

MINUTES

The Board of Trustees

Temple University - Of The Commonwealth System of Higher Education

Tuesday, December 10, 1991

3:00 P.M., Feinstone Lounge, Sullivan Hall
Park and Berks Malls

Attendance:

Voting Members - Richard J. Fox, Chairman; Harry P. Begier, Jr.,
Francis J. Catania, Nicholas A. Cipriani,
Patricia J. Clifford, John J. Contoudis, Paul A. Dandridge,
Louis J. Esposito, Eleanor S. Hofkin, D. Donald Jamieson,
R. Anderson Pew, Milton L. Rock, Edward H. Rosen,
Isadore A. Shrager, Clare L. Wofford

being a quorum of the Board of Trustees;

Ex-Officio Participants - Carolyn T. Adams (Faculty);
Darren S. Raiguel (Student)

Invited Guests - Faculty - Joseph J. Loewenberg, Thomas A. Marino,
Bonnie L. Parkhouse, Cathleen S. Soundy

Students - Ruthie Eichmiller,
David A. Silverstein, Bryce Weatherly

Administration and Staff - Steven R. Derby, Leon S. Malmud,
Robert J. Reinstein, Laurent J. Remillard, Julia A. Ericksen,
Arthur C. Papacostas, Valaida S. Walker, Paul H. Boehringer,
A. Kent Rayburn, C. Robert Harrington, Charles Theokas,
William G. Sites, Jesse Milan, Richard Englert, Robert Lux,
Marvin Gerstein, Beverly L. Breese, William C. Seyler

General Counsel - Peter Mattoon

University Counsel - George E. Moore

Voting Members Absent - Bill Cosby, Theodore Z. Davis,
Peter D. DePaul, Robert C. Donatucci, Howard Gittis,
Lewis F. Gould, Jr., William H. Gray III,
Clifford Scott Green, Lacy H. Hunt, Peter J. Liacouras,
Irving K. Kessler, Henry H. Nichols, Brian J. O'Neill,
William W. Rieger, Anthony J. Scirica, Anthony H. Williams
(elected today), James A. Williams

Mrs. Clifford opened the Board meeting with a prayer.

Mr. Fox welcomed and introduced the invited guests from the faculty
and from the student body.

ACTIONS OF THE BOARD OF TRUSTEES

1. Approval of Minutes - Special Executive Session of November 21, 1991; and Regular Meeting of October 8, 1991

On motion duly made and seconded, the Board of Trustees voted to approve the Minutes of the Special Executive Session of November 21, 1991, and of the Regular meeting of October 8, 1991.

2. President's Report

Mr. Fox said that there will not be a President's Report today because President Liacouras and other Temple University representatives are meeting with the financial people from the Commonwealth in Harrisburg to discuss the funding of the capital facilities whose drawings are exhibited around our meeting room today. When the President returns from Harrisburg, we are hoping that he will have positive information concerning the State's decision to move on the funding for our badly needed facilities.

Committee on Trustees Report and Recommendation for Action

Mr. Shrager, Chairman of the Committee on Trustees, called attention to the Report of that Committee (Agenda Reference 1), and recommended approval of the matter covered in Item 3 of these Minutes.

3. Election of Commonwealth Trustee-- The Honorable Anthony Hardy Williams

On motion duly made and seconded, the Board of Trustees voted to elect Representative Anthony Hardy Williams to a term effective immediately and running through October of 1991, to the Board of Trustees of Temple University - Of The Commonwealth System of Higher Education, Representative Williams having been appointed by The Honorable Robert W. O'Donnell, The Speaker of the House of Representatives on October 31, 1991, and having been nominated by the Committee on Trustees on 12/10/91. (A biography of Representative Williams is attached as SUPPLEMENT I.)

Executive Committee Report and Recommendations for Action

In the absence of Judge Anthony J. Scirica, Chairman of the Executive Committee, Mr. Fox called attention to the Report of that Committee (Agenda Reference 3), and recommended approval of the matters covered in Item 4 and 5 of these Minutes.

4. Approval of Schedule of Board Meetings and Board Committee Meetings for 1991-92

On motion duly made and seconded, the Board of Trustees voted in keeping with the terms of the Sunshine Law (Act 84 of the 1986 General Assembly), to approve the Schedule of Meetings of the full Board and of the Board Committees for 1991-92, as listed in the Public Notice attached as SUPPLEMENT II.

5. Borrowing Authority - 1/1/92 - 3/31/92

On motion duly made and seconded, the Board of Trustees voted, to approve the recommendation of the Executive Committee (10/24/91) 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 authority to cover the period from January 1, 1992 through March 31, 1991. (Resolution attached as SUPPLEMENT III.)

Audit Committee Report and Recommendation for Action

Mr. Begier, Chairman of the Audit Committee, called attention to the Report of that Committee (Agenda Reference 6), and recommended approval of the matter covered in Item 6 of these Minutes.

6. Commonwealth of Pennsylvania Auditor General's
Audit Report for Fiscal Year Ended June 30, 1990,
and Management's Response

On motion duly made and seconded, the Board of Trustees voted to approve Management's Response to the Auditor General's audit report of Temple University for the fiscal year ended June 30, 1990 (Management's Response is attached as SUPPLEMENT IV), the Audit Committee of the Board having reviewed this audit report and having been satisfied with the explanations given in Management's Response.

Athletics Committee Report and Recommendation for Action

Mr. Pew, Chairman of the Athletics Committee, called attention to the Report of that Committee (Agenda Reference 8) and recommended approval of the matter covered in Item 7 of these Minutes.

7. Approval of the Department of Intercollegiate
Athletics Budget Plan, FY 1992--FY, Revised
September 27, 1991

Mr. Pew said that the Athletics Committee has made the captioned matter a major part of its work in recent months, working very hard on this matter in cooperation with the administration and with the faculty Non-Voting Advisory members of the Committee. At recent meetings of the Athletics Committee, this Budget Plan was presented, questions were raised, the Plan was revised, and the document being recommended for Board approval is found in Agenda Reference 9.

Mr. Pew noted that when the Athletics Committee started its intensive study of this matter, there was no Budgets Subcommittee of the Business and Finance Committee. The Committee felt it would be important to continue to monitor this Plan and felt it would be wise to refer it to the Audit Committee to carry out this monitoring. The Athletics Committee wanted to speak to the Board as to the substance of this Plan and felt it would be wise to refer it to the Audit Committee to carry out this monitoring. The Athletics Committee wanted to speak to the Board as to the substance of this Plan, and the Audit Committee could tell us if the Plan was being implemented appropriately by the administration. It has now been determined that the proper procedure

for the kind of financial monitoring we had in mind would be to have it done by the recently created Budgets Subcommittee. Mr. Pew said he has spoken with Mr. Begier about this matter (Mr. Begier chairs the Audit Committee and also sits on the Budgets Subcommittee) and he has assured Mr. Pew that this matter will be taken up at the next meeting of the Budgets Subcommittee. Dr. Freeman has indicated that we will be looking at the Budget Plan on a continuing basis, and we will not have to wait until the University's audit figures come in a year from now.

Mr. Pew expressed his appreciation to the faculty representatives who devoted their time and efforts on this Budget Plan, and he then recommended Board approval of this Budget Plan on behalf of the Athletics Committee.

Mr. Rosen noted that the "Mission Statement" in the Budget Plan is beautifully and effectively done, and he asked if the institutions with whom we compete in Intercollegiate Athletics have similar Statements. Mr. Theokas, Director of Athletics, said that, to the best of his knowledge, they do have such statements. There is not a Mission Statement, however, that is signed off by all institutions. The institutions with whom we are competing are sensitive to what we say in our Mission Statement.

Dr. Carolyn Adams, President of the Faculty Senate, thanked Mr. Pew and the Athletics Committee for their cooperative work with the faculty. The faculty certainly does intend to keep an eye on this Budget Plan and how it is working out; the faculty also intends to continue its work with the Athletics Committee. The faculty feels strongly about holding the University accountable to this Seven-Year Plan. The deficits in this Plan are much more realistic than previously was the case--and the faculty applauds Dr. Freeman and the Athletics Committee. This Plan makes us aware that between \$3 million to \$5 million is projected for Intercollegiate Athletics--and we want to be sure that the University adheres to this Plan. The faculty will continue to be interested.

Mr. Pew noted that if the Board approves this Budget Plan, it is approval to devote this much of our resources to Athletics. All items in the Budget should be accountable to this Board, and he agrees with Dr. Adams that the implementation of this Budget Plan must be watched continuously during the seven-year period envisioned in the Plan.

Mr. Fox congratulated Mr. Pew and his Committee, noting that it is critical that we have such a Plan for a realistic Athletics Budget which can be monitored effectively. When there is variance from the Plan, the Board must take appropriate action, so that we either live up to the Plan or modify it, if that is appropriate.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Athletics Committee (10/7/91) that approval be given to the Department of Intercollegiate Athletics Budget Plan, FY 1992--FY 1998, Revised September 27, 1991, the Revised Plan being attached as SUPPLEMENT V.

Educational Policies Committee Report and Recommendations for Action

8. Transferring and Re-naming of Sport Management/
Administration Program

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Educational Policies Committee (10/21/91) that approval be given to the transferring of the Sports Management/Administration program from the Department of Physical Education to the Department of Recreation and Leisure Studies and that the new department be re-named as Sport Management and Leisure Studies in the School of Health, Physical Education, Recreation and Dance.

9. Splitting of the Department of Management
Into Two Separate Departments; and the
Approval of a New Management Major

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Educational Policies Committee (11/18/91) that approval be given to the splitting of the Department of Management into two separate departments: the Department of General and Strategic Management and the Department of Management/Science Operations Management; and that approval also be given for a new undergraduate major: Management Science/Operations Management.

10. Recommendation for Tenure for Two New Faculty
in the College of Arts and Sciences

On motion duly made and seconded, the Board of Trustees, pursuant to the procedures outlined in the Temple University Faculty Handbook, voted to approve the recommendation of the Educational Policies Committee (10/21/91) that the recommendation made by the President regarding the granting of faculty tenure for two new faculty members in the College of Arts and Sciences be approved. (The names of the faculty members being recommended for tenure are on file in the Office of the Provost.)

11. Recommendation for Tenure of a New Faculty
Member in the School of Medicine

On motion duly made and seconded, the Board of Trustees, pursuant to the procedures outlined in the Temple University Faculty Handbook, voted to approve the recommendation of the Educational Policies Committee (11/18/91) that the recommendation made by the President regarding the granting of faculty tenure for a new faculty member of the School of Medicine be approved. (The name of the faculty member being recommended for tenure is on file in the Office of the Provost.)

12. 1991-92 Allocation to TemplePIRG

Judge Jamieson noted that when an allocation was granted to TemplePIRG originally, he understood that certain restrictions were placed on the use of the funds. As he recalls, there was to be no lobbying by TemplePIRG and he referred to a copy of "The TemplePIRG Times" (Dec. 91. Vol.2), which refers to a "lobby Day" and also refers to "TemplePIRG goes to Washington to fight toxins." Mr. Rosen said there are restrictions on lobbying, and he said that the Student

Affairs Committee reviewed the TemplePIRGF activities in detail, along with the Acting Vice President for Student Affairs, Dr. Valaida Walker--and we were satisfied that they should receive another allocation for 1991-92. It is our belief that our policies are being adhered to by TemplePIRG.

Mrs. Clifford said that the Student Affairs Committee had met recently on the Ambler Campus, at which time the Trustees talked at length with representatives of TemplePIRG. The Trustees felt comfortable that this organization is being appropriately monitored.

Mr. Pew said that there was concern that PIRG might get into political activities rather than advocating environmental matters. We are hearing that the Student Affairs Committee has been very conscious of the limitations set by the Board--and Mr. Rosen feels comfortable with the recommendation before the Board.

Mr. Rosen said that the Student Affairs Committee will re-visit this matter and he asked the Secretary to alert Dr. Walker to having this on an upcoming Agenda of the Student Affairs Committee. Mr. Pew noted that we could lose our tax exempt status if certain TemplePIRG activities are in violation of the pertinent federal regulations. Mr. Rosen said there are "501-c-3" organizations, which are non-profits; and there are "501-c-4" organizations which are permitted certain activities. He said that the Student Affairs Committee will re-visit this matter to make sure that Temple PIRG is in compliance with the applicable regulations.

Judge Dandridge requested that University Counsel review this matter and report back to the next meeting of the Board in March. Mr. Fox agreed that this would be desirable to do. Dr. Walker said that she will follow up on this.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Student Affairs Committee (11/5/91) that the University's Agreement of Financial Support with TemplePIRG be renewed for the 1991-92 academic year in the amount of \$20,000.

Campus Planning and Plant Management Committee Report and Recommendations for Action

Mr. Esposito, Chairman of the Campus Planning and Plant Management Committee, called attention to the Report of that Committee (Agenda Reference 17), and recommended approval of the matters covered in Items 13 through 23.

Because the Campus Planning and Plant Management Committee had given a very thorough and detailed consideration to the matters covered in Items 13 through 23, it was agreed that there would be a general discussion of all of these recommendations, any questions would be answered, and then the Board would vote on the entire group of recommendations.

Mr. Esposito pointed out that Agenda Item 27 (dealing with the Capital Budget and Program Request for Commonwealth Fund Support for

1992-93 through 1996-97 is a request for the Board to confirm and approve of the requests which, because of State deadlines, has to be submitted to the Commonwealth previously.

Mr. Pew asked, when we take funds out of bond proceeds, do we have a means of calculating the pay-back on a given project, so that we can assure ourselves that we will be able to meet our obligations. Mr. Remillard said that the funds are paid back over the life of the asset; either a 10 Fund Budget or Plant Development Fund is charged.

Mr. Fox said that these authorizations represent a very ambitious program of updating our capital facilities, of renovations, as well as a new construction. This is the most ambitious program we have undertaken in 10 to 15 years. There are significant fund-raising efforts required (especially regarding new construction) that will be added to the State matching funds. As noted earlier, the President is in Harrisburg today, asking the State to advance funds to permit planning, which will take from one to one and one-half years, during which the fund-raising will occur.

Mr. Fox noted that two of our later projects are the Recreation/Convocation Center, and the new Classroom Building--both of which will require State funds and our own fund-raising. The new Dormitory facility is to be funded out of the Bond Issue. There are other projects dealing with major maintenance and repair projects, as well as roof replacements.

Mr. Pew, citing the fact that Yale University has a deferred maintenance problem of some \$2 billion plus, emphasized the importance of Temple University's keeping its maintenance as up to date as possible. Mr. Esposito noted that the most recent meeting of the Campus Planning and Plant Management Committee devoted considerable time to this matter of deferred maintenance and we are doing as much as we can within our financial constraints.

13. External Funding For Hospital Equipment

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91), that the officers be authorized to negotiate and conclude the leasing of the following hospital equipment, all of which has been previously approved for acquisition by the Board of Trustees: Replacement MRI - \$2.0 million; CAT Scanner - \$0.9 million; Catherization Lab - \$1.0 million, with the understanding that if a lease for the above cannot be satisfactorily concluded, the assets are to be financed with proceeds of either the 1984 or the 1991 bond issue as originally authorized.

14. Barton and Beury Hall Fire Protection

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to install fire detection and alarm systems in Barton Hall and Beury Hall at a cost not to exceed \$300,000 with the funding source being the Plant Development Fund.

15. Pharmacy/Allied Health Building Roof Replacement

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to replace the roof of the Pharmacy/Allied Health Building at a cost not to exceed \$84,000, with the funding source being the Plant Development Fund.

16. Presser Hall - Construction of Lower Level Rest Rooms

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to construct rest room facilities on the ground floor of Presser Hall at a cost not to exceed \$100,700, with the funding source being the Plant Development Fund.

17. Johnson/Hardwick Dining Hall Renovation Design Services

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to enter into a contract with Wallace Roberts & Todd and Thomas Ricca Associates for architectural/engineering services for design development, construction documentation, and contract administration for the renovation/expansion of the Johnson/Hardwick Dining Hall at a cost not to exceed \$278,377, with the funding source being the Plant Development Fund, and with the financing source being the 1991 Bond Issue, with the understanding that the total project development cost is currently estimated at \$6,306,000.

18. Annenberg/Tomlinson Roof Replacement

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to replace the roofs on Annenberg Hall and the Tomlinson Theater at a cost not to exceed \$330,000, with the funding source being the Plant Development Fund and the Financing source being the 1991 Bond Issue.

19. Conwell/Carnell Masonry Facade Repairs

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to make repairs to Conwell and Carnell Halls' masonry facades at a cost not to exceed \$235,000, with the funding source being the Plant Development Fund.

20. Hospital Isolation Waste Incinerator

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to install a new isolation waste incinerator at a cost not to exceed \$1,123,000, with the understanding that the cost will be repaid by the Hospital over 20 years at an 8% annual finance rate.

21. Health Sciences Center - Phase II (Completion) of Outpatient Center

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to proceed with the completion of Phase II of the Outpatient Center at a cost not to exceed \$196,000, with the funding source being Patient Service Revenues.

22. Capital Budget and Program Request for Commonwealth Fund Support for 1992-93 through 1996-97

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the Board confirm and approve of the fiscal year 1992-93 Capital Budget requests previously submitted to the Commonwealth of Pennsylvania and a total line year capital program request for the period 1993-94 through 1996-97, as shown in SUPPLEMENT VI.

23. Rock Hall Additional Architectural Fees

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (12/6/91) that the officers be authorized to utilize funds from the 1984 bond issue in the amount of \$2,200,000 for the purpose of effecting renovations to Rock Hall; and that the officers be authorized to amend the current agreement with the firm of Kieran, Timberlake and Harris to substantially redesign the building for an additional fee not-to-exceed \$81,000 and for indexed cost increases on future services in the amount of \$17,000. The total authorization to KTH for architectural services will be \$370,440 plus \$29,864 for reimbursable expenses, with the funding source being the Commonwealth of Pennsylvania, private gifts, proceeds from the New School of Music and operating funds, and with the financing source being the 1984 Bond Issue through the reallocation of funds previously earmarked for Park Mall -- Phase II and Park Mall Model Apartment Project.

At this point, Mr. Esposito called the attention of the Board to Agenda Item 29, which is a Prior Approval Update regarding the New Student Residence Hall (Dormitory) Facility. The Campus Planning and Plant Management Committee in prior action (1/14/91), approved by the Joint Business and Finance - Executive Committees (1/24/91), authorized proceeding with design/development and construction documentation architectural services for the new residence hall (dormitory) in the amount of \$500,000. The design/development state has now been completed and work is proceeding on the construction documents. The total project development cost is currently estimated at \$18,983,000.

Hospital Board of Governors Report

Dr. Rock, Chairman of the Hospital Board of Governors, called attention to the Report of that Board (Agenda Reference 30) noting that the Hospital is in a positive financial position, and

that its financial relationship with the University is also a positive one.

Dr. Rock pointed out that in January of 1992, the Hospital will begin its Centennial year, and it will also begin its Centennial Campaign, which has a target of raising \$32 million (\$16 million for the Hospital and \$16 million for the Medical School). To date, some \$20 million has been raised toward the goal of \$32 million.

On November 27, there was a group of corporate leaders who came to hear about our Temple University Hospital Story. SmithKline Beecham made a presentation and there will be other such meetings of corporate leaders so that we can get our story across.

Dr. Rock noted that the Hospital and the Medical School (which groups will be joined by all of the units at the Health Sciences Center) launched a program to acquaint the young people in the community about the opportunities available in the health care field. The first class involved 16 young people, with several coming from Dobbins High School. The Board of Governors invited one young man who participated in this first class--and the Board has been impressed by the response from the community to this "Opportunities in Health Care" (OHC) program.

Mr. Fox congratulated Dr. Rock, the Board of Governors and the staff people at the Hospital and the Medical School who are doing a remarkable job at the Health Sciences Center. A major part of the turn-around of the Hospital is attributable to the management activities at the Health Sciences Center. This turn-around at the Hospital during the past two years has removed one of the "dark clouds" over the University. The Hospital is now able to carry out its own programs and provide services to the community and to the region.

Mrs. Wofford noted that the turn-around at the Hospital is extraordinary. Mr. Fox paid tribute to all of the administrative staff at the Health Sciences Center, and he specifically mentioned Dr. Malmud, Mr. Boehringer and Mr. Lux, all of whom were present at today's Board meeting.

Committee on Development Report

Mr. Rosen, Chairman of the Development Committee, reminded Trustees that it is nearly mid-December, and if they haven't sent in their contribution to become a member of one of the Conwell Society categories, they should do so now. He urged everyone to contribute as generously as possible.

Two new development staff members have been appointed to work under Vice President Derby: Michael Hill, Director of Corporate Relations, and Ira Cooperman at the Dental School.

Mr. Rosen noted that the firm of John Grenzebach & Associates, Inc. has been retained to provide us with guidance in preparing for a Capital Campaign. We will probably have a recommendation for the Board at its March meeting.

As of 11/30/91, private giving is 27% ahead of last year, for a total of \$6.7 million.

Mr. Pew said that the firm which has been retained is a very good one; he had retained them two years ago and they did a good job for an institution other than Temple University.

Reports of Other Committees

Mr. Fox called attention to the Reports of Other Committees (Agenda References 31 and 32), suggesting that if any Trustee has questions about any of these Reports, he or she should communicate with the pertinent Committee Chairman.

24. Treasurer's Report

Without objection, the Board of Trustees received the list of grants and contracts awarded between July 1, 1991 and September 30, 1991, the major gifts and grants received between July 1, 1991, and September 30, 1991, said Report having been distributed at the Board meeting of today (Agenda Reference 34).

25. Secretary's Report

On motion duly made and seconded, the Board of Trustees voted to approve the presentation of degrees-in-course dated January 24, 1992, to candidates approved by the appropriate academic committees of the faculty.

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

W. C. S.