

MINUTES

Special Meeting - The Board of Trustees

Temple University - Of The Commonwealth System of Higher Education

Tuesday, July 7, 1992

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

Attendance:

Voting Members - Anthony J. Scirica, presiding;  
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, Irving K. Kessler,  
Peter J. Liacouras, Joseph W. Marshall, III,  
Isadore A. Shrager, Francis R. Strawbridge

being a quorum of the Board of Trustees;

Ex-Officio Participants - Leonard Mellman (Alumni);  
Mark H. Haller (Faculty)

Honorary Life Trustee - Marvin Wachman

Invited Observers - Faculty - Glenn F. Benge, Michael L. Sachs,  
Darrel L. Walters

Students - Patrick Gibbons, Lisa Kinsey,  
William Parsons

Administration and Staff - James C. Bausman, Jr.,  
Paul H. Boehringer, Richard A. Chant, James W. England,  
Jack E. Freeman, Marvin Gerstein, C. Robert Harrington,  
Robert Lux, Sandra McDade, Rosalind R. Meyers, Jesse Milan,  
Timothy O'Rourke, Arthur C. Papacostas, David V. Randall,  
A. Kent Rayburn, Robert J. Reinstein, Laurent J. Remillard,  
Valaida S. Walker, Beverly L. Breese

General Counsel - Peter Mattoon, Matthew Strickler

University Counsel - George E. Moore

Voting Members Absent - Bill Cosby, Theodore Z. Davis,  
Peter D. DePaul, Robert C. Donatucci, Richard J. Fox,  
Howard Gittis, Lewis F. Gould, Jr., Clifford Scott Green,  
Lacy H. Hunt, D. Donald Jamieson, Henry H. Nichols,  
Brian J. O'Neill, R. Anderson Pew, William W. Rieger,  
Milton L. Rock, Edward H. Rosen, Anthony H. Williams,  
James A. Williams, Clare L. Wofford

Ex Officio Participant Absent - Fabio J. Polanco

Mrs. Clifford opened the Board meeting by reading three poems.

Judge Scirica, who as Chair of the Executive Committee presided in the absence of Mr. Fox, introduced the invited guests from the faculty and the student body. He also welcomed ex officio participants Professor Mark Haller, President of the Faculty Senate, and Mr. Leonard Mellman, President of the GAA.

#### ACTIONS OF THE BOARD OF TRUSTEES

1. Approval of Minutes of May 12, 1992

On motion duly made and seconded, the Board of Trustees voted to approve the Minutes of the May 12, 1992, meeting.

2. President's Report

President Liacouras informed the Board that Chairman Fox is in Russia on a trip planned two months ago. He was not able to change his schedule in order to attend this meeting.

The President said that this is a Special Meeting of the Board of Trustees, which means we have only enumerated items previously communicated to the Trustees to consider. Certain of these items are considered annually at this time, such as the Tentative University Budget, (with the Final Budget coming forward in October), tuition and fee charges for the academic year which begins shortly, the Tentative Hospital Budget and a total of ten items. The final item will be in Executive Session with Trustees only.

This is also a meeting which could have been characterized as a meeting for the Business and Finance and Executive Committees. There are twenty-five agenda items for this second part of the Special Meeting. They are listed under Part 2 of the Agenda. Of these twenty-five items, twenty-three have already been considered by a committee of the Board. The two items which are new are Items 19 and 25.

The President said that the year just ended represented a good year for the University. In fact, given the distressed financial condition in many parts of the economy, including many parts of Pennsylvania, and despite the Commonwealth cuts of \$5 million this past year and \$6.5 million the year before and another \$12 million lost in the aftermath of the Fall 1990 activities, it is remarkable that we will have a balanced budget with a modest surplus for the year just ended. This can be attributed to Executive Vice President Freeman, Vice President Malmud, Vice President Remillard, former Acting Provost Ericksen, the Financial Affairs staff, particularly Associate Vice President Chant, our budget officer, Timothy O'Rourke, our Controller, and every budget unit head.

The President stated that it was easier for the University as a whole this year because the Hospital has performed extremely well. He praised Associate Vice President Lux and Paul Boehringer, Executive Director of the Hospital, for their contributions in transforming the Hospital from a financial liability to the University to one of an

enhancer. It has always been an outstanding Hospital and Medical School in terms of service and education but the adverse financial impact of indigent care over the years, have made it difficult for revenues to approach or exceed expenditures.

For the tenth consecutive year, the University overall is in balance financially.

The President said that we have learned at Temple University to live more modestly than many of our counterparts. We have tried to enhance, selectively, academic programs over the past several years and have budgeted some modest enhancements for next year. He described the budget as austere. He pointed out that with the \$5 million cut in State appropriation and an added \$17 million for mostly mandated salary and compensation increases, and recognizing that our increased tuition and fee revenues will net us only \$9.2 million, we start with almost \$13 million shy before we look at any other parts of the institution. To put it another way, not including the Hospital, Practice Plan, Woodhaven, restricted grant funds and the designated funds, the University's budget will increase by \$6 million on a base of \$352 million or 1.7%. Excluding the compensation increases, we have a reduction in spending, year-to-year, of \$6 million, or approximately 2% of our budget from last year. That is a very austere budget.

The University has not had involuntary layoffs; it has not closed programs for financial reasons. Instead, we have reallocated and reduced spending by \$8.5 million in major categories. We are also saving \$2.5 million for the entire University by not providing a subsidy to the Hospital--either last year or proposed for next year.

In this setting, we are recommending a 5% tuition increase for Pennsylvania residents and an average of approximately 5.8% for everyone else. That represents a tie for the second lowest tuition increase in eighteen years at Temple.

In February the Governor asked us to help with the economic condition in the State by absorbing a \$5 million reduction in the State appropriation at mid-point in our fiscal year. We took the cuts. He asked us to avoid major tuition increases for next year, and we have done that. He asked us to use part of our endowment to help reduce spiraling cost increases in higher education which put it beyond the reach of working people; and we are recommending part of that.

We believe, therefore, that we have fulfilled our end of the bargain. We are deferring many investments that we should make for the benefit of our present and future students. We are using our best judgment in deferring and eliminating certain investments.

Drs. England, Freeman and Malmud have all agreed that, while this is not the kind of budget we would prefer, we must meet our contractual obligations, maintain the high academic quality of our programs and prime ourselves for the future without undue bleeding. We have done this by the work of the University Budget Review Committee, led by Dr. Freeman. Through many meetings, the Committee has brought forward the recommendations that are coming to you today.

The Board of Trustees Subcommittee on Budgets, through Harry Begier, was given the opportunity to review the Tentative Budgets and have all questions answered. We have, therefore, gone through the consultative process.

The President thanked everyone at Temple University for making this a good year and for putting us in a position to have, in many ways, an exciting year next year, if the Governor does announce the release of funds for capital projects.

The President said we would like all of our State funding to be restored for the Fall. We have fulfilled our end of the bargain. If there is anything left over, we would like to have that \$5 million returned to Temple so that we can make the investments we really must make.

The President concluded his report by giving the Trustees an indication of what it will cost a student to come to Temple University next year. He told them that if they approve the recommendations before them, the tuition increase for a Pennsylvania resident, full-time student, will be about \$120 each semester. That is \$4,868 plus fees of \$140 for a yearly total of \$5,008. Non-Pennsylvania residents will be paying an additional 5.8% for room, board, tuition and fees for a total of \$9,958. So, while tuition is 5%, and some fees more than 5%, and some not at all, the total increase in cost for a Pennsylvania student will be 4.48%.

3. Tentative University Budget for 1992-93

On motion duly made and seconded, the Board of Trustees, pursuant to the Board authorization of 5/12/92, voted to adopt a Tentative University Budget for 1992-93, said Budget being attached as SUPPLEMENT I.

4. Tentative Hospital Budget for 1992-93

On motion duly made and seconded, the Board of Trustees, pursuant to the Board authorization of 5/12/92, voted to adopt a Tentative Hospital Budget for 1992-93, said Budget being attached as SUPPLEMENT II.

After approval of the motion, Judge Dandridge asked that the Board be brought up to date on several issues. Specifically, he asked that they be briefed, at a meeting in the near future, on the relationship between Temple University and Allegheny Health Systems and between Temple University and Health Partners. President Liacouras indicated that the briefing will be scheduled for the September meeting of the Business and Finance and Executive Committees. Because of the potential competitive features of the discussion, the briefing will be given in Executive Session. He asked that Messrs. Lux, Boehringer, Malmud and Meyers present the briefing.

5. Tuition Schedule for 1992-93

President Liacouras pointed out that the School of Medicine and School of Dentistry tuition increases for non-residents are less than 5%. This is because the rates are already so high as to rival the University of Pennsylvania's rates. The annual tuition for the School of

Dentistry is \$22,490, and for the School of Medicine is \$22,356. They are the only exception to the 5.9%.

On motion duly made and seconded, the Board of Trustees, pursuant to the Board authorization of 5/12/92, voted to approve the recommendation of the Student Affairs Committee (6/25/92) that approval be given to the Tuition Schedule for 1992-93, said Schedule being attached as SUPPLEMENT III.

6. General Activities Fee for 1992-93

On motion duly made and seconded, the Board of Trustees, pursuant to the Board authorization of 5/12/92, voted to approve the recommendation of the Student Affairs Committee (6/25/92) that approval be given to a General Activities Fee for 1992-93, with a description of said Fee described in SUPPLEMENT I.

7. Computer and Technology Fee for 1992-93

On motion duly made and seconded, the Board of Trustees, pursuant to the Board authorization of 5/12/92, voted to approve the recommendation of the Student Affairs Committee (6/25/92) that approval be given to a Computer and Technology Fee for 1992-93, said fee being described in SUPPLEMENT I.

8. Amendment of By-Laws of Boards of Visitors

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Committee on Trustees (7/1/92) that the By-Laws of the Boards of Visitors be amended by the changes as follows (deletions are crossed out and additions are underlined):

ARTICLE 2. Purpose

SECTION 3. Through Boards of Visitors, the University further expects to increase external support of the University through development efforts and by inviting distinguished persons throughout the nation and world to serve the University in the official roles as Visitors.

ARTICLE 3. Membership and the Chair

SECTION 1. A Board of Visitors shall ordinarily consist of between 12 and 24 distinguished persons, ...

SECTION 5. The Chair of the Board of Visitors shall be appointed by the Committee on Trustees acting on the advice of the President ~~and shall be a Trustee~~ . . . with the same term limitations. ~~except that the Vice-Chair need not be a Trustee.~~

SECTION 6. ... Thereafter, there shall be at least one visit annually, and the Board of Visitors shall issue a written report to the President every second year, within thirty days of the pertinent annual visit.

ARTICLE 5. Reimbursement of Expenses

SECTION 1. It is assumed that the members of each Board of Visitors will usually be in a position to cover their own expenses. However, ~~the University intends that participation as a Visitor not be a financial burden for any member.~~ ~~Accordingly,~~ expenses incurred can be reimbursed upon request as determined by the President.

REPORTS FOR INFORMATION

9. University Fees for 1992-93

The captioned Fees are attached to the Minutes as SUPPLEMENT IV.

10. Interim Revisions of Student Code of Conduct: Sexual Assault and Jurisdiction

President Liacouras explained that the captioned Revisions deal principally with the issue of assault, which is already in the Student Code of Conduct (Code). We believe, however, it is important to single out sexual assault as a specific offense under the Code. The Board (3/8/68) gave the President authority to make amendments to the Code; therefore, he is bringing it forward today as an information item only. These amendments also deal with off-campus activity, which is a major change in the jurisdictional reach of the Code. In the past, it applied only to the University campuses.

The President asked for questions from the Trustees and there were none.

PART 2

SPECIAL MEETING OF THE BOARD OF TRUSTEES, ACTING INSTEAD OF EXECUTIVE COMMITTEE AND BUSINESS AND FINANCE COMMITTEE

1. Approval of Minutes of Executive Committee Meeting of April 23, 1992

On motion duly made and seconded, the captioned Minutes were approved as distributed.

2. Approval of Minutes of Joint Meeting of April 23, 1992

On motion duly made and seconded, the captioned Minutes were approved as distributed.

3. Next Joint Meeting Date

The next usual fourth-Thursday meeting date is July 23, 1992. If a meeting is necessary on that date, advance notice will be sent to Committee members. The usual fourth-Thursday date in the following month is August 27, 1992.

4. Speakman Hall Asbestos Removal

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to remove asbestos containing materials from Speakman Hall at a cost not to exceed \$130,664, with the Funding Source being the Plant Development Fund.

5. Weiss Hall Energy Management System

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to install an energy management system in Weiss Hall at a total cost to the University not to exceed \$45,568, and to accept a grant of \$79,432 from the Pennsylvania Energy Office (PEO) for the Balance of the project cost, with the Funding Source being the Plant Development Fund.

6. Air Time License Agreement

Judge Dandridge asked if the existing CATV companies were given the opportunity to express an interest in the contract. He noted that the material presented gives no indication that any other contractor or provider of services was sought. He also noted that there is no explanation of the .05 per month subscriber fee.

Ms. Meyers responded that, over the years, the University has approached a number of companies. A few years back the University had a contract with Microband, but they cancelled out of it. Companies lose interest when we begin to discuss terms, because they must make a sizeable investment. A service must have at least twenty channels in order to get subscribers, and ACS is the only company in the area that is putting together the required number of channels to market; and, they have an existing base from which to work.

Ms. Meyers said the University has two channels which are not being used. We do not reach a very wide audience. By contracting with ACS, we will get two transmitters, at their expense; and our transmitter will be relocated to the Roxborough antenna farm. With this contract for the two channels, we will have twenty hours per channel, per week, of television transmission time.

Judge Dandridge suggested that the Board give tentative approval to the motion with the condition that the three major CATV companies be contacted to determine their interest in a similar contract. If they are not interested, the University should enter into the agreement with ACS Enterprises, Inc.

Mr. Kessler asked who in the University will be responsible for monitoring the program. The President responded that it is a part of Vice President White's portfolio; he is Vice President for Public Affairs and is working with the College of Education and other academic parts of the institution. He will work with Provost England and Vice President Malmud and with the other parts of the institution that administratively have the faculties reporting to them. He will work with the students and with the Faculty Senate.

Mr. Kessler suggested that the issue merits further review by the Board. He said it is a great opportunity to expand what we are doing; and, in order to justify the license, we must use it. He thinks we need some academicians to look at this.

The President said that we will have a report on the issue at the October meeting of the Board.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to enter into an Air Time License Agreement with ACS Enterprises, Inc. for use of Temple University's excess air time on its two Instructional Television Fixed Stations, if none of the three major CATV companies have an interest in providing the University with a comparable agreement.

7. Health Sciences Center - Angiographic Suite and Upgrade of Neuro-Vascular Suite

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to proceed with the purchase of an upgrade to the existing Vascular Angiographic Suite (previously approved), at a cost not to exceed \$99,000, with the Funding Source being Hospital Current Invested Cash.

8. Automated Telemarketing System for Telefund

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to purchase an automated telemarketing system at a cost not to exceed \$150,000, with the Funding Source being the cost savings from Telefund over a three-year period, and with the Financing Source being the Temple University 1991 Bond Issue.

9. Purchase of Xerox 5090 High Speed Copy Machine

Mr. Begier suggested that this expenditure be deferred until the feasibility of requesting a facilities management proposal is examined. There are many competitive firms which would like to have our account. Generally, such firms provide all of the capital expenditure necessary to run a facility, use up-to-date equipment, and install software which provides accountability on the usage of the equipment. He said that copy costs will be reduced if we have facilities management. He suggested that we invite facilities management proposals; and, if we find no interest, then we should go ahead with the recommendation to purchase the Xerox 5090.



Mr. Esposito asked how long such a study would take. Dr. Freeman responded that we do have time to explore that option and can include an examination of stand-alone units as well.

Ms. Meyers said that the purchase of this equipment would be within the cost per copy, below five cents, that we charge out to our departments. She said we also have our own software equipment which provides accountability on the usage of the equipment. Mr. Begier asked how many pieces of equipment we have and suggested that a company can probably get the equipment cheaper than we can.

The President asked Dr. Freeman if the Copy Center includes the Health Sciences Center and Ambler or whether it is only the Main Campus. Mr. Begier is recommending that we include the entire University. Dr. Freeman said that it does extend to all of our campuses.

On motion duly made and seconded, the Board voted to defer the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to purchase a Xerox 5090 high speed duplicator/copier at a cost not to exceed \$145,000 with the Funding Source being the Duplicating Services Operating Revenue, pending the investigations of facilities management alternatives.

10. Conwell/Carnell Masonry Facade Repairs -  
Increased Scope of Work

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (5/1/92) that the officers be authorized to expand the scope of repairs to Conwell and Carnell Halls' masonry facades at an additional cost not to exceed \$115,000, with the Funding Source being the Plant Development Fund, and with the Financing Source being Internal Funds and/or 1991 Bond Issue.

11. Health Sciences Center School of Medicine, Fels  
Institute for Cancer Research and Molecular Biology  
Acquisition of Centrifuges, Rotors and Buckets

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to proceed with the purchase and acquisition of centrifuges, rotors and buckets for the Fels Institute for Cancer Research and Molecular Biology. The projected capital expenditure for these items is \$74,029, with the Funding Source being the Medical School Funds.

12. Lease of Parking Lot - 1900 West Allegheny Avenue

Mr. Kessler asked who will use this facility. Dr. Freeman responded that it will be used for student parking and shuttle service will be provided to move the students to and from the Health Sciences Center.

Mr. Contoudis asked what we used in lieu of this space. Dr. Freeman responded that we need parking, and this facility will augment our existing resources. President Liacouras said we need an additional 400-500 parking spaces.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to enter into a lease agreement with Stanley Blacker, Inc. for a parking lot at 1900 West Allegheny Avenue with an initial lease term of two years at an annual rental of \$18,000 and with a provision which requires Stanley Blacker, Inc. to reimburse Temple University for the unamortized cost of improvements, up to \$25,000, if Stanley Blacker, Inc. terminates the lease within the two year period.

13. Hudson Building Handicapped Access Ramp

In response to a question from Mr. Kessler as to the location of the Hudson Building, Dr. Freeman said that it is on Carlisle Street and that it provides office and classroom space. It houses the Temple Infant/Parent Support Service (TIPSS) program.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to construct a handicapped access ramp at the Hudson Building at a cost not-to-exceed \$66,000, with the Funding Source being the Plant Development Fund.

14. Classroom and Laboratory Building - Pre-design/  
Programming Professional Consultant Services

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to enter into a contract with an architectural firm, the selection of which will be made by the Chair of the Campus Planning and Plant Management Committee, the terms and conditions of which shall be subject to approval by the officers and University Counsel; to provide space programming, conceptual design, budgeting and other professional consulting services for the pre-design programming phase of the proposed Classroom and Laboratory Building project with a total design budget not-to-exceed \$77,500 in fees plus reimbursables not to exceed \$5,000 and a 10% contingency, with the Funding Source being the Plant Development Fund and the Financing Source being Project Funds raised from private sources.

15. Renovations for the Center for Research on Adolescent  
Drug Abuse - Weiss Hall

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to renovate portions of the third floor of Weiss Hall to accommodate the Center for Research on Adolescent Drug Abuse at a cost not-to-exceed \$232,800, with the Funding Source being the Plant Development Fund.

16. Battersby Parking Addition

Judge Dandridge asked what the phrase "that the officers be authorized" means. The President said it means the Vice President for Financial Affairs, Treasurer, and the President. The practice of this President is to delegate that function to the Treasurer.

Judge Dandridge asked that the Minutes reflect that the term "officers" as used in these motions includes the President of the University.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to construct a parking lot on the east side of 15th Street, between Westmoreland Avenue and Ontario Street, at a cost not-to-exceed \$560,720, with the Funding Source being the Parking Services Revenues and the Financing Source being the 1991-92 Temple University Bond Issue.

17. Telecommunication Equipment and Software Acquisition

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to purchase telecommunication equipment and software at a cost not-to-exceed \$654,235, with the Funding Source being the Plant Development Fund and the Financing Source being the Temple University 1991 Bond Issue.

18. Computer Facilities Management Service Contract for Technical Operations

Dr. Freeman reported that this is an extension of the existing contract with the Systems and Computer Technology (SCT) Company. It actually lowers our cost from our current level.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the officers be authorized to enter into an agreement with Systems and Computer Technology (SCT) Company to provide Facilities Management Services for Technical Operations for three years at a cost not-to-exceed \$5,658,443, with the Funding Source being the Computer and Information Services Operating Budget.

19. Feasibility Study of the Refunding of Existing 1986 FHA Insured Temple University Hospital Revenue Bonds

President Liacouras said that this is a reminder that the University is now undertaking a study as described in the motion. In September, we will come back with the results of the feasibility study and a recommendation.

Judge Dandridge said that this is similar to the Goldman Sachs recommendation considered some time ago. The President said that this follows that earlier study. The Goldman Sachs Study was slowed down because of FHA restrictions on what we can do. The point of this proposal is to get out from under the FHA and to float the bonds strictly on the basis of the revenues of the Hospital. If there are any questions about it, we will answer them in Executive Session.

Mr. Begier asked what is the interest rate of the FHA bonds, and the response was that it is 6%-7%. He asked how many basis points are needed to justify refunding. Vice President Remillard said that 100 basis points are needed to recover costs. Mr. Begier asked if there is a pre-payment penalty on the FHA bonds and the response from Vice President Remillard was that there is.

The President said that there are other benefits in getting out from under FHA. Everything we purchase for the Hospital becomes part of the FHA revenue base. We are bringing it here just to be sure that we have the authority to engage in this discussion.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation that the officers be authorized to examine and study the feasibility of refunding the existing 1986 FHA Insured Temple University Hospital Revenue Bonds with the financing secured solely by the revenues of the Hospital.

#### TECHNICAL MATTER

20. Modification of Language of Business and Finance Committee and Executive Committee, the Latter Acting on Behalf of the Board, Approved Recommendation of (10/24/91) Providing for the - Addition of a 16-Bed Geriatric Skilled Nursing Floor

Mr. Begier asked if this was a no bid contract. Dr. Freeman responded that this is to reflect the fact that some of this work would be done outside the Hospital, in Jones Hall.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (6/5/92) that the language of the Business and Finance Committee and the Executive Committee, the latter acting on behalf of the Board, approving the motion (10/24/91) on the Health Sciences Center - Addition of a 16-Bed Geriatric Skilled Nursing Floor be modified to read:

. . . that the officers be authorized to proceed with the renovation of existing hospital space to facilitate a 16-bed geriatric skilled nursing floor and to proceed with the renovation of space in Jones Hall to recreate the hotel rooms which will be eliminated by the creation of the 16-bed geriatric skilled nursing floor at a cost not to exceed \$300,000, \$73,000 of which is for the Jones Hall renovations, with the Funding Source being Patient Service Revenue and with the Financing Source being Hospital Cash Funds.

(NEW LANGUAGE IN BOLD PRINT)

21. 1992-93 Allocation to TemplePIRG

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Student Affairs Committee (6/2/92) that the University's Agreement of Financial Support with TemplePIRG be conditionally renewed for the 1992-93 academic year in the amount of \$20,000.

22. Retaining of Consultant to Assist the Hospital with the Implementation of the Human Resources System

Judge Dandridge asked if this \$50,000 expenditure falls within the total amount approved several years ago for the Human Resource System. Mr. Lux said this request falls outside of that original amount and would be paid for by the Hospital.

Mr. Begier reminded that this recommendation was the subject of a notational vote call, during the week of June 29, 1992, to each member of the Campus Planning and Plant Management Committee.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee, pursuant to the notational vote taken during the week of June 29, 1992, that the officers be authorized to retain the services of JAT Computer Consulting, Inc. at a cost not-to-exceed \$50,000 to assist with the Hospital's implementation of the Human Resources System with the Funding Source being the Hospital Revenues and the Financing Source being the Hospital Invested Cash Balance.

23. Fels Institute for Cancer Research and Molecular Biology - Renovation of Laboratory Space

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee, pursuant to the notational vote taken during the week of June 29, 1992, that the officers be authorized to proceed with the Demolition and Renovation of laboratory space in rooms 345, 346, 347, 350, 351 and 352 in the Pharmacy and Allied Health Building to house the research of Dr. E. Premkumar Reddy. The projected capital expenditure for this item is \$175,850 with the Funding Source being the Medical School Funds, Dean's Fund.

24. Health Sciences Center - Retaining of Mr. John F. White, Jr., as an Independent Consultant to Advise the Hospital on Medical Assistance Managed Care Issues

Mr. Marshall asked the meaning of this recommendation. Mr. Boehringer responded that Pennsylvania is going to change the way that health care is provided to the indigent. Mr. White was central in developing some of the thinking in this area and understands the systems in Harrisburg as well as the situation in North Philadelphia. We believe his assistance could be invaluable to the Hospital.

President Liacouras said he asked University Counsel George Moore for an opinion on whether there would be a conflict of interest and was told there would be none. Mr. White is subject to ethics law for one year after his last position held with the State. Mr. Moore said that the time will be past before Mr. White represents the University before the Department of Public Welfare. Mr. Marshall advised that Counsel can seek an opinion from the Ethics Commission. Judge Dandridge suggested that any contract with Mr. White not begin prior to August 1, 1992, which is the date Mr. White left DPW.

Mr. Begier asked if the Medicaid formula presently in place is the result of our law suit, and if we are now concerned that changes are being considered because of that suit. President Liacouras said the issue is that Allegheny General is coming in and competing vigorously, and Temple University must protect itself and the people in the neighborhood. Under the present approach, we believe we must have specialized support to carve out our own counter to Allegheny's thrust. The President said he is always surprised to find that even though we are in the business of providing an education and services and are not-for-profit, certain hospital corporations are acting as though we are supposed to make greater profit by ravaging one another. These charitable institutions are serving the public good, but acting too often as a for-profit corporation. If we do not do something about Allegheny's thrust, we will possibly lose a market share in North Philadelphia.

Judge Dandridge suggested that this issue might better be addressed after the September Joint Committee Executive Session briefing about what is going on in this milieu. Mr. Marshall said we should go ahead with this motion but also begin to look at this from a strategic option standpoint and use Mr. White to leverage our position.

On motion duly made and seconded, the Board of Trustees voted, with Mrs. Clifford abstaining, to approve the recommendation of the Campus Planning and Plant Management Committee, pursuant to the notational vote taken during the week of June 29, 1992, that the officers be authorized to retain the services of Mr. John F. White, Jr., as an independent consultant at a cost not-to-exceed \$50,000 to assist the Hospital with issues relating to the delivery of managed care services to the indigent population of North Philadelphia, with the proviso that a follow-up review be forthcoming and that Mr. White's contract begin not before August 1, 1992, with the Funding Source being the Hospital Revenues and the Financing Source being the Hospital Invested Cash Balance.

25. Authorization for Officers to Enter Into Agreement with Travel Agency

President Liacouras referred to the report titled Response to Questions and Requests of President Liacouras and Executive Cabinet Regarding Travel Agency Contractor, SUPPLEMENT V to these Minutes. He said he is satisfied that the process was a correct one. He noted that members of the Travel Committee were polled to assure no conflict of interest nor potential of such. Two minority agencies were involved in the process, one of which did not bid. He received a letter from the agency which did not bid and asked Ms. Meyers to follow-up. The result of that follow-up appears as Item 2 of SUPPLEMENT V.

Judge Dandridge suggested that since the Board was in receipt of SUPPLEMENT V no further presentation was necessary.

Mr. Contoudis asked why Rosenbluth Travel did not bid and how their prices compare to the prices of those who did. Dr. Freeman responded that Rosenbluth did not bid because they believe they cannot make enough money on the Temple account. He did not know how their prices would compare to the prices given by the bidders. He pointed out that an agency's willingness to provide on-site offices was critical to our consideration, and only three of the four finalists were willing to do that.

On motion duly made and seconded, the Board of Trustees voted, with Mr. Marshall abstaining, to approve the recommendation that the officers be authorized to enter into an Agreement with World Travel Agency. See Background Statement attached as SUPPLEMENT V to these Minutes.

#### REPORTS FOR INFORMATION

26. Summary Status Report of the Plant Development Fund Projects

Judge Scirica called attention to the captioned Report. See SUPPLEMENT VI to these Minutes.

#### OLD BUSINESS

27. Resolutions of Appreciation

President Liacouras explained that the Resolutions of Appreciation to Kenneth R. Cundy, the first ex officio faculty member to sit on the Board, and Randall Gaboriault, the first ex officio student to sit on the Board, were inadvertently omitted from consideration at the 5/12/92 meeting of the Board and offered them for consideration at this time.

On motion duly made, seconded, and unanimously approved, the Board of Trustees voted to adopt Resolutions of Appreciation to Kenneth R. Cundy and Randall Gaboriault, said Resolutions being attached as SUPPLEMENTS VII and VIII to these Minutes. (Copies of these Resolutions will be mailed to the recipients.)

28. Contract for Services for Charles Fishman, Esq. in the Temple-Japan Program

President Liacouras reported to the Board his intent to extend, for another year, the contract with Charles Fishman, Esq. The terms of the contract are the same as last year. He said that Mr. Fishman has been invaluable to the Temple-Japan Program during this period. The success of the turn around from the previous partner to the present one is the result of work done by Robert Reinstein, Julia Ericksen, William Sharp and Charles Fishman.

The President said if the Board wished to put forward a motion, he would accept it or they might simply want to recognize that the contract is being renewed.

On motion duly made and seconded, the Board of Trustees voted to authorize the officers to extend, for one year, the contract with Charles Fishman, Esq., to provide consulting services for the Temple-Japan Program, the terms of the contract being the same as those in the previous year and having been verbally presented to the Board today.

The meeting of the Board of Trustees adjourned to Executive Session at 4:45 P.M.