

MINUTES

THE BOARD OF TRUSTEES

Temple University - Of The Commonwealth System of Higher Education

Tuesday, March 10, 1998, 3:00 P.M.

Sullivan Hall, Feinstone Lounge

Presiding Officer, Richard J. Fox
Chairman of the Board

ATTENDANCE

Members: Theodore Z. Davis, Louis J. Esposito, Richard J. Fox, Jane S. Fumo, Paul P. Giordano, Clifford Scott Green, Mitchell G. Leibovitz, Peter J. Liacouras, Joseph W. Marshall, III, Daniel H. Polett, Robert A. Rovner, Anthony J. Scirica, Isadore A. Shrager

Ex Officio Participants: Edwin G. Beausoleil, Donald L. Walters

Invited Guests: Elizabeth H. Barber, Johnny Michel, Stephen S. Soondar, Keri Sweet, Ann VanSant

Administration and Staff: James C. Bausman, Paul H. Boehringer, Beverly L. Breese, Corrine A. Caldwell, Albert R. Checcio, Martin S. Dorph, Richard M. Englert, Jay G. Falkenstein, Thomas R. Freitag, C. Robert Harrington, Leon S. Malmud, Thomas Maxey, Arthur C. Papacostas, Robert J. Reinstein, Valaida S. Walker, James S. White

General Counsel: Peter Matoon

University Counsel: George E. Moore

Trustees Unable to Attend: Joan H. Ballots, Michael L. Browne, Francis J. Catania, John J. Contoudis, William H. Cosby, Jr., Paul A. Dandridge, Peter D. DePaul, Nelson A. Diaz, Robert C. Donatucci, Howard Gittis, Lewis F. Gould, Jr., Lacy H. Hunt, Edward Kassab, Sidney Kimmel, Arthur G. Raynes, William W. Rieger, Milton L. Rock, Edward H. Rosen, James H. Shacklett, III, Edna S. Tuttleman, James A. Williams

EXECUTIVE SESSION

Trustees and officers met in Executive Session and were briefed on a merger with the Pennsylvania College of Podiatric Medicine. Action on this merger was taken in Public Session, Agenda Item 25 below.

The Trustees approved, in Executive Session, with University Counsel consenting to the vote being taken in Executive Session, the execution of a letter of intent between Temple University Health System, Inc. and a medical center.

INVOCATION: The Invocation was given by Trustee Daniel H. Polett.

ANNOUNCEMENT:

Chairman Fox announced the death of Judge Charles B. Klein, former Chairman of the Board of Trustees, and called for a moment of silence in his memory.

On motion duly made and seconded, the Board voted to send a resolution of condolence to Judge Klein's family.

President Liacouras reported that he had just spoken to Judge Richard Klein, son of Judge Charles Klein, who told him that some of his father's greatest joys were Temple University, the School of Law and Richard J. Fox. Judge Charles Klein took great pride in the development of the Board of Trustees in the years since his tenure, particularly under the great present Chairman, Richard J. Fox, whom he knew as a young man.

The President reported that on March 31, 1998, in Room 653, City Hall, there will be a memorial service in honor of a legend of the School of Law and of the University, Charles B. Klein.

Approval of Minutes - Regular Meeting of December 9, 1997

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

PRESIDENT'S REPORT - Peter J. Liacouras

The President made no additional report at this meeting.

REPORTS AND RECOMMENDATIONS FOR ACTION:

Executive Committee - Howard Gittis, Chairman

1. Report

The Report of the Executive Committee was received as given in Agenda Reference 1.

Recommendations for Action:

2. Borrowing Authority - 4/1/98 - 6/30/98

On motion duly made and seconded, the Board of Trustees authorized the officers 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 April 1, 1998, through June 30, 1998.

3. Policy on Approval of Capital Expenditures

On motion duly made and seconded, the Board of Trustees accepted the recommendation of the Executive Committee, Business and Finance Committee and the Campus Planning and Plant Management Committee, and approved the Policy on Approval of Capital Expenditures, substantially as was set forth in SUPPLEMENT I, which is attached to the official copy of these Minutes on file in the Office of the Secretary.

Committee on Educational Policies - Isadore A. Shrager, Chairman

4. Report

The Report of the Committee on Educational Policies was received as given in Agenda Reference 4.

Recommendations for Action:

5. Establishment of a B.S. Degree in Materials Science

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and established a B.S. in Materials Science.

6. Establishment of a Ph.D. Program in Physical Therapy

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and established a Ph.D. program in Physical Therapy.

7. Establishment of a Joint MBA/MS Concentration in International Business

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and established a joint MBA/MS concentration in International Business.

8. Revisions to the Graduation Requirements for the Bachelor's in Business Administration (BBA)

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and revised the graduation requirements for the BBA, substantially as was set forth in Agenda Reference 8.

9. Merger of the Departments of Oral Medicine and Community Dentistry

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and merged the Departments of Oral Medicine and Community Dentistry.

Committee on Trustees - Isadore A. Shrager, Chairman

10. Report

The Report of the Committee on Trustees was received as given in Agenda Reference 10.

Committee on Audit - Mitchell G. Leibovitz, Chairman

11. Report

The Report of the Audit Committee was received as given in Agenda Reference 11.

Mr. Leibovitz added that, after a good deal of work, the Committee concluded that a change in the external auditor for the University was in order. The external auditor for the University is now Deloitte and Touche while KPMG Peat Marwick remains the external auditor for the Health System.

Recommendation for Action:

12. Acceptance of the Auditor General's Audit Report of Temple University for the Year Ended June 30, 1996

On motion duly made and seconded, the Board of Trustees approved the

recommendation of the Committee on Audit and accepted the Auditor General's Audit Report of Temple University for the Year Ended June 30, 1996.
Committee on Business & Finance - Edward H. Rosen, Chairman

13. Report

The Report of the Committee on Business and Finance was received as given in Agenda Reference 13.

Committee on Campus Planning and Plant Management - Louis J. Esposito, Chairman

14. Report

The Report of the Committee on Campus Planning and Plant Management was received as given in Agenda Reference 14.

Recommendation for Action:

15. Peabody Hall Improvements - Main Campus

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee and authorized the officers to renovate Peabody Hall on the Main Campus at a cost not-to-exceed \$892,265, with the Funding Source being the Repair and Replacement Account.

16. Harrisburg Campus Expansion

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee and authorized the officers to enter into a letter of intent with the Harrisburg Parking Authority to lease approximately 45,000 square feet, yet to be built, subject to lease negotiations and future Board approval.

17. Sale of Shawnee Village Timeshares

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee and authorized the officers to sell the three weeks of timeshares in Unit 50F, Shawnee Village, Stroudsburg, Pennsylvania, for a total of \$2,000, less closing costs.

Committee on Development - Howard Gittis, Chairman

18. Report

The Report of the Committee on Development was received as given in Agenda Reference 18.
Chairman Fox remarked that the development results this year continue to exceed last year's results.

Committee on Honorary Degrees - Peter J. Liacouras, Chairman

19. Report

The Report of the Committee on Honorary Degrees was received as given in Agenda Reference 19.

Board of Directors, Temple University Health System, Inc.- Howard Gittis, Chairman

20. Report

The Report of the Board of Directors, Temple University Health System, Inc., was received as given in Agenda Reference 20.

Committee on Student Affairs - Clifford Scott Green, Chairman

21. Report

The Report of the Committee on Student Affairs was received as given in Agenda Reference 21.

Recommendation for Action:

22. Housing Rates Proposal for 1998-1999

Judge Green informed the Trustees that the increase being recommended will permit the University to, among other things, extend the cable system in the dormitories and provide additional housekeeping.

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Committee on Student Affairs for a 2.4% increase in the Housing Rates for 1998-1999, as was more fully set forth in SUPPLEMENT II, which is attached to the official copy of these Minutes on file in the Office of the Secretary.

REPORT OF THE OFFICERS

23. Treasurer's Report - Martin S. Dorph

Recommendation for Action:

On motion duly made and seconded, the Board of Trustees voted that the list of gifts received for the Quarter ended December 31, 1997; grants and contracts awarded between October 1, 1997 and December 31, 1997, and the purchases and sales of securities between October 1, 1997 and December 31, 1997, be received, said Report being included and identified as AGENDA REFERENCE 23 .

24. Secretary's Report - George E. Moore

Recommendation for Action:

On motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated May 21, 1998, to candidates approved by the appropriate academic committees of the faculty; the presentation of degrees-in-course dated May 21, 1998, to candidates approved by the appropriate academic committees of the faculty in Tokyo and Osaka, Japan.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

Recommendation for Action:

25. Plan of Merger with Pennsylvania College of Podiatric Medicine

Professor Donald Walters, President of the Faculty Senate, informed the Trustees that the Faculty Senate Steering Committee had been briefed on the Plan of Merger with Pennsylvania College of Podiatric Medicine and had moved the adoption of the proposal.

On motion duly made and seconded, the Board of Trustees hereby approved the plan of merger of the Pennsylvania College of Podiatric Medicine (PCPM") with and into Temple University - Of The Commonwealth System of Higher Education substantially as set forth in the Affiliation Agreement, SUPPLEMENT III to the official copy of these Minutes on file in the Office of the Secretary, subject to consultation with and the advice of the Faculty Senate through its Steering Committee and the consent of certain governmental and other authorities as set forth in the Affiliation Agreement;

subject to the receipt of approximately \$2 million in endowment funds and \$3 million in board-restricted funds from PCPM, approved the transfer of \$1,000,000 from the general, unrestricted funds of the University to a quasi-endowment fund for the benefit of the Temple University School of Podiatric Medicine, all as more fully set forth in the Affiliation Agreement; and authorized the appropriate officers of the University to execute, acknowledge, deliver and file all necessary certificates, instruments, agreements and other documents, including without limitation an Agreement and Plan of Merger, and take such other actions necessary or, in the opinion of such officer or officers, advisable to effectuate the merger. *[Secretary's Note: Trustees Jane S. Fumo and Robert A. Rovner abstained.]*

REMARKS BY TRUSTEE MITCHELL G. LEIBOVITZ

Trustee Leibovitz took the opportunity to say that there has not been a time when he has been more proud of his association with Temple University and mentioned the Tuttleman Learning Center, The Apollo, the Temple University Children's Medical Center.

Mr. Leibovitz said that for too many years this University has been a victim of negative, as opposed to positive, reporting which becomes negative advertising. He thinks we should feel good about the people who made The Apollo happen in terms of fund raising, the people who built it, etc.

Mr. Leibovitz said that he believes the merger of WRTI's jazz programming with WFLN's classical music has increased the diversity of our listening audience. Despite the initial negative reaction of a few, he believes it is an extremely positive step.

He thanked President Liacouras for his candor at the budget hearings in Harrisburg and for the conviction to do what is necessary to move the University forward.

Mr. Leibovitz said that, for him, it is a great time to be a Temple Owl.

ADJOURNMENT

On motion duly made and seconded, the meeting of the Board of Trustees was adjourned at 3:55 P.M.