

MINUTES

Joint Executive Committee and Business and Finance Committee

Board of Trustees

Temple University -  
Of The Commonwealth System of Higher Education

Thursday, February 25, 1993

3:00 P. M., Room 200, Sullivan Hall, Park and Berks Malls

Attendance:

Executive Committee Members - Richard J. Fox\*, presiding;  
Louis J. Esposito, Clifford Scott Green,  
Peter J. Liacouras\*, R. Anderson Pew, Daniel H. Polett,

Business and Finance Committee Members - Theodore Z. Davis,  
Lewis F. Gould, Jr., Richard J. Fox\*, Eleanor S. Hofkin,  
D. Donald Jamieson, Peter J. Liacouras\*,  
Joseph W. Marshall, III, Edward H. Rosen,  
Anthony Hardy Williams, Walter E. Williams

(\*members of both Executive and Business and Finance  
Committees)

Administration and Staff - Paul H. Boehringer,  
Lawrence C. Connolly, Steven R. Derby, Jack E. Freeman,  
Marvin Gerstein, C. Robert Harrington, Robert H. Lux,  
Rosalind Meyers, Jesse Milan, Timothy O'Rourke,  
Arthur C. Papacostas, David V. Randall, A. Kent Rayburn,  
William G. Sites, Bonnie Squires, Valaida S. Walker,  
James S. White, Beverly L. Breese

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

University Counsel - George E. Moore

General Counsel - Peter Mattoon

Executive Committee Members Absent - Harry P. Begier,  
Paul A. Dandridge, Howard Gittis, Lacy H. Hunt,  
Irving K. Kessler, Anthony J. Scirica,  
Isadore A. Shrager, Clare L. Wofford,

Business and Finance Committee Members Absent - Peter DePaul,  
Robert C. Donatucci, Lacy H. Hunt, Brian J. O'Neill,  
William W. Rieger, Milton L. Rock,  
Francis R. Strawbridge, James A. Williams,

Ex Officio Participant Absent - Fabio J. Polanco (Student)

Executive Committee Non-Voting Advisory Members Absent -  
Judith M. Perinchief (Faculty); Fabio J. Polanco  
(Student)

Business and Finance Committee Non-Voting Advisory Members  
Absent - Frank D. Cox (Alumni)

#### RECOMMENDATIONS FOR ACTION

1. Approval of Minutes of 1/28/93

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

2. Next Meeting Date

The usual fourth-Thursday date is March 25, 1993. If a meeting is necessary, advance notice will be given.

3. Borrowing Authority - 4/1/93 - 6/30/93

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to recommend that the Board of Trustees authorize the officers 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 April 1, 1993, through June 30, 1993.

4. Residence Hall Room and Board Rates for 1993-94

Vice President Freeman presented the captioned item.

Dr. Freeman spoke of adjustments in rates brought about by the decision to rent space in Cooney by the bed instead of by apartment. He also informed the Committee of plans to renovate Hardwick Hall and the East wing of the Ambler apartments.

In response to a question from Mr. Pew on percentage of occupancy Dr. Freeman said that, with the gain expected by closing Jones Hall on the Health Sciences Center campus as a residence facility, we expect occupancy to be something on the order of 88%.

proportionately with the increase in housing rates. Dr. Freeman said it is too soon to tell, but if like previous years, it will go up. In the past, we have tried to increase the amount of financial aid by the increase in tuition. Dr. Walker added that much of the financial aid funding comes from PHEAA and PELL and that will be affected.

Professor Williams asked if costs of operation and capital costs are covered by room rates. Dr. Freeman said we try to do that, but it will be a number of years before this pays for itself. Our debt service will go up but will be offset by savings in electrical energy, the Stand-By Generator project. Professor Williams asked why the Agenda Reference for the captioned item has no indication of cost and Vice President Walker said she would be happy to provide that information to Professor Williams. Mr. Fox asked that this kind of information be provided regularly.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Student Affairs Committee (2/16/93) that the Board of Trustees approve the Residence Hall Room and Board Rates for Students for 1993-94 as stated in the Schedule of Rates attached as SUPPLEMENT I to these Minutes.

5. Transfer of the Department of Computer and Information Sciences from the College of Engineering, Computer Sciences and Architecture to the College of Arts and Sciences

President Liacouras said that seven years ago this Department was moved from the School of Business and Management to the College of Engineering. It has a faculty in Information Sciences who are closer to the business side, and others closer to sciences and engineering. The College of Arts and Sciences has invited them to become a part of the College. Professor Haller stated that the decision to do so was a model of consultation. Everyone had a part, and there was complete agreement that this was the right decision.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Educational Policies Committee (2/15/93) that the Board of Trustees approve the transferring of the Department of Computer and Information Sciences from the College of Engineering, Computer Sciences and Architecture to the College of Arts and Sciences.

6. Changing the Name of the Department of Classics to the Department of Greek and Roman Classics

Professor Williams stated that because he believes Greek and Roman fit within what is called Classics, he does not support this recommendation and did not support it when it was considered by the Educational Policies Committee. Ms. Burnett, student representative to the Business and Finance Committee, said she believes the change would more accurately reflect the program offered in the Department.

President Liacouras, who did not hear the debate of the Educational Policies Committee, said the name change has the strong endorsement of the Provost.

On motion duly made and seconded, the Joint Business and Finance Committee and the Executive Committee voted to lay on the table, until the next meeting of the Joint Committee, the recommendation of the Educational Policies Committee (2/15/93) that the name of the Department of Classics be changed to the Department of Greek and Roman Classics, so that the Provost will have an opportunity to speak to the issue.

7. 1800 Block of Park Mall - Preservation Repairs - Main Campus

Dr. Freeman reported that the long-term future use of the Park Mall area has not yet been determined; but in order to preserve the buildings and comply with ordinances, it is necessary to make some repairs.

Representative Williams expressed concern that there be minority representation among those selected to do the work and asked to know who the contractors are. Mr. Fox said that the question before the Board at this time is one of authorization. Once the project is authorized, Dr. Freeman can provide a report on the end result.

The President suggested that the Committee be given a report showing the history of the last years by categories. The Campus Planning and Plant Management Committee does receive the information, and it can be made available to the Joint Committee.

Professor Williams asked how project costs are determined and whether buildings are depreciated. Dr. Freeman responded that this projected cost is an estimate from Facilities Management which includes a 15% contingency. He said that buildings are not depreciated because it is not required. Mr. Pew advised that these recommendations are reviewed in detail by the Campus Planning and Plant Management Committee before coming to the Joint Business and Finance Committee and Executive Committee for action.

President Liacouras explained that a fund has been created to take care of all future repairs in the next few years. The Park Mall buildings were closed and a savings was realized. Approval of this recommendation will permit us to maintain the buildings which have historically certified fronts.

On motion duly made and seconded, the Joint Business and Finance Committee and Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to carry out repairs to the 1800 Block of Park Mall for the preservation of the existing structure at a cost not-to-exceed \$198,950, including contingency, as the first phase of a three-phase project, with the Funding Source being the Plant Development Fund.

8. Cooney Hall High Urgency Repairs/Upgrade

Dr. Freeman said the cost of these repairs and upgrades will be covered by the University Housing Repair and Renovation Reserve, a fund which represents 10% of the total annual revenue.

Last Summer we experienced a decline in occupancy in Cooney Hall and decided to repair and upgrade the facility.

On motion duly made and seconded, the Joint Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to provide emergency repairs and upgrading to the common areas of the Cooney Apartment Building at a cost not-to-exceed \$368,433, including contingency, with the Funding Source being the University Housing Repair and Renovation Reserve.

9. Purchase of Academic Computer and Technology Equipment

Dr. Freeman said that three years ago the University instituted a Computer and Technology Fee recognizing the costs of such a program. That Fee now brings in about \$2.5 million a year which is committed to the upgrading of the Computer and Technology facilities. The list has been developed by Vice President Papacostas and Provost England. It represents a fraction of our needs but the highest priorities of the schools and centers.

Ms. Burnett asked whether the Computer and Technology Fee will be raised because of this recommendation. President Liacouras said these expenditures will be made from funds raised last year. In the first year of the Fee, we purchased equipment for particular units pursuant to the amount of revenue that came in from the Computer and Technology Fee. We have not followed that approach this time. We must have a collective judgment on how to allocate fairly and cover institution-wide needs. Faculty, students,

administrators and the President's Cabinet are involved in the decision on allocation of the revenues.

Dr. Freeman added that there is not a proposal before the Joint Committee to raise the fee.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to proceed with the purchase of computer and technology equipment in an amount not-to-exceed \$2,500,000, with the Funding Source being 1992/93 Computer and Technology Fee revenues received from students.

10. Health Sciences Library Purchase of Fourteen Mac Quadra 700 Computers

Vice President Papacostas said this recommendation is to purchase equipment for the Health Sciences Library. The purchase has been reviewed by a computer planning committee convened by Vice President Malmud.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to proceed with the purchase and acquisition of fourteen Mac Quadra 700 (Macintosh) computer workstations (with 80 megabyte hard drives and 8 megabytes of RAM) at a cost not-to-exceed \$56,000, with the Funding Source being Health Sciences Center Academic Enhancement Fund.

11. Section of Pediatric Anesthesia and Critical Care of the School of Medicine - Purchase of Computer Network

Mr. Boehringer said this is the second phase of a three-phase program to completely computerize the section. Among other things, the computers will be used to develop a data base to increase the efficiency of the department.

The President said that the Campus Planning and Plant Management Committee raised the question of ownership of the equipment should the relationship between Temple University Hospital and St. Christopher's Hospital for Children terminate. The Committee was told that the equipment would belong to Temple.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to proceed with the purchase and acquisition of a Network Computer System for the Section of Pediatric Anesthesia and Critical Care located at St.

Christopher's Hospital for Children at a cost not-to-exceed \$75,000, with the Funding Source being Reserve Account, Department of Anesthesia and Critical Care.

12. Amendment to Recommendation Regarding Health Sciences Center - Renovations for Installation of Fourth Cardiac Catheterization Laboratory

Mr. Boehringer said that when this recommendation was originally authorized the estimate was \$90,000. Since then, the State has changed the regulations associated with a cardiac catheterization laboratory. Therefore, we have increased cost to meet the State regulations.

Professor Williams asked if the additions are medically indicated. Mr. Boehringer responded that, from the most conservative point of view, the answer is yes. Mr. Polett added that our process is one of due diligence.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to amend the Recommendation Regarding Health Sciences Center - Renovations for Installation of Fourth Cardiac Catheterization Laboratory, originally approved by the Campus Planning and Plant Management Committee on 11/6/92 and by the Joint Committee on 11/19/92, by increasing the projected cost from \$90,000 to \$189,000, with the Funding Source being the Hospital excess of revenues over expenses and the Financing Source being Hospital current invested cash.

13. Amendment to Recommendation Regarding Rock Hall Renovations

Dr. Freeman said we have identified a total of \$500,000 in additional funds, \$256,000 of which results from earned income on the contribution of Dr. Rock and earnings on the proceeds of the sale of the New School. Therefore, this request.

The President said this will be the best facility in the City of Philadelphia for chamber music, and it will be opening in January, 1994.

On motion duly made and seconded, the Business and Finance Committee and the Executive Committee voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers be authorized to amend the Recommendation Regarding Rock Hall Renovations, originally approved by the Campus Planning and Plant Management Committee on 12/4/92, by increasing the construction cost from an amount not-to-exceed \$2,946,400 to an amount not-to-exceed \$3,188,908 and by increasing

the total project budget from an amount not to exceed \$4,000,000 to an amount not-to-exceed \$4,549,740, with the Funding Source being the Plant Development Fund and the Financing Source.

14. Policy on Approval of Capital Expenditures

President Liacouras explained that whatever projects he approves under this policy will be submitted, after the fact, to the Campus Planning and Plant Management Committee for approval. The \$150,000 level takes into account inflation for the next several years. If this policy were already in existence, many items would not have come to the Board today.

Mr. Esposito said the original request was to set the levels at \$250,000 and \$50,000, and the Campus Planning and Plant Management Committee agreed to approve levels of \$150,000 and \$30,000. The President said that most of the impetus for change comes from the Health Sciences Center.

Mr. Rosen asked if this Policy will bring the possibility of bifurcation. Dr. Freeman responded that there is a provision in the Policy which prohibits that.

Mr. Fox said he thinks the question is one of oversight and the responsibility of the Board. At what point do we become involved in micro management. If \$50,000 was good ten years ago and you add inflation, it probably comes out to more than \$150,000. This is just an effort to give more leeway to the administration.

Professor Williams said it is not always the amount of money but a particular project that one must worry about as well. There might be projects that the Board should look at. Mr. Fox said there probably should be at each meeting a listing of expenditures approved under this limit so that the Board could review them. If there is a question, it can be brought up to the level of discussion. The listing should be a part of the Minutes.

President Liacouras said the Policy does not address the appropriateness of expenditures. He asked if there are any guidelines that would be helpful in making the decisions.

Mr. Marshall said there is nothing in the Policy that prevents the administration from bringing anything before any of the appropriate committees. Representative Williams added that the levels being requested are low in modern times.

Mr. Fox made it clear that any member of the Board can question what is being done. He believes it is proper to question and probe.

On motion duly made and seconded, the Joint Business and



Finance Committee and Executive Committee, the latter acting on behalf of the Board, voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/5/93) that the officers to be authorized to approve a "Policy on Approval of Capital Expenditures", replacing the policy statement of September 25, 1984, which increases the levels requiring Board of Trustee approval to \$150,000 for equipment and construction projects and to \$30,000 for professional architectural and engineering fees.

ADJOURNMENT

The meeting of the Joint Business and Finance Committee and Executive Committee was adjourned at 4:35 P.M.