

MINUTES

The Board of Trustees

Temple University - Of The Commonwealth System of Higher Education

Tuesday, March 8, 1983

3:00 P.M., Student/Faculty Center - Room 322
Broad and Ontario (S. W. Corner) - Health Sciences Campus

Attendance:

Members - Fitz Eugene Dixon, Jr., Chairman; Nathan C. Barr,
Linda D. Brawner, Patricia J. Clifford, Howard Gittis,
John C. Haas, Roger S. Hillas, Peter J. Liacouras,
David C. Melnicoff, M. Mark Mendel, Henry H. Nichols,
Royal T. Popper, Mrs. R. Stewart Rauch, Anthony J. Scirica,
Edwin H. Sherman, Isadore A. Shrager, Robert W. Watson, Jr.,
Albert F. Zanger,

being a quorum of the Board of Trustees

Honorary Life Trustees - Paul R. Anderson, Marvin Wachman

Commissioner of Higher Education - James P. Gallagher

Invited Guests - Joseph Baum, Dawn Marks, John B. Roberts (Faculty);
Gail M. Barsky, Jill Bradway (Students)

Administration and Staff - Barbara L. Brownstein, Lawrence C. Connolly, Jr.,
Leo M. Henikoff, Marvin B. Klein, James D. Logan, John L. Rumpf,
H. Patrick Swygert, Robert G. Scanlon, Stanton B. Felzer,
William C. Seyler

General Counsel - Peter Mattoon

Members Absent - Francis J. Catania, Bill Cosby, Paul A. Dandridge,
Richard J. Fox, Louis J. Esposito, Paul M. Henkels, Irving K.
Kessler, Hillel S. Levinson, Andrew L. Lewis, Jr., Patrick J.
O'Connor, William A. Pollard, William L. Rafsky, A. Addison
Roberts, Samuel Rudofker, Milton L. Rock, Samuel H. Rosenberg

The meeting was opened with prayer by Dr. Henry H. Nichols.

The Chairman welcomed and introduced the guests from the faculty and the student body. He also welcomed and introduced Dr. James P. Gallagher, the Commissioner for Higher Education of the Commonwealth of Pennsylvania.

REPORTS TO AND ACTIONS OF THE BOARD OF TRUSTEES

1. Approval of Minutes of Meeting of December 14, 1982

Mr. Dixon said that Judge Rosenberg had written to him, indicating that he would like the Minutes of December 14, 1982 amended with respect to Item 12 of those Minutes dealing with "Expression of Confidence in the Judgment of the Commonwealth Appointing Authorities." Rather than amending the Minutes now, Mr. Dixon said he would prefer that the Minutes be approved, with the understanding that an addendum to the Minutes of 12/14/82 will be provided at a later date for the approval of the Board.

On motion duly made and seconded, the Board voted to approve the Minutes of the meeting of December 14, 1982, with the understanding that the Secretary will provide a revised draft of Item 12 of these Minutes.

2. President's Report

This has already been a moving and wearing day for those of you who came here this morning for the groundbreaking of the new Hospital, so I will be brief. As I said at that ceremony, this is a great day for Temple University, and I am especially happy that Marvin Wachman and Paul Anderson were here with us. This day would not have occurred without the tremendous help provided by this Board and the Hospital Board of Governors, chaired by David Melnicoff. Fitz Dixon and John Haas must be singled out for all that they have done to make this day possible.

A. Staff Development

Over the past weekend, we experienced a loss in the death of Dick Thornton, Acting Vice President for Financial Affairs and Treasurer. Although gravely ill even before he joined us in October, Dick had quickly and effectively applied his thorough knowledge of the financial world to Temple's complex problems with honesty, candor and class. We shall certainly miss this totally honest counselor and urbane friend. For your information, a memorial service will be held tomorrow at 1 P.M. Let the Minutes reflect our deep sadness over Dick's death.

Fortunately, in Larry Connolly we have a person well equipped to step immediately and effectively, into Dick Thornton's job, while we complete our search for a permanent Vice President for Financial Affairs and Treasurer. Larry has been Acting Deputy Vice President while carrying on his duties as University Comptroller.

I am very happy to report, as an additional step to strengthen our finance staff, we have borrowed from Peat, Marwick and Mitchell, Dewayne Laird, as an Acting Deputy Vice President. Dewayne recently completed a comprehensive analysis of the University's cash management at the request of Dick Thornton, and therefore, requires very little additional indoctrination.

You should also know that Bob Scanlon, until recently Pennsylvania's Secretary of Education, has joined the President's Office as Chief of Staff. Another addition to that Office is Pamela Esposito, former Deputy Legislative Counsel to the Governor.

We are also pleased to announce that Janis Somerville has joined us as Acting Associate Vice President in charge of student services. Jan is a former Vice Provost for University Life at the University of Pennsylvania, and we congratulate her and ourselves for her conversion to Temple.

B. The 1982-83 Budget

At this point, the Board should know that we continue to expect a favorable balance in our 1982-83 Operating Budget. Key to our success will be the \$2 million in net income we have projected from the first Summer Session, as well as the budgeted surplus of \$1.8 million from the Physicians' Practice Plan.

Beyond that, as the Executive Committee and Business and Finance Committee have been told, there are some other risk items which we feel we have reasonably under control. One of these is an accounting decision related to our early retirement plan.

The present value of a retirement which takes place in 1983 must be placed in the 1983 Operating Budget. So, on the assumption that every VERP decision would cost \$110,000 on the 1982-83 Budget, if we had ten of them, we would have a sizable risk item that we did not have reason to believe we would have last July. We are working on this problem.

C. The 1983-84 Budget Process

For your information, our Budget preparation process for the coming year is on schedule. We have had exhaustive internal hearings, chaired by John Rumpf and including Barbara Brownstein, Pat Swygert and Dick Thornton or Larry Connolly. All of the Budget hearings will be completed by the end of next week. The Provost and Vice Presidents will then analyze the data and develop priorities, at which point I will play an active role. Approximately on March 23, they will make recommendations to me.

D. Search Committees

There are three search committees at work in screening candidates for Provost, Vice President for University Administration, and Vice President for Financial Affairs and Treasurer. Before long, we expect to appoint other search committees for Deans of Ambler and Tyler, where I regret to report that David Pease has reluctantly but effectively decided to become a Dean at Yale.

Executive Committee Report and Recommendations for Action

Dr. Henry H. Nichols, Vice Chairman of the Executive Committee, called attention to the Committee Report (Agenda Reference 1), and then recommended that the Board approve the matters covered in Items 3 through 8 of these Minutes.

3. Borrowing Authority - 4/1/83 - 6/30/83

On motion duly made and seconded, the Board voted to approve the recommendation of the Executive Committee (2/24/83) that the officers be authorized to borrow for operating purposes of the University \$30 million on terms which the officers believe best for the University, such authorization to cover the period from April 1, 1983 through June 30, 1983. (Resolution is attached as SUPPLEMENT I)

4. Selection of the External Auditor for
Fiscal Year 1983-84 and Beyond

On motion duly made and seconded, the Board voted to approve the recommendations of the Business and Finance Committee (2/24/83), the Executive Committee (2/24/83), and the Audit Committee (2/10/83) that Peat, Marwick, Mitchell and Company be retained as the external auditor through fiscal year 1983-84, and that any action to change the external auditor be postponed until the annual audit for fiscal year 1984-85.

5. Dropsie College - Authorization to Continue Negotiations

On motion duly made and seconded, the Board voted to approve the recommendation of the Executive Committee (2/24/83) that the following Resolution be adopted:

RESOLUTION

WHEREAS, The Dropsie College, Philadelphia, Pennsylvania is composed of a distinguished faculty of scholars and teachers in religion, philosophy and anthropology and owns an important collection of books, ancient documents and artifacts, as well as certain buildings at Broad and York Streets, and

WHEREAS, Dropsie has expressed a desire to affiliate with Temple University;

BE IT HEREBY RESOLVED that the officers are authorized to continue negotiations with a view to a possible formal merger agreement between The Dropsie College and Temple University, any such agreement being subject to subsequent approvals by the Board of Trustees or the Executive Committee, empowered to act on behalf of the Board, and subject to review and approval by the Educational Policies Committee and by other appropriate Committees of the Board, with the understanding that at least two members of the Temple Board of Trustees will be added to the Temple Negotiating Team at an appropriate time.

(Secretary's Note: Following the above action, Mr. Dixon announced that he was appointing Mrs. R. Stewart Rauch and Mr. Howard Gittis as the two Trustees on the Temple Negotiating Team.)

6. Election of Acting Vice President and Acting Treasurer

On motion duly made and seconded, the Board of Trustees elected the officer listed below to serve until the next Annual Meeting of the Board, or until his successor shall have been elected and qualified:

Lawrence C. Connolly, Jr. . . . Acting Vice President for Financial Affairs
and Acting Treasurer

7. Check-Cashing Resolution

On motion duly made and seconded, the Board of Trustees voted to adopt the Check-Cashing Resolution (attached as SUPPLEMENT II), substituting the name of Lawrence C. Connolly, Jr., for the name of the late Richard S. Thornton.

8. Facsimile Signature Resolution

On motion duly made and seconded, the Board of Trustees voted to adopt the Facsimile Resolution (attached as SUPPLEMENT III), substituting the name of Lawrence C. Connolly, Jr. for the name of the late Richard S. Thornton.

Educational Policies Committee Report and Recommendations for Action

Mr. Shrager, Chairman of the Educational Policies Committee, called attention to the Committee Report (Agenda Reference 4), and then recommended that the Board approve the matters covered in Items 9 through 11 of these Minutes.

9. Master of Science Degree in Taxation, Department of Accounting, School of Business Administration

Mr. Shrager pointed out that the course work for this degree is business and accounting oriented and does not emphasize the legal aspects of taxation.

On motion duly made and seconded, the Board voted to approve the recommendation of the Educational Policies Committee (2/28/83) that approval be given to the establishment of a new graduate program, Master of Science Degree in Taxation, Department of Accounting, School of Business Administration, as described in SUPPLEMENT IV.

10. Authorization of Executive Committee to Act on Behalf of Board Re Degree of Bachelor of Science in Engineering

The President pointed out that if this degree would be offered prior to the May meeting of the Board, it is necessary for the Board to authorize the Executive Committee to act on its behalf.

On motion duly made and seconded, the Board voted to approve the recommendation of the Educational Policies Committee (2/28/83) that the Executive Committee be empowered to act on behalf of the Board with respect to the establishment of the Degree, Bachelor of Science in Engineering, in the College of Engineering Technology (whose name may eventually be changed to College of Engineering and Architecture if final approval is given to the action noted in Item 11 of these Minutes), with the understanding that Executive Committee approval of such a degree will be contingent upon all of the necessary internal approvals of the program.

11. Authorization of Executive Committee to Act on Behalf of the Board Re Changing Name of College of Engineering Technology

On motion duly made and seconded, the Board voted to approve the recommendation of the Educational Policies Committee (2/28/83) that the Executive Committee be empowered to act on its behalf with respect to changing the name of the College of Engineering Technology to "College of Engineering and Architecture".

Temple University Hospital, Board of Governors Report

Mr. Melnicoff, Chairman of the Board of Governors, called attention to the Board's Report (Agenda Reference 8), and noted that because of the Ground-Breaking

ceremonies for the new Hospital (which occurred at Noon today, followed by a reception), this has been a great day for the Board of Governors and for him personally. He pointed out that the financial arrangements for the new Hospital are within the financial plans outlined five years ago. He noted a maxim in the investment business--"it is better to be lucky than smart"--and he is very glad to report today that he is lucky! When the bonds are issued, the cost of the money will actually be below the level projected by our feasibility studies; and it appears that the building costs will also be below the projected costs. He believes that the University and the Board of Governors have been very lucky, indeed, and he doesn't know anybody who deserves it more!

Athletics Committee Report

In the absence of the Chairman, Mr. Levinson, the Vice Chairman, Mr. Mendel reported that the Committee is making substantial progress on several fronts, and he referred to a confidential study of intercollegiate athletics, which study is now under review by the Committee on Athletics.

Development Committee Report

In the absence of the Committee Chairman, Mr. Roberts, it was pointed out by Mr. Haas that the Centennial Challenge Program is now over \$56 million and the goal of \$60 million is well within reach. He said that everyone associated with Temple University shares in the joy of the success of this Campaign.

Reports of Other Standing Committees

The Chairman referred to the Reports of the other Standing Committees (Agenda References 10, 12, 14 and 15), noting that if anyone present had questions about these Reports, they should communicate with the respective Committee Chairmen.

REPORTS OF OFFICERS

12. Treasurer's Report

Without objection, the Board of Trustees received the list of gifts and grants received between November 1, 1982 and January 31, 1983, said report being included and identified as Agenda Reference 17.

13. Secretary's Report

On motion duly made and seconded, the Board of Trustees voted to approve the presentation of degrees-in-course dated May 26, 1983 to candidates approved by the appropriate academic committees of the faculty.

NEW BUSINESS

14. Appointment of Chairman of University Centennial Committee

The President said he is going to make the final decisions tomorrow regarding the overall Committee which will involve faculty, students, alumni and

community in the planning for the celebration of the University's Centennial. He requested the Board Chairman to appoint a Trustee who will chair this overall Centennial Committee, and Mr. Dixon announced that he is appointing Mr. Levinson to this position.

15. Decline in Student Enrollment and Efforts to Overcome the Decline

Mr. Mendel noted the recent decline in student enrollment and asked what the University is doing to reverse that trend. President Liacouras said that student enrollment dropped 5.5% between fall of 1980 and fall of 1981, and another drop of 5% between fall of 1981 and fall of 1982--for a total drop of 10.5% for the two years. The best estimate we have for spring 1983 as compared with spring 1982 is that there is a drop of 2.88% in headcount. So, we have at least reversed the rate of decline. What we intend to do to reverse this trend, if at all possible, is to wage a campaign at several levels to graphically depict the image of Temple University as truly an outstanding University.

The President said he was very happy that Bill Cosby, who will be with us on three occasions in upcoming weeks for Temple University functions, will have a prominent role in carrying out the plan of our advertising agency. We expect this to have a favorable effect. We have had several hours of administrative review of the plans of the ad agency--plans that are based on a study undertaken by our Institute of Survey Research, at our request, which reviewed in great detail the images of Temple University as seen by seventeen-year-olds and their parents in the eight-county area surrounding and including Philadelphia. Bill Cosby will have a central role in the public development of the Temple University story.

The President said it is thought that the appointment of Janis Somerville, former Vice Provost for University Life at Penn, as Acting Associate Vice President for Academic Administration will have a favorable effect because she will be responsible for undergraduate admissions, registration and enrollment, financial aid, student academic records, the Russell Conwell Center, and other key elements in our student services program.

The President said that we intend to begin our advertising campaign by April 1, and he referred to the article in the newspaper on the new Temple University logo. He thanked our graphic arts department and graduate students at Tyler for giving of its time and for the excellence of its presentation recently to the Joint Meeting of the Executive Committee and the Business and Finance Committee. We expect that one of the graphics arts student will help implement the logo.

Responding to a question from Mr. Barr about the possible effect the creation of the new State-Owned University System will have on Temple's enrollment, the President said that he thought this would have very little effect in the immediate future. We will have to work with the new State University System as we plan what Temple's academic programs will be in five to ten years. There will be important questions such as whether Temple should engage in certain kinds of undergraduate education which are also being offered by State Universities in this vicinity; and whether the State Universities should be able to offer advanced graduate and professional programs in areas where Temple has existing expertise. The President said that Temple expects to be working with Commissioner for Higher Education Gallagher on this whole area. Meetings with the Council of Deans are being held so that resources will be used efficiently and a five-year plan is developed. We will have to work out with the new State University System a plan whereby the interests of both

Temple and the new System are protected. We want to avoid duplication of effort to the extent we can. We want to avoid the process of continuing to terminate our faculty and our tenured faculty. That is why we are planning cooperation with the State University System. The President does not think the new System will have, in the immediate future, any appreciable effect on Temple's enrollment.

16. "Raise the Roof" Party for the New Hospital

Mr. Melnicoff noted that as a sequel to today's ground-breaking ceremonies, there will be a "Raise the Roof" party on March 18. He said that there are only a very few tickets left, and if anyone wants to attend, he or she should get tickets immediately.

17. Meeting of the Committee on Trustees

Confirming telephone calls which had been made to all members of the Committee on Trustees, Mr. Dixon reminded them that the Committee would meet briefly following adjournment of the meeting of the Board.

The meeting of the Board of Trustees was adjourned at 3:45 P.M.

W. C. S.