY93 is beginning to look very much like that of FY92. President Hackney said that Penn has "always had to live within and maximize our means and that the nineties will require that we live by the maxims of Poor Richard."
On the admissions front, the president said that Penn "has experienced a significant increase in the number of applications after three years of decline," and although information can no longer be shared among Ivy League friends, published reports indicate that Penn experienced the largest increase in the Ivy League. The president indicated that these increases would be analyzed carefully so as to clarify the causes.

President Hackney announced the appointment of Al Bagnoli as Penn's new football coach. Mr. Bagnoli comes from Union College where he served as head coach since 1982. While no promises were made about his future performance at Penn, the president noted that Bagnoli took Union College to the NCAA playoffs six times and said that Saturdays at Franklin Field this fall promise to be rewarding.

The president ended his report noting more good news in the sports area with the victory of the men's basketball team over LaSalle 66-57. President Hackney said that the "victory made us all very happy and brought special joy to one of Penn's biggest alumni fans, Mayor Ed Rendell."

B. Academic Report - Provost Aiken

1. Provost Aiken announced the appointment of Dr. Larry Moneta as Associate Vice Provost for University Life effective March, 1992. Dr. Moneta comes to Penn from the University of Massachusetts where he served as Associate Director of Housing Services for Residential Education. There he helped to develop a major community service program as well as cultural centers for Latino, African-American, Asian and Asian-American and Native American students, and inaugurated fitness and recreational facilities within the student residences.

The provost acknowledged the president's reference to Penn's success in increasing applications for admission and cited the following specifics: after three years of declining applications (from 13,100 in 1988 to 9,800 in 1991), over 1401 students applied for early admission this fall, a jump of 14 percent over last year. Of these students, 730 were offered admission in December. In addition, as of January 22, 1992, another 10,842 Regular Decision applications had been received, an increase of 27 percent over last year. Currently, total freshman applications stand at 12,243, or 2,454 more than last year for an overall increase of 25 percent. Candidates applying to the College have increased by 30 percent, from 5,990 to 7,768, and account for nearly three-quarters of the overall increase in applications for the freshman class. Engineering applications have increased by 27 percent, with 419 more applicants this year than last, for a total of 2,175 applicants. Nursing candidates have increased by 49 percent, from 166 to 247, the highest number ever, including 20 male candidates. Wharton candidates have increased by only seven percent, or 135 students, possibly a reflection of a waning interest in business as a major or career choice among freshmen. Female candidates have increased by 33 percent, while applications from children of alumni have increased by 6.3 percent. Minority applications are all up, from 16 percent for black applicants, a number Penn...
expects to continue to go up once late-files are received, to 35 percent for Puerto Ricans. The provost was pleased to report that the "quality of the applicants is strong and they represent students from throughout the country and abroad." Provost Aiken said "we owe a tribute to our director of admissions and his staff who worked very hard to achieve these results."

Before asking the trustees to vote on the Resolution to Change the Name of the Department of Oriental Studies to the Department of Asian and Middle Eastern Studies, the provost discussed the process by which the proposed change came about. He indicated that the department had debated the change for a long period of time and on December 12, 1991, a vote of the 22 department faculty members was taken and indicated "overwhelming support" for the action. The provost added that both he and School of Arts and Sciences Dean Rosemary Stevens recommended the change as well. Chairman Shoemaker asked the board to note the letter from several faculty members that was distributed. Mr. Miller commented that he was in "considerable sympathy" with the professors who wrote the letter and was concerned that the board might be looked upon as giving in to the pressures of political correctness by voting for the change without examining the issue itself. Mr. Miller suggested that the matter, even though it had passed through the procedures described by the provost, should be forwarded to the Academic Policy Committee for review before being voted on by the trustees.

2. **Action.** A Resolution to Change the Name of the Department of Oriental Studies to the Department of Asian and Middle Eastern Studies. A motion was made and seconded to refer the resolution to the Academic Policy Committee for further study and recommended action. The motion passed.

3. **Action.** A Resolution on the Naming of the Jerome and Anne Fisher Fine Arts Library was approved as follows:

**Intention:**

In appreciation for the extraordinary support from Jerome (W'53) and Anne Fisher for the Furness renovation project, the administration proposes naming the University’s Fine Arts Library the Jerome and Anne Fisher Fine Arts Library.

RESOLVED, that the University’s Fine Arts Library shall be named the Jerome and Anne Fisher Fine Arts Library, effective January 24, 1992.

4. **Action.** A Resolution on Appointments, Leaves, and Promotions was approved as found on pages 1 through 18 in the meeting book.
C. Financial Report - Dr. Whittington

Dr. Marna Whittington, executive vice president of the University, reported that as of December 31, 1991 the University projected a surplus of $25,000 after approved, budgeted, discretionary allocations. She noted several positive factors on the unrestricted side--graduate tuition, summer and special tuition, indirect cost recovery on sponsored programs, general University annual giving and savings in both salary and utility expenses--as well as negative factors including indirect cost recovery on other restricted funds. Turning to the individual schools and centers, Dr. Whittington said that the Wharton School currently projected a deficit of $750,000, the Graduate School of Fine Arts a deficit of $525,000, and the Graduate School of Education a surplus of $500,000; all other schools are projected at breakeven performance. On the restricted side, Dr. Whittington reported that grant and contract expenditures increased by 3.8 percent and 10.9 percent respectively. Gift fund expenditures decreased by 8.4 percent. The amount available for grant and contract expenditures is 15.3 percent more than December 31, 1990.

Dr. Whittington then referred to the Hospital of the University of Pennsylvania statements for five months ending November 30, 1991, stating that HUP’s excess of revenues over expenses is $20,749,000, which is $8,451,000 better than budget. For the clinical practices at November 30, 1991, the projected excess of revenue over expenses is $4,822,000, which is $2,425,000 better than budget.

Dr. Whittington noted that the financial statements were dated November 30 and December 31, 1991, and therefore did not yet include the impact of the recently announced Commonwealth sequestration. The impact of the cuts is being assessed and will be reported on at the next meeting, said Dr. Whittington, stressing that "we do not expect the sequestering to impair our ability to finish the year in a balanced position."

D. Report on Antitrust Compliance - Ms. Green

General Counsel Shelley Z. Green reported that in September 1989 the University received a request from the U.S. Department of Justice for information in connection with an inquiry on potential agreements among colleges and universities regarding financial aid tuition and faculty and administrative salaries. The inquiry culminated in the Justice Department’s filing of a complaint in Federal Court which was settled immediately by the eight Ivy League schools; MIT remains a defendant in that litigation. Under the terms of the final judgment which was entered on September 20, 1991, the University and seven other Ivy League schools agreed not to exchange certain types of information such as financial aid data, plans and projections, including budget assumptions, regarding future student fees or general faculty salary levels. The University is also required to maintain an enforcement program that disseminates the rules set out in the judgment and monitors compliance. In accordance with the requirements of the consent decree, Ms. Green has been designated Antitrust Compliance Officer with responsibility for implementing the antitrust compliance program. Ms. Green further stated that while the consent decree contains a long list of prohibitions, she believed that "we can continue
to serve the University and at the same time comply with the decree" and that "we can and must live with it." In order to guide the trustees and other members of the University community, the consent decree and the University's guidelines on cooperative exchanges of certain information have been distributed. Ms. Green said that the attorneys for the University are available to assist the trustees in interpreting and complying with the final judgment and antitrust laws.

IV. Committee Reports

A. Academic Policy - Dr. Langenberg

Dr. Langenberg discussed the "excellent" presentations made to the committee the previous day by Vice Provost for Research Barry Cooperman and the directors of four of Penn's major research centers: the Cancer Center, the Institute for Research on Cognitive Science, the Population Studies Center, and the Laboratory for Research on the Structure of Matter. The presentations demonstrated that (1) the character of academic research and education is increasingly dependent upon organizations and structures that reflect the intellectual and substantive complexity of the world and necessarily involve more than one faculty member working alone in a single discipline and (2) when Penn brings together its intellectual resources spanning numerous disciplines and activities it is "unbeatable." Commenting on his visit to the Laboratory for Research on the Structure of Matter that day, Dr. Langenberg said he was impressed by the vitality in the lab and the quality of the young faculty, eight of whom had been named Presidential Young Investigators. He concluded that "in this very important kind of activity, Penn has absolutely stellar performance."

B. Audit - Mr. Riepe

In the absence of committee chair Mr. Dorrance, Mr. Riepe delivered the Audit Committee report. He stated that the committee was pleased with the results of management letters submitted by Coopers and Lybrand for the audits of the University of Pennsylvania, the Hospital of the University of Pennsylvania, and the Clinical Practices of the University of Pennsylvania, as well as with the response of management to the comments made. After reviewing with Coopers and Lybrand their work during the fiscal year, their fees, and their proposal and scope, and the nature of their audit through the current fiscal year, the committee recommended that Cooper and Lybrand be named the official auditors for FY 1992.


Intention:

Independent accountants are engaged annually to assure that the financial statements, as prepared by management, considered in their entirety, present fairly the University's financial position, changes in fund balances, and current funds revenue, expenditures and other charges, in
conformity with generally accepted accounting principles. The Trustees of the University of Pennsylvania, through its Committee on Audit, are responsible for engaging the independent accountants.

RESOLVED, that Coopers & Lybrand be and hereby are appointed as independent accountants to audit the financial statements of the University of Pennsylvania for Fiscal Year 1992.

C. Budget and Finance - Mr. Fox

Mr. Fox reported that the Budget and Finance Committee had discussed and approved three resolutions which he recommended to the Trustees for approval. Mr. Shoemaker noted that the resolutions will be recorded as action by the Executive Committee of the Trustees.

1. **Action.** A Resolution on the Design of Renovations of the First and Second Floors of Stemmler Hall for the School of Medicine was approved as follows:

   **Intention:**

   The School of Medicine proposes to renovate approximately 10,544 net square feet on the first and second floors of Stemmler Hall in order to provide modern teaching laboratories and classrooms and to permit existing teaching laboratories in the Johnson Pavilion to be converted into research laboratories.

   This project was included in the Capital Budget for Fiscal Year 1992. The architectural and engineering fees associated with the design of these renovations are estimated to be $349,683 and will be funded by the School of Medicine.

   RESOLVED, that the design fees for the renovation of educational space on the first and second floors of Stemmler Hall, estimated to cost $349,683, be and the same hereby are 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 design, execute such contracts, and incur such expenses and obligations -- not, however, substantially in excess of the estimated cost of such design fees as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

2. **Action.** A Resolution on the Upgrade of IBM Mainframe for the University Data Center was approved as follows:

   **Intention:**

   To take advantage of year-end pricing opportunities, in December 1991 the administration purchased for the University Data Center an IBM ES9000 Model 480. This purchase, which
replaces five old systems with one new system, provides a much needed mainframe upgrade.

This purchase was included in the Capital Budget for Fiscal Year 1992. The total cost is $1,400,000, and will be paid from University General funds.

RESOLVED, that the purchase of a IBM ES9000 Model 480 from IBM Corporation at a cost of $1,400,000, 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 purchase, execute such contracts, and incur such expenses and obligations -- not, however, substantially in excess of the cost of such purchase as presented to the Budget and Finance Committee -- as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

FURTHER RESOLVED, that the actions of the above officers on or before the date of this resolution in effecting the above-described purchase are hereby ratified, affirmed and approved.

3. Action. A Resolution on the Sale of 16 Pine Street, Honeybrook Borough, Chester County, PA was approved as follows:

Intention:

In 1980, the University acquired a property located in Honeybrook Borough, Chester County, Pennsylvania consisting of a single family residence on 3/4 acre of land. The purchase price of the property was $54,900. The University has recently received an offer to purchase the property for $95,000, contingent upon the buyer's ability to obtain financing.

RESOLVED, that the Executive Vice President or any other appropriate officer 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 $95,000, 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.

D. Development - Mr. Miller

Mr. Miller reported that the Campaign had reached three quarters of its goal, with $747,000,000 in pledges and receipts of $524,000,000. The number of newly endowed chairs halfway through the campaign totaled 106, a record for any institution of higher education for a complete campaign. At its morning meeting the Campaign Steering Committee reviewed campaign priorities and seemed to be "on target or above target on almost all of them." Mr. Miller cautioned that often during campaigns, gifts of unrestricted monies through annual giving seem to level out or decline modestly. He urged the trustees "not to let our guard down" with regard to unrestricted annual giving.
E. External Affairs - Mr. Bodek

Mr. Bodek delivered the committee report in the absence of Mr. Lauder. He reported on a presentation about indirect costs by Director of Federal Relations David Morse and Vice President for Finance Selimo Rael. The committee learned that the University had successfully negotiated an acceptable indirect cost figure for the next three years and expected to sign an agreement with Health and Human Services soon. Moreover, Mr. Morse and Mr. Rael assured the committee that a second round audit would not apply to Penn as in the cases of Stanford and MIT. The committee was pleased with the University's handling of the problem "and favorable results we experienced in terms of costs and image, particularly in comparison to some of our peer institutions." The committee also discussed the issue, raised by Ms. Farnsworth, associate vice president for university relations, of going public with the success of Penn's fundraising during this period of recessive economy. Some committee members said that trumpeting the campaign's success would increase the University's national and international visibility and image, while other expressed concern that such an approach might backfire, particularly in Harrisburg. Ultimately, the committee opted for a moderate approach, suggested by Mr. Lauder, to shape the story differently and "to sell the product, not the positive result on the balance sheet." Under this approach, for example, a report on the rise in applications to the University might have the sub-theme that Penn is well-managed.

F. Facilities and Campus Planning - Mr. Tanenbaum

Mr. Tanenbaum noted that the committee met the previous day to review several projects and give approval to proceed with construction documents subject to subsequent approval by the Budget and Finance Committee, and that the committee would be meeting again that day to discuss the preparation of a master campus facilities plan. The first structure discussed was Phase One of the Institute for Advanced Science and Technology (IAST), a wet lab connected to the Chemistry Building on the east side of 34th Street between Walnut and Spruce Streets. The second structure was a parking garage and chiller plant in combination that would be erected on the northeast corner of 38th and Walnut Streets. The facility would replace the parking that will be lost to the development of the Revlon Center as well as provide the parking that already exists at that location. The chiller plant is needed for increased capacity for the chiller loop. Also discussed was a temporary structure at the southwest corner of 33rd and Chestnut Streets to house the Graduate School of Fine Arts for approximately three years while the School's offices are usurped by the construction of the IAST complex. The committee also received a report about the proposed demolition of the Piersol Building, part of the HUP complex. The replacement would house HUP bed space as a swing space building which will ultimately be reused for other academic and research purposes. Another report on this structure will be presented to the committee prior to the next full board meeting of the Trustees. The committee also received a brief report on the status of the Revlon Center.
G. Student Life - Dr. Chisum

Dr. Chisum reported that the committee examined peer help activities at the University by hearing reports on a sampling of such activities. The peer help education efforts are coordinated through students' help, and the peer educators receive training and are provided support services for their efforts. Among the groups that were presented were FLASH (Facilitating and Learning about Sexual Health); STAAR (Students Together Against Acquaintance Rape), which has become a national model for students dealing with this issue; GUIDE (Guidance for Understanding Image, Dieting and Eating); and DART (Drug and Alcohol Resource Team), part of a network of eleven area colleges and universities. These groups hold workshops and also work confidentially with those who come to them for help. Their approach is non-evaluative and involves both male and female peer educators. The committee also heard about the student-generated RAP (Reach a Peer) Line, where students may phone in anonymously about their problems and may be referred to professional resources if necessary. Two efforts aimed primarily at graduate students were the Penn Med Peer Support Systems, in which students provide listening and guidance resources to medical students, and CHAMP, providing a hosting relationship for international students, which in its first year has received "a very gratifying response" from both the student volunteers and the international students. Dr. Chisum concluded by commenting that the reports emphasize the "creative resourcefulness and entrepreneurship of our students in getting these efforts organized."

H. University Responsibility - Mr. Heyman

Mr. Heyman said that the committee heard an "encouraging" presentation on the University's responsibility to the local community. Dr. John Wells Gould, executive director of the Office of the President and President Hackney's chief of staff, remarked that there is heightened scrutiny and suspicion of higher education regarding whether society is "getting its money's worth from colleges and universities." Penn has a commitment, emanating from the president on down, to a triad of social functions--teaching, research, and service--and has a special commitment to the city of Philadelphia, particularly with its range of projects with the Philadelphia School System. Dr. Ira Harkavy, director of the Penn Program for Public Service and vice dean of the School of Arts and Sciences, spoke about the West Philadelphia Improvement Corps (WEPIC). The program is an academically-based public service focused on the University's assisting community schools in a partnership with the community. The committee learned that while many institutions nationwide engage in volunteerism in the community, Penn is considered a national model for the integration of teaching and research with its public service commitment to the community.

I. Medical Center - Mrs. Catherwood

Mrs. Catherwood reported that the Medical Center board has been involved in the process of planning the Medical Center facilities site and the master planning initiative. The
board has also been working on the programmatic aspects that will be housed by the master site and of the plans for the new building. The financial condition of the Medical Center, she reported, was good with regard to HUP, the clinical practices, and the educational fund which are generating capital in order to return those monies to program and capital projects. Mrs. Catherwood announced a ten million dollar gift from an alumnus that will be a continuing fund to provide full tuition for about six medical students per year. The gift will put the Medical School in a good competitive situation that will allow it to attract the best and brightest medical students from throughout the country.

J. Investment Report - Mr. Neff

Mr. Neff referred to the Investment Report and reported that the Associated Investments Fund (AIF or the Fund) had a total market value of approximately $844 million as of January 15, 1992. When combined with the $65 million of Separately Invested Funds which are not invested in the AIF, Mr. Neff remarked that the endowment's current total value of about $909 million may have set a new record high value. Regarding asset allocation, he noted that the common stock participation has increased slightly, from 45% at fiscal year end (June 30, 1991) to 47% as of January 15, 1992. A portion of this increase occurred when the Fund took advantage of a 6%-7% decline in the market between November 15 and December 20. Mr. Neff stated that a fair number of stocks retreated from their high values and the AIF was able to acquire positions in that market. Since the last meeting in October, the Fund purchased approximately $47 million of common stocks while selling $22 million. He commented that when opportunities in the market present themselves, the Fund is not "bashful," but the stock market has subsequently risen dramatically.

While Mr. Neff believes that the AIF's equity allocation should remain at about 45%, other alternative investments are being considered. He noted that one area in which the Fund has achieved good returns recently is fixed income securities. Because the Fund has been realizing gains from these fixed income investments, the AIF's cash position has increased from 3% in June to its present level of 9%. The "Other" category listed in the Report includes the Fund's alternative investments, such as venture capital, real estate and distressed obligations. Mr. Neff remarked that the AIF has not pursued these types of investments in the past for two principal reasons: 1) these markets have appeared over-valued and 2) the high management fees charged on these investments. However, he noted, the Fund is now diversifying and investing in areas where opportunities exist. In 1990, the AIF invested $15 million in a distressed obligations fund and it has recently committed $10 million to a distressed real estate fund. Mr. Neff commented that even through the real estate market has been well publicized as "depressed and distressed," not all commercial real estate is the same and there are some good investment opportunities available.

Due to the AIF's new focus on the real estate market, Mr. Neff stated that he is going to nominate Myles Tanenbaum to the Investment Board and the Executive Committee of the Investment Board at its next meeting. He also noted that at the same time, Wes Stanger will be retiring from the Executive Committee after having given many years of "stellar and
Regarding performance, Mr. Neff reported that for the fiscal year to date (June 30, 1991 through January 15, 1992), the AIF common stocks have risen 15.2%, the same as the Standard & Poor's 500 Index (S&P). However, since December 31, 1990, the AIF common stocks outperformed the S&P, 40.3% versus 31.6%. Mr. Neff stated that it is also important to note Rich Worley's fixed income performance. For the first six months of the fiscal year, AIF fixed income securities have risen 15.7% versus 11.4% for the Lehman Bros. Gov't/Corp. Index and 11.0% for the Salomon Bros. Broad Index. AIF fixed income securities also performed well for the year ended December 31, 1991 - 21.5% versus 16.1% and 16.0%, respectively.

Mr. Neff commented that he continues to be a bit wary of the market place. He does not understand why equities have performed so well while the bond market has decreased. He believes that the economy is going to gradually, if not begrudgingly, recover primarily because low interest rates should stimulate the residential housing and automotive markets. Mr. Neff noted that these two sectors will lead the economy back, but it will be a slow recovery. However, he remains cautious because the stock market is trading at 18X - 19X earnings with a 2.9% yield. He stated that his main priority in this market is to preserve the AIF's capital.


WHEREAS, on 21 October 1982 the Investment Board passed a resolution authorizing certain persons to act to implement all decisions and actions of the Investment Board, a copy of which resolution is attached hereto; and

WHEREAS, the Investment Board wishes to clarify the 21 October 1982 Resolution.

RESOLVED, that the 21 October 1982 Resolution referenced herein is clarified so as to specifically include futures and options on futures as "securities and other investments" under the meaning of the Resolution and that all other provisions of the 21 October 1982 Resolution shall continue in full force and effect and are hereby ratified and affirmed.

**V. Overseer and Other Boards**

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

RESOLVED, that Anne Fisher be appointed to the Board of Overseers of the Graduate School of Fine Arts for a three-year term, effective January 24, 1992.
B. **Action.** A Resolution on an Appointment to the Board of Overseers of the University Museum of Archeology and Anthropology was approved as follows:

RESOLVED, that Peter Brown be appointed to the Board of Overseers of the University Museum of Archeology and Anthropology for a three-year term, effective January 24, 1992.

C. **Action.** A Resolution on an appointment to the Board of Overseers of the School of Veterinary Medicine was approved as follows:

RESOLVED, that Judson Streicher be appointed to the Board of Overseers of the School of Veterinary Medicine for a three-year term, effective January 24, 1992.

D. **Action.** A Resolution on an appointment to the Board of Overseers of the Wharton School was approved as follows:

RESOLVED, that Jerome Fisher be appointed to the Board of Overseers of the Wharton School for a three-year term, effective January 24, 1992.

E. **Action.** A Resolution on Appointments to the Board of Managers of the Wistar Institute was approved as follows:

RESOLVED, that the following individuals be appointed for one-year terms to the Board of Managers of the Wistar Institute, effective January 24, 1992.

Dr. Thomas Peter Bennett; Mr. Robert S. Blank; Mr. Ira Brind; Mrs. T. Wistar Brown; Dr. Barry S. Cooperman; Mr. Harold M. Davis; Mrs. Kathleen Federline; Mr. James W. Fordyce; Mr. Robert A. Fox; Mr. Harris N. Hollin; Dr. James N. Ihle; Dr. William N. Kelley; Dr. George B. Koelle; Stephen J. Korn, Esq.; The Honorable W. Thacher Longstreth; Ms. Faye S. Olivieri; Dr. Ruth Patrick; Mr. Roy T. Peraino; Dr. Donald Vail Rhoads; Mr. Robert H. Rock; Mr. Gerald B. Rorer; Mrs. Adele K. Schaffer; Mr. Isadore M. Scott; Mr. Edward Sickles; Mrs. Richard J. Sliwinski; Mr. E. Robert Thomas, Jr.; Dr. Keith S. Thomson; and Mr. David W. Wachs.

Adjourned.

Respectfully submitted,

Barbara R. Stevens
Vice President and Secretary of the University