

MINUTES

BOARD OF TRUSTEES

Temple University  
- Of The Commonwealth System of Higher Education

Tuesday, May 9, 1995

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

**PUBLIC SESSION**

Members - Richard J. Fox, Chairman; Francis J. Catania,  
John J. Contoudis, Theodore Z. Davis, Peter D. DePaul,  
Louis J. Esposito, Lewis F. Gould, Jr., Judith E. Harris,  
Peter J. Liacouras, Joseph W. Marshall, III,  
Daniel H. Polett, Milton L. Rock, Edward H. Rosen,  
Isadore A. Shrager, Edna S. Tuttleman, Clare L. Wofford,  
Paul Zelenkofske (newly elected)

Administration and Staff - Richard A. Chant,  
Albert R. Checcio, Lawrence C. Connolly,  
James W. England, Richard M. Englert, Thomas R. Freitag,  
C. Robert Harrington, R.C. Johnson, Leon S. Malmud,  
Rosalind R. Meyers, Jesse Milan, Timothy C. O'Rourke,  
Arthur C. Papacostas, A. Kent Rayburn,  
Robert J. Reinstein, William G. Sites, Valaida S. Walker,  
James S. White, Beverly L. Breese

University Counsel - George E. Moore

General Counsel - Peter Mattoon

Ex Officio Participants - Kamal I. Latham, (Student);  
Roland Lipka (Faculty); Joseph A. Marlino, Sr., (Alumni)

Invited Guests - Charles Abramovic, Linda Mauro,  
Peter A. Tasch (Faculty); Carmen Corral,  
Robert Lawless, Marcia Moore (Students)

Members Absent - William H. Cosby, Jr., Paul A. Dandridge,  
Robert C. Donatucci, Jane Scaccetti Fumo, Howard Gittis,  
Clifford Scott Green, Lacy H. Hunt, Sidney Kimmel,  
Maureen H. McCullough, Brian J. O'Neill,  
William W. Rieger, Anthony J. Scirica,  
Francis R. Strawbridge, Anthony Hardy Williams,  
James A. Williams

## INVOCATION

The Invocation was given by Mrs. Edna Tuttleman.

## Approval of Minutes

On motion duly made and seconded, the Board of Trustees voted to approve the Minutes of the Regular Meeting of March 14, 1995.

## PRESIDENT'S REPORT

The text of the President's Report follows.

### President's Report to the Board of Trustees, May 9, 1995

You have received four reviews and reports in the past three months on the status and prospects for the University, and particularly on "A Plan to Renew Temple's Mission." Today's will be brief.

The first item on today's agenda is my recommendation to direct us to present an alternative plan to reduce the University's current non-Hospital "running rate" by \$16 million by June 30. Half of the savings (\$8 million) are secure, and will be implemented by administrative action. The other half (\$8 million) in savings under the Plan, provisionally approved by you in March, were to be realized by a general salary freeze for everyone in 1995-96, with 5% cuts for the President, officers and deans.

It now appears the faculty union, TAUP, which we looked to for leadership for the community as a whole, will not accept a revision of its existing contract to include a wage freeze. Neither will the Hospital Workers 1199C, the only one of Temple's 12 unions whose present contract expires on June 30. 1199C has already concluded new contracts with all other city hospitals without a wage freeze. Their position on Temple's request for a one-year wage freeze, while understandable, leaves us no practical alternative to personnel reductions, major involuntary layoffs.

Short term, mild pain for everyone that increases productivity for the University's long term benefit, was the rationale for the salary freeze and cuts.

We now face a deadline on June 29 -- the date of a Special Meeting of the Board -- for approval of a Tentative Budget for 1995-96. That Tentative Budget will include \$16 million in cuts from this year's "running rate." I am confident we can and will present an alternative plan for achieving the Plan's financial

objectives, consistent with the educational and productivity goals contained in "A Plan to Renew Temple's Mission."

However, I sincerely regret that involuntary layoffs -- the first at the general university in 12 years -- will be part of the alternative plan. The pain will be more severe and lasting for many loyal Temple employees who have done nothing wrong, and for the consciences of some who were unwilling to accept a little, short-term pain for all to spare greater pain for some. We will try as hard as possible to be fair, even-handed and effective. We have consulted with all major constituencies of the University, and will have the benefit of the Kearney Group of external consultants in this undertaking. But the plan we adopt will be determined by Temple, not by any outside group without responsibility for our employees, students, the University's mission, and our goal of becoming the finest urban-based university in America.

Every unit at Temple will feel part of the pain. But the alternative to the across-the board wage freeze will not be "across the Board" programmatic or personnel cuts. No so-called "sacred cows" will be exempted.

I am disappointed but not surprised to report that selflessness and self-sacrifice for the larger good has not yet become a universal standard in labor-management negotiations. That's understandable, but a pity.

It's a shame for loyal employees and their families that personnel reductions, major involuntary layoffs, and program reductions will therefore be needed now. Maybe our message, and the sense of one community, has not gotten through. So, for the last time -- before we separate loyal Temple employees and programs for their University through no fault of their own -- I urge the unions and other members of the community: ask what we can all do for Temple and our colleagues, rather than what someone else should do for us.

1. "A Plan to Renew Temple's Mission"

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation that the President propose final recommendations, including if necessary alternative means, to achieve the goals set forth in "A Plan to Renew Temple's Mission" for the Board's consideration and approval at a Special Meeting of the Board of Trustees to be held on June 29, 1995.

2. Recommendation to Transform the Regular Meeting of the Executive Committee and Business and Finance Committee Scheduled for June 29, 1995, into a Special Meeting of the Board of Trustees, to Approve A Plan to Renew Temple's Mission, a Tentative University Budget for 1995-1996, and Related Matters, and to Act on Deferred Tenure Considerations

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the officers that the regular meeting of the Executive Committee and Business and Finance Committee scheduled for June 29, 1995, be transformed to a Special Meeting of the Board, to act on the following:

- (1) A Plan to Renew Temple's Mission
- (2) Tentative University Budget for 1995-96
- (3) Tuition Schedule for Graduate and Professional Students 1995-96
- (4) General Activities Fee for 1995-96
- (5) Tentative Hospital Budget for 1995-96
- (6) Deferred Tenure Considerations
- (7) The Possible Legal Separation of the Hospital into a Wholly Owned University Subsidiary.

**Executive Committee**

3. Report

The report of the Executive Committee was received as given in Agenda Reference 3.

4. Borrowing Authority

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Business and Finance Committee and the Executive Committee (4/18/95) 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 July 1, 1995, through September 30, 1995. (The borrowing authority for the preceding quarter was also for \$30 million.)

**Committee on Trustees**

5. Report

The report of the Committee on Trustees was received as given in Agenda Reference 5.

6. Election of Commonwealth Trustee Paul Zelenkofske

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Committee on Trustees (4/27/95) and elect Mr. Paul Zelenkofske to a 1992-1996 term on the Board of Trustees of Temple University - Of The Commonwealth System of Higher Education, Mr. Zelenkofske having been appointed by The Honorable Robert C. Jubelirer, President Pro Tempore of the Senate.

7. Election of Members to the Board of Governors of Temple University Hospital

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Committee on Trustees (4/27/95), and elect the persons listed below to membership on the Board of Governors, Temple University Hospital, for the terms indicated, effective May 9, 1995.

Anthony J. Gigliotti (1994-1997)

Bradford P. Woods (1994-1997)

H. Robert Jacobs, Jr. (1992-1995)

8. Election of Members of the Board of Directors of Northeastern Hospital of Philadelphia

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Committee on Trustees (4/27/95) and elect the persons listed in SUPPLEMENT I (positions 1-9) to membership on the Board of Directors of Northeastern Hospital of Philadelphia for the terms indicated, effective May 9, 1995.

9. Election of Members of the Board of Directors of Innovative Physician Services, Inc.

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Committee on Trustees (4/27/95) and elect the persons listed in SUPPLEMENT II to membership on the Board of Directors of Innovative Physician Services, Inc. for the terms indicated, effective May 9, 1995.

**Committee on Educational Policies**

10. Report

The report of the Committee on Educational Policies was received as given in Agenda Reference 10.

11. Merger of the Department of French and Italian with the Department of Germanic and Slavic Languages and Literature

On motion duly made and seconded, the Board of Trustees, voted to approve the recommendation of the Educational Policies Committee (3/20/95) of the merger of the Department of French and Italian with the Department of Germanic and Slavic Languages and Literature to form a new Department of French, German, Italian and Slavic.

12. Tenure for Faculty 1995-1996

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 recommendations of the Educational Policies Committee (3/20/95 and 4/17/95) with respect to the granting of faculty tenure for 1995-1996. (The list of the faculty recommended for tenure is on file in the Office of the Provost.)

**Committee on Athletics**

13. Report

The Report of the Committee on Athletics was received as given in Agenda Reference 13.

**Committee on Audit**

14. Report

The Report of the Committee on Audit was received as given in Agenda Reference 14.

**Board of Governors**

15. Report

The Report of the Board of Governors was received as given in Agenda Reference 15.

**Committee on Business and Finance**

16. Report

The Report of the Committee on Business and Finance was received as given in Agenda Reference 16.

## **Committee on Campus Planning and Plant Management**

### **17. Report**

Mrs. Wofford asked for an explanation of "medical satellite practices" as referred to in the captioned report. Dr. Malmud explained that medical satellite practices allow our physicians to practice and establish relationships with patients in various communities and then to refer those patients needing hospitalization to Temple University Hospital.

## **Committee on Development**

### **18. Report**

The report of the Committee on Development was received as given in Agenda Reference 18.

## **Committee on Honorary Degrees**

### **19. Report**

President Liacouras informed the Trustees that Commencement will be held on Thursday, May 18, 1995, and asked that they attend and assist with the conferral of degrees. He explained the program and said that Bill Cosby, who yesterday voluntarily recorded about ten radio spots restating Temple University's contributions to this region, will also participate in commencement exercises.

Only one Honorary Degree will be awarded. It will be given to Trustee Louis J. Esposito. The President said there is not a more deserving person who has given more of himself, never asking for anything more than good education and straight forward administration in return. The Board showed its approval by giving Mr. Esposito a resounding round of applause.

## **Committee on Student Affairs**

### **20. Report**

The report of the Committee on Student Affairs was received as given in Agenda Reference 20.

### **21. Treasurer's Report**

On motion duly made and seconded, the Board of Trustees voted to approve the list of grants and contracts awarded for the

period July 1, 1994 - March 31, 1995, the major gifts and grants received for the quarter ended March 31, 1995, and the purchases and sales of securities for the third quarter, Fiscal Year 1995, be received.

## 22. Secretary's Report

On motion duly made and seconded, the Board of Trustees voted to approve the presentation of degrees-in-course dated August 25, 1995, to candidates approved by the appropriate academic committees of the faculty; with the understanding that degrees for Law School Evening students who regularly complete their studies in July shall be dated July 18, 1995, with a certificate of the Dean of the Law School verifying said receipt.

## EXECUTIVE SESSION

At this point, the Board went into Executive Session to discuss labor relations and personnel matters. After the discussion, it returned to Public Session to consider New Business.

## NEW BUSINESS

### 23. Authorization for Officers to Enter into an Exclusive Contract with Independence Blue Cross, Pennsylvania Blue Shield and Keystone Health Plans to Provide Health Insurance Coverage for University Employees, Faculty Members and Retirees

The President said this was the lowest of the bids in terms of savings for the University and it fulfills all legal requirements existing presently with our unions in terms of the benefits.

On motion duly made and seconded, with Peter DePaul, Judith Harris and Joseph Marshall, III, not participating, the Board of Trustees voted to authorize the officers, upon completion of discussions with the collective bargaining agents of the University's unionized employees, to enter into an exclusive contract with Independence Blue Cross, Pennsylvania Blue Shield and Keystone Health Plans to provide health insurance coverage for University employees, faculty members and retirees (except those whose health coverage is provided by their union under a collective bargaining agreement) through their preferred provider organization ("Personal Choice") or their health maintenance organizations, effective July 1, 1995, or earlier if possible.)

24. Founder's Day Honorees

Mr. Fox reported that Trustees Edna S. Tuttleman and Daniel H. Polett were honorees at this year's Founder's Dinner. Mrs. Tuttleman received a Certificate of Honor and Mr. Polett received the Russell H. Conwell Award.

**ADJOURNMENT**

On motion duly made and seconded, the meeting of the Board of Trustees was adjourned at 4:00 P.M.