

BOARD OF TRUSTEES

Temple University – Of The Commonwealth System of Higher Education

Thursday, June 23, 2005, at 3:00 p.m.

**Feinstone Lounge, Sullivan Hall
Liacouras Walk and Berks Mall**

MINUTES

Presiding Officer:

Lewis F. Gould, Jr., Chair, Budget & Finance Committee

PARTICIPANTS

Trustees: David Adamany, Joan H. Ballots, Leonard Barrack, Jon A. Boscia, Loretta C. Duckworth, Lewis F. Gould, Jr., Edward Kassab, Lewis Katz, Patrick V. Larkin, Solomon C. Luo, Joseph W. Marshall, III, Christopher W. McNichol, Patrick J. O'Connor, Michael J. Stack, III, James S. White

University Counsel: George E. Moore

Ex-Officios: Robert A. Rovner

Administration and Staff: Clarence D. Armbrister, James C. Bausman, Jr., William D. Bradshaw, Theresa Burt, Janet Carruth, Ainsley Carry, Richard Chant, John M. Daly, Martin S. Dorph, Mark Eyerly, Jessica Giordano, Thomas M. Healey, Sandra J. McDade, Vicki L. McGarvey, Adam P. Michaels, Timothy C. O'Rourke, William Orr, Robert J. Reinstein, Gregory S. Rost, Ira M. Schwartz, Stuart P. Sullivan, Ann F. VanSant, William J. Wilkinson

INVOCATION:

The invocation was given by Trustee Joan H. Ballots.

Introduction of Guests

Faculty:

Students: Ryan M. Phelan

Board of Trustees, MINUTES

Thursday, June 23, 2005

Page 1 of 10

(final)

Approval of Minutes:

The minutes of the meeting of May 10, 2005, were accepted as distributed.

* * * * *

PRESIDENT'S REPORT – David Adamany

Thank you, Mr. Chairman:

As the Board of Trustees concludes its meeting schedule for this academic year, it should take great satisfaction in knowing that Temple's progress and its prognosis are very good indeed.

This year's graduating class was 7,160 students, which we believe was the largest number of graduates in the University's history. Temple continues its core mission of offering opportunity widely to qualified students who aspire to university education.

At this time, we project the enrollment of an exceptional freshman class next year. There were 17,200 completed applications for the freshman class, an increase of about one percent. We will enroll approximately 3,900 freshmen, about 65 fewer than last year. And we will enroll about 2,800 transfer students, about 100 more than last year. Average SAT scores of entering freshmen will increase approximately 11 points—a very large increase in a single year—and will be about 1099, as compared to a national average SAT score of 1026.

This year's entering class will be even more diverse than last year's, with increases in the percentages of African American, Latino and Asian students. Redoubled efforts by the Admissions staff have been critical in allowing Temple to recruit an extraordinary group of entering students. I also want to thank the Temple Student Government and its Diversity Committee. Its representatives attended all of our open houses for prospective students, conducted a phone campaign to talk to admitted students to encourage them to come to Temple, and held an internet chat session to give information and answer questions from admitted students. Both the academic quality of the class and its diversity were significantly helped by these efforts.

A fine student body should expect a strong curriculum. I am pleased that in the fall semester the Faculty Senate broke a deadlock over general education revision. Their proposal and a plan offered by the Provost and me were merged into a single policy that was approved by this Board in December. A very strong coordinating committee, with many members nominated by the Faculty Senate, has been constituted and is working effectively with the Provost to implement the General Education Program. Team leaders for the major elements of the program are being recruited, and investment is being made in totally new general education courses.

With budget allocations made by this Board last year and again in the budget presented to you this afternoon, we are also significantly strengthening and expanding our honors programs for our strongest students. In addition to enlarging and revising our existing honors program for freshman and sophomores, we will offer department honors programs for majors in many of our largest departments and an all-university honors program for students in small departments. These upper class honors programs will emphasize both accelerated course work and a project of research or creative work with a faculty member for each honors student.

An area where our educational program did not go forward this year was in setting appropriate standards for graduate faculty who supervise doctoral theses. This is standard practice at other fine American universities. As I reported at the last meeting of this Board, the Provost and I will make a recommendation in this area to the Academic Affairs Committee with a goal of bringing governance changes to this Board in the fall semester.

The core of the academic program is, of course, a strong, vibrant faculty of teacher-scholars, who stimulate students through lively teaching and open a window for students onto the world of knowledge by being at the front line of research. Two developments this year will fundamentally strengthen the faculty.

First, after arduous negotiations over almost nine months, Temple and the faculty union reached an agreement that Professor Bill Cutler, the union's president, described as a "win-win" contract. The real winners will be our students. The contract provides a fair compensation program for faculty and creates additional opportunities for faculty professional development through merit-based study leaves. It also significantly raises the standards for promotion and tenure, restructures the promotion and tenure process to make it more rigorous, allows the University to create continuing non-tenure track faculty classifications for those who specialize in a single area of faculty work, delegates to the University the selection of department chairs and allows them to be assigned management responsibilities, and, finally, significantly increases the proportion of the salary program that is based on performance. In each aspect the contract calls for extensive faculty consultation leading up to decisions by the administration.

Second, because we are an aging faculty, seeing many retirements, and because of substantial growth in enrollment, the University is seeking to recruit a large number of new faculty. This year we authorized 119 searches, but—as in the past—we do not expect to be able to complete those searches in a single year. Our faculty committees and deans have moved with great care to recruit only the strongest people who will effectively serve our students and our broader mission as a national research university. We have completed 55 searches to date. And we have been able to recruit outstanding people from very good universities across the nation, including Berkeley (4), the University of Pennsylvania (5), Yale (3), the University of Wisconsin at Madison (3), the University of Michigan (2), the University of Minnesota (2), Stanford, Purdue (2), and other comparable institutions.

And I am pleased to report that the diversity in our faculty will also improve: 46 percent of the new appointees are women and 44 percent are minority persons -- African American, Latino, or Asian. This is appropriate for one of the most diverse student bodies among the nation's leading institutions.

We have also recruited very fine administrators to fill key positions that are open. Larry Alford has joined us from the University of North Carolina at Chapel Hill as vice provost for university libraries. Larry faces an enormous challenge because our libraries are underfunded, our collections are not comparable to similar institutions, our facilities are old and crowded, and we lack appropriate off-site storage space. The scattering of departmental libraries also weakens our overall library program. Last year, this Board voted a substantial increase in library funding and another such increase is included in the budget you will consider later today. These increments will take us half way to a goal of being comparable to other major urban public research universities in the northeastern quadrant of the United States.

Vanessa Rose will join us as Associate Vice President for Management and Budget to follow Dick Chant, our present budget chief, who is retiring. Ms. Rose has substantial experience in the private sector and has for seven years been the chief budget officer at Wayne State University. Rhonda Brown will join us as Associate Vice President for Multi-Cultural Affairs in charge not only of our employee diversity program but also of outreach to minority and women-owned businesses and special mentoring programs for new students from minority communities. Ms. Brown's last assignment was as the affirmative action officer at Purdue University.

I am very pleased that we have been able to recruit Keith Morrison, a nationally known artist and a successful arts administrator at the San Francisco Art Institute, San Francisco State University, and the University of Maryland, to be Dean of the Tyler School of Art. That deanship has been open for three years because we could not find exactly the right person to lead Tyler's transition to the main campus and to build upon several Tyler programs that have national visibility. Keith Morrison is the right person for that critical role.

I also note with appreciation the service of two departing deans: Sophia Wisniewska, the Dean at Ambler, who will become chancellor at one of the Penn State regional campuses, and Susan Herbst, the Dean of Liberal Arts, who will become provost and executive vice president at the State University of New York at Albany. We will conduct searches to fill those positions next year together with our continuing search for a new Dean in the College of Science and Technology. As in the past, we will work collaboratively with faculty search committees to attract the very best leadership to Temple.

In a quite different area, a trustee task force voted this year to maintain Temple's football program and to seek conference affiliation. We have successfully completed negotiations to join the Mid-America Conference; and we look forward to full football affiliation with that conference in 2007.

Our women's basketball team had a sensational year. With a 25-game winning streak—more than any men's or women's Division 1A basketball team in the nation—it ranked 15th nationally. After winning the A-10 Conference championship, the team, under the leadership of Olympian Dawn Staley, made it to the second round of the NCAA tournament. Our lacrosse team tied for first place in regular season play in our conference, the Atlantic 10.

Perhaps most important, 19 of our 20 intercollegiate athletic teams met the NCAA's new benchmarks for the academic performance of student athletes. The Athletic Department has put in place a very strong program to assure that the remaining team meets that benchmark in the years to come.

Temple's program of campus expansion is well underway. The Ambler Learning Center, the second phase of the main campus Student Activities Center, and 1800 Liacouras Walk are all on schedule to open next winter. The Student Activities Center will provide badly needed space for student organization activities and for students to gather socially and informally on a campus where both residential and commuter students now spend a great deal of social as well as educational time.

1800 Liacouras will give us very badly needed space for four student advising units to serve the much larger number of undergraduates now enrolled; and it will also offer urgently needed expansion space for student health services. The completion of 1800 Liacouras will also allow us to vacate and demolish Curtis Hall to make way for the construction of Alter Hall of the Fox School of Business and Management. The new high-technology learning center at Montgomery and 12th Streets has begun the construction phase and is on time for mid-winter opening.

The architects for the Fox School of Business's Alter Hall and for the Tyler School of Art are on schedule with their planning. In addition to exceptional educational space, both buildings will have striking facades that will enhance the aesthetics of the campus and will excite students, alumni, and visitors.

I want to express gratitude to the state administration for an enlightened approach to Temple's construction program. We have been fully included in the selection of architects; and that has made it possible for internationally known architect Michael Graves to be commissioned for the Fox School project and for Carlos Jiminez, the winner of prizes for outstanding arts and art studio buildings, to be commissioned for Tyler. The state has also delegated supervision of construction to us, which will save money and accelerate completion.

The last of our major building projects, the new Medical School, is also making excellent progress. In consultation with us, the state has selected very good architects. And the governor has authorized the release of \$50 million in state funds toward this \$150 million project. In the budget before you today is authorization for the issuance of \$50 million in University bonds; and the remaining \$50 million will come from other sources, including fund raising—where, under the leadership of Dean Daly, we have about \$20 million already in hand.

The University's finances are strong. Despite the fact that the state remains penurious toward public higher education, with appropriations still below the amount voted in FY 2002 and with no recognition for inflation or enrollment growth, the budget that is in your agenda today is balanced. It requires a 6 percent tuition increase that is well within the range of what other institutions in our region will be doing.

Last year, Moody's upgraded Temple's rating from A2 to A1. And this year, Standard and Poor's followed suit by upgrading Temple from A to A+.

During the months ahead the Board will not hold formal meetings. But the committees and the executive committee will continue to work to maintain the momentum now underway. As the full Board breaks for the summer, you can all take pride in what Temple has accomplished and is becoming under your stewardship.

I join our students, faculty, staff, and alumni in thanking you for your leadership of this remarkable institution.

* * * * *

REPORTS AND RECOMMENDATIONS FOR ACTION STANDING COMMITTEES

Executive Committee – James S. White, Member

RECOMMENDATIONS FOR ACTION

1. **University Operating Budget for 2005-2006**

Upon motion duly made and seconded, the Board of Trustees adopted the University Operating Budget and the Operating Budget Policies and Procedures for 2005-2006, as set forth in Agenda Reference 1.2 and 1.5.

2. **Tuition Schedule for 2005-2006**

Upon motion duly made and seconded, the Board of Trustees approved the Proposed Tuition Rates for 2005-2006, as set forth in Agenda Reference 1.3.

3. **General Activities, Computer and Technology, Student Health Services, Student Recreation and Student Facilities Fees, 2005-2006**

Upon motion duly made and seconded, the Board of Trustees approved the General Activities, Computer and Technology, Student Health Services, Student Recreation and Student Facilities Fees for 2005-2006, as set forth in Agenda Reference 1.3.

4. **Spending Rule for Endowment of Assets**

Upon motion duly made and seconded, the Board of Trustees approved the Resolution to Select a Spending Rule for Endowment Assets, as set forth in Agenda Reference 1.6.

Board of Directors, Temple University Health System, Inc. –
Joseph W. Marshall, III, Chair & Chief Executive Officer

RECOMMENDATIONS FOR ACTION

5. **Temple University Health System, Inc., Final Budget 2005-2006**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Board of Directors of Temple University Health System, Inc. (5/23/05), and adopted the Temple University Health System, Inc., Final Operating Budget for 2005-2006.

6. **Approval of an Increase in the Health System Capital Budget for FY 2005**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Board of Directors of Temple University Health System, Inc. (5/23/05), to increase the Health System capital budget for fiscal year 2005 and the incurrence of indebtedness to fund a portion of capital increase; authorizing the execution and delivery of documents; authorizing incidental actions; and repealing inconsistent resolutions, all substantially as set forth in Agenda Reference 6.

Academic Affairs Committee – Leonard Barrack, Chair

RECOMMENDATION FOR ACTION

7. **Consideration of Tenure**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/22/05) and the President regarding the granting of faculty tenure.

Facilities Committee – Christopher McNichol, Vice Chair

RECOMMENDATIONS FOR ACTION

8. Presser Hall Addition – Design Services

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (6/16/05) that the officers be authorized to retain professional architectural and engineering services for the design of a new Presser Hall addition at a cost not-to-exceed \$600,000, with the funding and financing source being the Music School Plant Fund Designated, #80-2201-003.

9. Elevator Upgrades, Phase IV

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (6/16/05) that the officers be authorized to procure elevator repair services for Phase IV as described in the Capital Expenditure Request at a cost not-to-exceed \$500,000 with the funding and financing source being Plant Development Funds.

10. Conversions to Level 3 Smart Classrooms

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (6/16/05) that the officers be authorized to proceed with the conversion to level 3 smart classrooms in Rooms 205, 209, 403, 405, 407, and 409 in Barton Hall, and Rooms 102, 104, and 109 in Ritter Hall, and Rooms 309 and 40B in Tuttleman Learning Center at a cost not-to-exceed \$365,000 with the funding and financing sources being Computer Services Technology Funds (10-7730-610 and 10-7731-000)

Development Committee – Leonard Barrack, Vice Chair

RECOMMENDATIONS FOR ACTION

11. Naming Opportunity - Ambler College

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Development Committee (6/22/05), and the Gift Acceptance Committee (6/13/05), and name the West Parterre of the formal garden of the Ambler Landscape Arboretum the “Philip R. and Barbara F. Albright Winter Garden” in recognition of Mr. Albright’s generous support to Ambler College.

12. This item was withdrawn.

13. Removal of Endowment Restriction - School of Communications and Theater

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Development Committee (6/22/05) removing of the endowment restriction (at the request of the donor) from the Chuck and Elaine Sherman Lectureship Fund so that additional resources are available for each lecture, thereby allowing the lectureship series to continue to attract speakers of national prominence; all of the foregoing contingent upon the execution of an appropriate amendment agreement.

14. Removal of Endowment Restriction - School of Podiatric Medicine

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Development Committee (6/22/05) removing the endowment restriction (at the request of the donor) from the Dr. Leonard Abrams Fund in Podiatry, which was established for the purpose of enhancing wound care services to patients under treatment in the Wound Care Center at the Foot and Ankle Institute at the Temple University School of Podiatric Medicine, so that additional resources are available to provide increased operating support for the Wound Care Center; all of the foregoing contingent upon the execution of an appropriate amendment agreement.

15. Endowment Change in Purpose - College of Engineering

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Development Committee (6/22/05) changing in purpose for the R.J. Stone Memorial Fund (at the request of the donor) from support and maintenance of the Civil Engineering Computer Software Library to provision of annual scholarships for students enrolled in the College of Engineering; all of the foregoing contingent upon the execution of an appropriate amendment agreement.

16. Approval of Quasi-Endowment - School of Podiatric Medicine

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Development Committee (6/22/05) that the unrestricted bequest in the amount of \$164,000 received by the School of Podiatric Medicine from the Estate of Helen L. Kay be used to establish a restricted quasi-endowment fund entitled the "Edwin J. and Helen L. Kay Memorial Scholarship Fund", and further that the income earned thereon be used to fund scholarships at the School of Podiatric Medicine in memory of Mrs. Kay and her husband, the late Edwin J. Kay, DPM.

Consistent with a previous graduation award established by Dr. Kay, which was given to the graduating student "who has made the most strides in overcoming obstacles during his/her four years," the scholarships will be awarded to students who have dealt with financial hardship.

* * * * *

OFFICERS' REPORTS

17. **Secretary's Report** – George E. Moore

Upon motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated October 30, 2005, to candidates approved by the appropriate academic committees of the faculty in the Tsinghua LLM Program in Beijing, China.

18. **Treasurer's Report** – Martin S. Dorph

The Investment Reports for the Three Months Ended March 31, 2005, was accepted as presented in Agenda Reference 18.

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT