

Budget & Finance Committee and Executive Committee

**THE BOARD OF TRUSTEES
Temple University – Of The Commonwealth System of Higher Education**

**Monday, November 24, 2008, at 3:00 p.m.
Sullivan Hall, Room 200
Liacouras Walk and Berks Mall**

MINUTES

Secretary's Note: The Budget & Finance and Executive Committees members first met in Executive Session to discuss labor relations and real estate and budgetary matters.

PUBLIC SESSION

PARTICIPANTS

Trustees: Ann W. Hart, Joan Ballots (by phone), Nelson Diaz (by phone), Ronald R. Donatucci, Richard J. Fox (by phone), Lewis F. Gould, Jr., Lon R. Greenberg, Lacy H. Hunt (by phone), Ulrick P. Joseph (by phone), Patrick V. Larkin (by phone), Solomon C. Luo (by phone), Joseph W. Marshall, III (by phone), Mitchell L. Morgan, Daniel H. Polett, James S. White
(All Trustees in person except as noted)

University Counsel: George E. Moore

Administration and Staff: William T. Bergman, Janet Carruth, Melissa Coopersmith, Susan Karakantas, Larry Lemanski, Timothy C. O'Rourke, Lisa Staiano-Coico, Anthony Wagner

Non-Voting Advisory Members: Karen M. Turner

Mr. Gould, Vice Chair of the Executive Committee, called the meeting to order.

Approval of Minutes – September 25, 2008

The minutes of the meeting of September 25, 2008, were approved as distributed.

RECOMMENDATIONS FOR ACTION BY BUDGET & FINANCE COMMITTEE:

1. Modifications to the Investment Policy

Ms. Karakantas explained that the policy is being modified to include a maximum permitted percentage of assets that could be invested in certain asset classes. The asset allocation was revised from 25% cash/75% fixed income to 30% cash/70% fixed income. Dr. Hunt expressed concern about the potential increase in risks in the portfolio with the proposed change.

Upon motion duly made and seconded, the Budget & Finance Committee approved the recommendation of the Subcommittee on Investments (11/12/08) approving the proposed modifications to the University's Investment Policy, substantially as set forth in Agenda Reference 1a and 1b.

[Secretary's Note: Trustees Fox and Hunt opposed the recommendation.]

2. Operating Cash Recommendation

Ms. Karakantas explained that the recommendation involves short term cash and will allow the university to have more than one investment vehicle for cash.

Upon motion duly made and seconded, the Budget & Finance Committee approved the recommendation of the Subcommittee on Investments (11/12/08) authorizing the chairman of the Subcommittee on Investments and the Chief Financial Officer to select an additional short term investment vehicle for operating cash, subject to the Investment Policy. The new investment will replace investment formerly in the CommonFund Short Term fund.

RECOMMENDATIONS FOR ACTION BY BUDGET & FINANCE AND EXECUTIVE COMMITTEES:

3. Student Lounge in Johnson and Hardwick Halls

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the recommendation of the Facilities Committee (11/13/08), that the officers be authorized to proceed with the renovation of a student lounge in the basement of Johnson & Hardwick Halls at a cost not-to-exceed \$300,000, with the funding and financing source being Sodexo Capital Funds (#80-5001-000).

4. Main Steam Distribution System – Steam Replacement Along Norris Street, Including Steam Line for Ritter Annex

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the recommendation of the Facilities Committee (11/13/08), that the officers be authorized to proceed with the replacement of the main steam distribution system along Norris Street, at a cost not-to-exceed \$5,630,000, with the funding and financing source being the Plant Development Fund.

5. North Wing, Fourth Floor, Biology Life Building

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the recommendation of the Facilities Committee (11/13/08), that the officers be authorized to amend the action of the Facilities Committee (6/12/08) and the Board of Trustees (6/19/08) to proceed with the renovation of the shelled space in the North Wing of the Biology Life Sciences Building by increasing the cost by \$500,000, resulting in a revised not-to-exceed cost of \$2,750,000, with the funding and financing sources being College of Science & Technology Renovation Fund (#80-1311-001 for \$1,250,000) and Sbarro Health Research Organization (for \$1,500,000).

6. Biology-Life Sciences Building – 1,000 Ton Chiller Installation

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the recommendation of the Facilities Committee (11/13/08), that the officers be authorized to proceed with the installation of a 1,000 ton chiller for the Biology Life Sciences Building, at a cost not-to-exceed \$1,000,000, with the funding and financing source being the Plant Development Fund.

7. Electrical Distribution System – New Ductbank from Facilities to Barton Hall, Phase I of II

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the recommendation of the Facilities Committee (11/13/08), that the officers be authorized to proceed with Phase I of II of the electrical distribution system - new ductbank from Facilities, located on Montgomery Avenue between 10th and 11th Streets, to Barton Hall, at a cost not-to-exceed \$2,500,000, with the funding and financing source being the Plant Development Fund.

8. Authorization for Vehicle Leases (Athletics)

Mr. Moore explained that the leasing agency requires Board authorization for these types of leases. There are eight leases with Team Toyota to be used by Athletics.

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, authorized the officers to enter into up to twelve (12) vehicle leases with Team Toyota Scion and its intended assignee, Toyota Motor Credit Corporation, Toyota Lease Trust, or Lexus Financial Services, as applicable, upon such terms and conditions as the officer(s) hereinafter authorized, in their discretion, may deem necessary and advisable; provided however that the aggregate obligation under all leases/installment contracts shall not exceed \$150,000 per annum.

[Secretary's Note: Mr. Polett abstained and did not participate in this action.]

9. Approval of Tuition Rate for On-Line MBA Program

Mr. Wagner explained that the Fox School of Business is initiating an on-line MBA program. The two-year program has a flat tuition rate of \$70,000. Students enrolled in this program will be required to spend minimal on-campus time.

Upon motion duly made and seconded, the Budget & Finance Committee and the Executive Committee, the latter acting on behalf of the Board of Trustees, approved the 2009-2010 tuition rate for the On-Line MBA Program at a total cost of \$70,000 for the two year program, substantially as set forth in Agenda Reference 9.

REPORTS FOR INFORMATION:

10. Enterprise Resource Planning – Timothy C. O'Rourke

Mr. O'Rourke updated the committees on the status of the enterprise resource planning project that was approved by the Board of Trustees in June 2007 at a cost not-to-exceed \$38M. The project is a university-wide initiative to integrate and upgrade all major administrative systems into a consolidated, state-of-the art database infrastructure. This system is replacing the aging, outdated mainframe systems. At present, more than 200 people are working on this project in various phases.

11. Academic Strategic Plan – Lisa Staiano Coico

Provost Staiano-Coico summarized the Academic Strategic Plan as set forth in Agenda Reference 11. The Plan has been endorsed by the Academic Affairs Committee; and the faculty and deans are enthusiastically supportive. The Plan will be presented to the full Board for a general endorsement.

**OLD/NEW BUSINESS
ADJOURNMENT**