

MINUTES

The Board of Trustees

Temple University - Of The Commonwealth System of Higher Education

Tuesday, March 10, 1992

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

Attendance:

Voting Members - Richard J. Fox, Chairman; Harry P. Begier, Jr.,
Francis J. Catania, Nicholas A. Cipriani,
Patricia J. Clifford, John J. Contoudis, Paul A. Dandridge,
Theodore Z. Davis, Louis J. Esposito, Eleanor S. Hofkin,
Lacy H. Hunt, D. Donald Jamieson, Peter J. Liacouras,
Brian J. O'Neill, R. Anderson Pew, Edward H. Rosen,
Anthony J. Scirica, Isadore A. Shrager

being a quorum of the Board of Trustees;

Ex-Officio Participants - William H. Duncan (Alumni);
Carolyn T. Adams (Faculty)

Invited Guests - Faculty - Glenn F. Bengel, Kenneth Cundy,
David Davis, Joseph J. Loewenberg

Students - Kia Middleton, William G. Parsons,
Ernest Saxton

Administration and Staff - Jack E. Freeman, Leon S. Malmud,
Robert J. Reinstein, Laurent J. Remillard, Julia A. Ericksen,
Arthur C. Papacostas, Valaida S. Walker, James S. White,
Paul H. Boehringer, A. Kent Rayburn, C. Robert Harrington,
William G. Sites, Jesse Milan, Timothy O'Rourke, Robert Lux,
Richard Englert, Thomas Freitag, Marvin Gerstein,
Beverly L. Breese, William C. Seyler

General Counsel - Matthew Strickler

University Counsel - George E. Moore

Voting Members Absent - Bill Cosby, Peter D. DePaul,
Robert C. Donatucci, Howard Gittis, Lewis F. Gould, Jr.,
Clifford Scott Green, Irving K. Kessler, Henry H. Nichols,
William W. Rieger, Milton L. Rock, Francis R. Strawbridge,
Anthony H. Williams, James A. Williams, Clare L. Wofford

Mrs. Clifford opened the Board meeting with a prayer.

Mr. Fox welcomed and introduced the invited guests from the faculty and from the student body.

ACTIONS OF THE BOARD OF TRUSTEES

1. Approval of Minutes - Regular Meeting of December 10, 1991

On motion duly made and seconded, the Board of Trustees voted to approve the Minutes of the Regular Meeting of December 10, 1991.

2. President's Report

A. Resolution Directing the President to Recommend Retrenchment of Tenured Faculty Only Under Certain Circumstances: The President referred to this Resolution (Item 2 of today's Board Agenda), noting that the Joint Executive and Business and Finance Committees have recommended approval of this Resolution. The President believes that if this Resolution is approved by the Board today, we will end a decade of a major source of difficulty among the faculty, the administration, and the Board of Trustees. The difficulty was triggered by the retrenchment of 54 tenured faculty in 1982 because there were insufficient students, given the size of the faculty. This retrenchment was one of the major causes of ongoing conflict on the Temple University campus.

The President noted that the fact is that under the collective bargaining agreement, through which the University acted in retrenching tenured faculty, the process was upheld in binding arbitration at every point along the way. Some would say that this was a Pyrrhic victory for the University because we harmed very good relations that had developed over the years.

It has been through the initiative of the then President of the Faculty Senate, Dr. Kenneth Cundy, and through the excellent leadership of the present President, Dr. Carolyn Adams, and through our Acting Provost Julia Ericksen, and through the patience and legal skills of University Counsel George Moore, that we have reached a point where the Ad Hoc Committee, which meets with the Faculty Senate Leadership, and the Joint Committees are recommending the Resolution before the Board today.

The President pointed out that the Resolution "directs the President to recommend the retrenchment of tenured faculty members only under the two following circumstances: (1) By reason of financial exigency or (2) If a faculty member's services are no longer required by reason of discontinuance of a department or program." This may sound quite technical but it deals with a significant part of the Academy--the idea that the faculty member who receives tenure, is for all intents and purposes a permanent part of the University and should continue that way except for very narrowly defined reasons.

The President thanked all of the Board Members who have participated in these discussions. The long term interest of the Board of Trustees to maintain flexibility in the future is maintained for the Board. While this is not a panacea, this Resolution will be tangible evidence that reasonable persons can work together toward a common interest--and then move on to other agendas. That is the message the President would like to leave, and he urged the Trustees to use their best judgment and endorse the recommendation of the Joint Committees.

B. Work of the University Budget Review Committee: The President noted that through the good work of the University Budget Review Committee, the University Budget will be in balance despite all of the financial problems confronting the State and other parts of the economy. He thanked Drs. Freeman, Ericksen and Malmud for their leadership in conforming to the realities of our fiscal situation.

C. Applications for Admission: The President concluded his remarks by noting that applications for Undergraduate Admission are up by about 8%.

Executive Committee Report and Recommendations for Action

Judge Scirica, Chairman of the Executive Committee, called attention to the Report of that Committee (Agenda Reference 1), and recommended approval of the matters covered by Items 3 and 4 of these Minutes.

3. Resolution Directing the President to Recommend Retrenchment of Tenured Faculty Only Under Certain Circumstances

Judge Scirica noted that the President has briefed the Board Members regarding the captioned Resolution.

Mr. Rosen said that President Liacouras was very generous in commending the President of the Faculty Senate, the Acting Provost and University Counsel--but he did not mention himself or Board Chairman Fox, both of whom worked very hard to bring this Resolution into being. Mr. Rosen thinks that the Board should also recognize the very fine work on this matter that was done by the President and the Board Chairman.

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 (3/10/92) that Board approval be given to the Resolution which is attached as SUPPLEMENT I to these Minutes.

4. Borrowing Authority - 4/1/92 - 6/30/92

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Executive Committee (1/23/92) 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 April 1, 1992 through June 30, 1992. (Resolution is attached as SUPPLEMENT II.)

Educational Policies Committee Report and Recommendations for Action

Mr. Shrager, Chairman of the Educational Policies Committee, called attention to the Report of that Committee (Agenda Reference 4), and recommended approval of the matters covered by Items 5 and 6 of these Minutes.

5. Changing Name of Department of Health Records Administration to the Department of Health Information Management

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Educational Policies Committee (2/17/92), that Board approval be given to the changing of the name of the Department of Health Records Administration to the Department of Health Information Management.

6. Recommendation for Tenure for Two New Faculty Members in the School of Medicine

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 recommendation of the Educational Policies Committee (2/17/92), with respect to the granting of Faculty Tenure to two faculty members in the School of Medicine. (The names of the two faculty members in the School of Medicine who are approved for Tenure are on file in the Office of the Provost.)

Student Affairs Committee Report and Recommendations for Action

In absence of Judge Green, Chairman of the Student Affairs Committee, Mrs. Clifford, a member of that Committee, called attention to the Committee's Report (Agenda Reference 7), and recommended approval of the matters covered by Items 7, 8, and 9 of these Minutes.

7. Executive MBA (EMBA) Tuition and Fees for 1992

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Student Affairs Committee (2/11/92) that Board approval be given to a Tuition Rate of \$13,000 for the Executive MBA Class of 1994, said rate to be first assessed in the Fall of 1992.

8. Second Summer Session 1992 Tuition Rate Approval

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Student Affairs Committee (3/3/92) that Board approval be given to the Second Summer Session 1992 Tuition Rate Schedule, said Schedule being attached as SUPPLEMENT III.

9. Residence Hall Room and Board Rates
for Students for 1992-1993

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Student Affairs Committee (2/11/92) that Board approval be given to the Residence Hall Room and Board Rates for Students for 1992-1993, said Schedule of Rates being attached as SUPPLEMENT IV.

Business and Finance Committee Report and Recommendation for Action

Dr. Hunt, Chairman of the Business and Finance Committee, called attention to the Report of that Committee (Agenda Reference 13), and recommended approval of the matter covered by Item 10 of these Minutes.

10. Resolution Regarding Statement of Reasonable
Expectation to Reimburse Capital Expenditures;
Functional Description of Property to Which
Reimbursement Relates; and Related Matters

Chief Financial Officer Remillard called attention to the background covering the need for this Resolution (contained in Agenda Reference 14), noting that Board approval authorizing the actual issuance of debt will be sought at a later date. He noted that the 5/14/91 Resolution of the Board of Trustees needs updating because of new IRS Regulations which have been promulgated. He also pointed out that the primary difference between the current Resolution and the one of 5/14/91 are that this Resolution indicates the maximum principal amount of debt expected to be issued for reimbursement and provides more detail on the source of funds for the initial expenditure of capital funds.

On motion duly made and seconded, the Board of Trustees voted to adopt the captioned Resolution (attached as SUPPLEMENT V) in order to comply with a modified Treasury Regulation that was published in final form as 1.103-18 in the Federal Register of January 30, 1992.

Campus Planning and Plant Management Committee Report and
Recommendations for Action

Mr. Esposito, Chairman of the Campus Planning and Plant Management Committee, called attention to the Report of that Committee (Agenda Reference 15) and recommended approval of the matters covered by Items 11 through 31 of these Minutes.

11. Johnson/Hardwick Dining Hall
Renovations and Expansion--
Authorization to Retain Construction Managers

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/27/92) that the officers be authorized to enter into an agreement with John S. McQuade Co. for construction management services during the pre-construction phase of the Johnson/Hardwick

Dining Hall renovation and expansion project, the terms and conditions of which shall be subject to approval by the officers and University Counsel, for a fixed fee not to exceed \$15,000; and with further understanding that the Funding Source will be Student Board Fees via the Plant Development Fund, and the Financing Source will be the Temple University 1991 Bond Issue.

12. Data Center Equipment and Software Purchase

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to purchase Data Center equipment and software at a cost not to exceed \$2,154,650, said equipment to include the following:

- IBM 3090 Central Processing Unit
- 64 MB of Additional Central Storage
- 128 MB of Expanded Memory
- 16 Additional Channels
- One 3990-G03 Disk Control Unit
- Two 3380-K Direct Access Storage Devices
- Three 7171 Asynchronous Terminal Control Units
- Front End Communication Processor Upgrade
- Five 1174-60-R Data Communication Control Units
- File Transfer Software
- Three Laser Printers
- Twenty-nine Workstations

with the Funding Source to be the Plant Development Fund, and the Financing Source to be the Temple University 1991 Bond Issue.

13. Main Campus-Central Chilled Water
Plant Chiller Installation

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to purchase and install equipment for the Main Campus central chilled water plant, at a cost not to exceed \$1,680,140, with the Funding Source to be the Plant Development Fund, and with the Financing Source to be the Temple University 1991 Bond Issue.

14. Main Campus Standby Electric Generating Facility

Mr. Falkenstein, Associate Vice President for Facilities Management, said that this Standby Electric Generating Facility is really a project that is designed to save money on the University's electric bill. Currently, the Main Campus's electric bill runs between \$5.5 million and \$6 million. The University has considered various ways to reduce this bill, including Co-Generation, where the University would operate its own generating plant every day of the year.

This Standby Facility will net an estimated annual cost avoidance of \$2.4 million, resulting from the Philadelphia Electric Company's Night Service Rate for large interruptible customers. Under the rate's provisions, the University will agree to provide its own electric power at times when the normal supply of power from the utility is interrupted, usually during severe load conditions. This Project will allow the University to sustain all normal operations during the planned interruptions and also in the event of an unforeseen power outage.

Mr. Falkenstein reviewed in some detail how the award recommendation of Keating/Stanley was arrived at, and this process is also spelled out in Agenda Reference 9.

Mr. Rosen asked why the Co-Generation approach was not used, and Mr. Falkenstein noted that this would mean that Temple would be its own utility - and that is not our primary business. We would be generating electricity every day of the year. Co-Generation also poses emissions and pollutant problems, and we would be under the control of the DER and possibly other regulating agencies. All of the specs. for this Standby Facility were based on 200 hours of operation per year, rather than the actual operation of about 15 hours over the past three years. Mr. Rosen said it did not seem prudent to him to build this huge facility for so few hours of annual operation. Mr. Fox said that the utility's position is that they would have to maintain tremendous facilities in order to meet current and projected demands for electricity. Mr. Fox asked what would happen if the utility changes its rates. Mr. Falkenstein said we can use the facility as a power saving device; the cash flow is not as good, but we would not lose money. The President noted that the cash flow is about \$30 million savings - and we have plans to use that \$30 million for such things as student housing, for academic equipment and for other purposes, such as renovations. How many of those projects would be jeopardized in four years if the electric company changes its rates? The President said there is another part of this answer which deals with the pressure that the utility would be under from other major users who are building similar generating plants. It wouldn't simply be a matter of the utility company increasing its rates because there would be pressure not to change rates.

Mr. Falkenstein said that in two or three years, PECO will have the need to come up with additional capacity. A substantial amount of power is expected to come from alternate generating sources similar to Temple's Standby Facility.

Mr. Fox said this whole issue of a Standby Facility vs. Co-Generation has been thoroughly researched. There really is no "correct" answer. For example, Penn went to Co-Generation, with a third party providing the Co-Generation. Staff has thoroughly investigated this matter and has concluded that a Standby Facility is best for our situation - and we will know 10 or 15 years from now whether that is a correct answer.

Dr. Adams said that faculty concern is focused on environmental ramifications - and we have been reassured that the ramifications would be minimal because the facility would be used so few hours. There may be a possibility that we would have to operate it more hours than anticipated; are there plans to develop an Environmental Impact Statement that would cover us in such an event? Mr. Falkenstein said that the design criteria already supposes a much greater number of hours of operation than we expect. We can operate up to 1,000 hours a year and there would be no unfavorable environmental impact.

Mr. Pew said that all electrical generating facilities are faced with the increasing standards of EPA; the cost to utilities is enormous. Those who can burn natural gas have a current advantage but the cost of natural gas will be going up. He noted that the chances of PECO reducing our rates are as close to zero as one can get.

After further discussion, on motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92), that the officers be authorized to construct a standby electric generating facility at a cost not to exceed \$15,744,630, including authorization to negotiate and enter into a design/build contract with Daniel J. Keating Construction Company and Stanley Consultants, the terms and conditions of which shall be subject to approval by the officers and University Counsel, at a cost not to exceed \$9,058,000; authorization to purchase, subject to terms and conditions approved by the officers and University Counsel, engine generators from Ransome Engine Power at a cost not to exceed \$5,402,800; and a project contingency allowance of \$1,288,830, with the Funding Source to be Project Cost Savings and with the Financing Source to be the Temple University 1991 Bond Issue.

15. Ambler Campus - Renovations to Owl's Nest

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to enter into a contract with Edward Don & Company for the renovation of the Ambler Owl's Nest, at a cost not to exceed \$82,400, with the Funding Source being the Marriott Capital Investment Fund.

16. Revised \$65,000,000 (1984) Bond Issue Project List

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to revise the list of approved projects from the \$65,000,000 University Bond Issue of 1984 in accordance with Schedule I, which is attached as SUPPLEMENT VI.

17. Temple University Hospital Capital Budget Request for Fiscal Year 1991-92

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of \$2,750,000 of Capital Assets as identified in the Capital Budget Request (attached as SUPPLEMENT VII), with the Funding Source being Hospital Excess of Revenues over Expenses and in

certain cases, anticipated expense savings from the investment, and with the Financing Source being the Hospital's current invested cash.

18. Health Sciences Center - STAT Analyzer

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of a STAT Analyzer to replace the existing unit in the Clinical Laboratory at the Hospital, with the projected cost being \$80,000, with the Funding Source being Hospital Excess of Revenues over Expenses, and with the Financing Source being the Hospital's current invested cash.

19. Health Sciences Center - Radiographic C-Arms for Operating Room

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to purchase replacement Radiographic C-Arms for the Operating Room, Pulmonary and G.I., with the projected cost being \$350,000, with the Funding Source being the Hospital excess of Revenues over Expenses and with the Financing Source being the Hospital's current invested cash.

20. Health Sciences Center - Acquisition of Software Enhancement Package for MRI

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of a "Get Fast" software package to enhance the capabilities of the MRI, with a projected cost of \$50,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's current invested cash.

21. Health Sciences Center - Upgrade of the Hospital Decision Support Minicomputer

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of computer equipment necessary to upgrade the Hospital's Decision Support Micro-Vax II to a digital Equipment Corporation Vax 4300 and purchase the outpatient component of the Case Mix Library software with the projected cost of this project being \$71,000, with the Funding Source being Patient Service Revenues, and with the Financing Source being the Hospital current invested cash.

22. Health Sciences Center - Medical Information System Equipment

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of computer equipment necessary to further enhance the

Hospital's Medical Information System, with the projected cost of this equipment being \$77,000, with the Funding Source being Patient Service Revenues, and with the Financing Source being the Hospital's current invested cash.

23. Health Sciences Center -
Hospital Computer Room Equipment Upgrade

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of computer equipment necessary to upgrade the Hospital's Computer Room, with the projected cost of this equipment being \$190,000, with the Funding Source being Patient Service Revenues, and with the Financing Source being the Hospital's current invested cash.

24. Health Sciences Center -
Starcam Upgrade and MAC Interface

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of the Starcam Upgrade for continuation of the implementation of the clinical instrument network system in the Nuclear Medicine Department, with the projected cost being \$59,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's current invested cash.

25. Health Sciences Center -
Oral Surgery Micro-Video System

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to purchase a micro-video system for the Department of Oral Surgery, with the projected cost being \$51,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's current invested cash.

26. Health Sciences Center -
Argon/Dye Laser

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of an Argon/Dye Laser, with the projected cost being \$68,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's current invested cash.

27. Health Sciences Center - Cost of Implementation
of the Hospital Pharmacy Management Plan

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to implement

all phases of the Hospital Pharmacy Management Plan at a cost of \$249,358, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's Current Invested Cash.

28. Health Sciences Center -
Blood Gas Machine Replacement

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the replacement of two Blood Gas Machines, at an estimated cost of \$65,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's Current Invested Cash.

29. Health Sciences Center -
Replacement of Vascular Lab Ultrasound Unit

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/14/92) that the officers be authorized to proceed with the purchase of an Ultrasound Unit to replace the existing unit in the Vascular Laboratory at the Hospital, with the projected cost of this project being \$125,000, with the Funding Source being the Hospital's Excess of Revenues over Expenses, and with the Financing Source being the Hospital's Current Invested Cash.

30. Recreation and Convocation Center -
Authorization to Employ Planning Consultants

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/27/92) that the officers be authorized to negotiate and enter into agreements with Ellerbe-Becket, architects, and L. F. Driscoll Co., construction managers, the terms and conditions of which shall be subject to approval by the officers and University Counsel, to provide programming, design, scheduling and budgeting professional consulting services for, and otherwise to act as the University's advisors during the pre-design programming phase (Phase I) for the proposed Recreation and Convocation Center project, with fees not to exceed \$92,080 and \$27,600, respectively, and with combined reimbursable expenses not to exceed \$25,000 in total, with the Funding Source being project funds raised from private sources and with the Financing Source being the General University Funds.

31. Comprehensive Cancer Center - Permanent Site

On motion duly made and seconded, the Board of Trustees voted to approve the recommendation of the Campus Planning and Plant Management Committee (2/27/92) that the officers be authorized to negotiate an agreement with Salick Health Care, Inc. to assign University-owned land in the 3300 block of North Broad Street as the site for the new Comprehensive Cancer Center facility to be constructed by Salick Health Care, Inc., with the understanding that this will require: (1) the demolition of the University-owned structure currently housing the CAHP

Library on that site at an estimated cost of \$50,000; (2) the relocation of the Library of the College of Allied Health Professions to the Old Dental School Building at an estimated cost, including relocation and renovations, of \$200,000; and (3) the loss of approximately 40 parking spaces on the site of the new building resulting in an annual loss of revenue of \$30,000--with the provision that the final terms of the University agreement with Salick Health Care, Inc., the final plans for the new Comprehensive Cancer Center facility and the contracts for demolition of the CAHP Library Building and relocation of the CAHP Library will be subject to further review and approval by the Campus Planning and Plant Management Committee and the Board of Trustees.

Employee Relations Committee Report

Mr. Fox announced that Mr. Kessler, the Chairman of the Employee Relations Committee, has been in the Temple University Hospital, and he expressed the best wishes of the Board Members for Mr. Kessler's recovery, indicating that it would be appreciated if the Trustees would indicate their wishes for Mr. Kessler directly.

Reference was made to the Report of the Employee Relations Committee (Agenda Reference 17) which covers activities during December 1991 to March 1992.

Committee on Trustees Recommendations for Action

Mr. Shrager, Chairman of the Committee on Trustees, recommended approval of the matters covered by Items 32 and 33 of these Minutes.

32. Election of Vice President for Student Affairs

On motion duly made and seconded, the Board of Trustees voted to elect Dr. Valaida S. Walker as Vice President for Student Affairs, Dr. Walker having been duly nominated by the Committee on Trustees on 3/6/92, to serve until the next annual meeting of the Board or until her successor has been elected and qualified.

33. Election of Vice President for Computing and Information Services

On motion duly made and seconded, the Board of Trustees voted to elect Dr. Arthur C. Papacostas as Vice President for Computing and Information Services, Dr. Papacostas having been duly nominated by the Committee on Trustees on 3/6/92, to serve until the next Annual Meeting of the Board or until his successor has been elected and qualified.

Mr. Fox congratulated Dr. Walker and Dr. Papacostas upon their elections which were greeted by applause from those present.

34. Reports of Other Committees

Mr. Fox called attention to the Reports of the other Committees (Agenda References 11, 12, 16, 18 and 19) suggesting that if Trustees had any questions regarding these Reports, they should communicate with the appropriate Chairman.

35. Treasurer's Report

Without objection, the Board of Trustees received the list of grants and contracts awarded between October 1, 1991 and December 31, 1991, and the purchases and sales of securities between October 1, 1991, and December 31, 1991, said Report having been distributed to the Board meeting of today (Agenda Reference 22).

36. Secretary's Report

On motion duly made and seconded, the Board of Trustees voted to approve the presentation of degrees-in-course dated May 21, 1992 to candidates approved by the appropriate academic committees of the faculty; the presentation of degrees-in-course dated May 24, 1992 to candidates approved by the appropriate academic committees of the faculty in Tokyo, Japan; and the presentation of degrees-in-course dated May 31, 1992 to candidates approved by the appropriate academic committees of the faculty in Osaka, Japan.

REPORTS FOR INFORMATION

37. Proposed Allocation of Equipment Funds
from Bond Fund (1991 Issue) and the
Plant Fund--1991-96 Expenditure Schedule

The President asked Acting Provost Julia Ericksen and Acting Vice Provost Nina Hillman (who is Professor of Biology) to brief the Board on the captioned matter. These funds represent one of the benefits of the savings that are expected to come from the Standby Electric Generator, which was discussed earlier. This is the first time that a Plan for a five-year period has been put together to meet the needs of each Department, and the Plan has been worked out with the full participation of the Departmental faculty, the Departmental Chairs and the Colleges. We wanted the Board to know what the departments plan to do with five million dollars over a five year period.

Dr. Ericksen introduced Professor Hillman who is a Carnell Professor and also a winner of our "Great Teachers Award"--so, it is pretty clear that she knows something about teaching. Dr. Ericksen noted that it is very difficult for universities to maintain their equipment, particularly when budgets get tight. As the President noted, this \$5 million is one of the benefits of the Standby Electric Generator and we will be spending \$1 million a year over a five-year period, and it will be mostly for teaching equipment at the Undergraduate level.

We want a planning effort that everyone takes part in. Keep in mind, however, that this still doesn't take care of all of our equipment needs. Dr. Ericksen met with Departmental faculty, Departmental Chairs, and with the Deans. Their expressed needs amounted to more than the \$5 million that is available; then difficult decisions had to be made. After two years we will go back and see if technology has changed and if our priorities may also have changed.

Dr. Ericksen said that this whole planning process has made people feel that they have been part of the process and their opinions do count for something.

Mr. Pew noted that there are opportunities for the University to get contributions in kind from corporations, and he wondered if Vice President for Development Derby has had a look at this equipment list. Dr. Ericksen replied affirmatively that Mr. Derby has seen this list, and she cited some video equipment where a contribution of about \$340,000 was made - and we may get some matching money out of this, too.

Mr. Pew asked - if we get a major piece of equipment from a donor, would that Department be allowed to go to the next order of priority. Dr. Ericksen said she anticipates that we will spend all of this available money.

Mrs. Clifford applauded the efforts to set up this planning process. She referred to the Workshop that was sponsored by the faculty recently where there were some frustrations expressed about equipment - and she feels that Acting Provost Ericksen and Dr. Hillman should be commended for their good work. Mr. Fox joined in congratulating those who had done a great job on this project.

Dr. Adams, President of the Faculty Senate, said that this is very good that this process and Plan give faculty some sense of what is coming down the pike in terms of what equipment will be available.

Mr. Fox said that despite difficult economic times, it seems clear that Temple University is moving ahead. In talking with a friend at the University of Illinois, Mr. Fox learned that they had taken a 20% cut from their State funds. He thinks the real difference between Temple University and some of the other institutions is that Temple never got "fat and happy" where other universities did. So, we can handle these kinds of problems. The administration and everybody at Temple University deserves a lot of credit for balancing the needs of the University in these difficult times, while continuing to meet the needs of our students and faculty. We have managed to maintain positive movement in difficult times.

President Liacouras noted that during the past two years there was great anxiety felt about the financial position of the Temple University Hospital. This Board of Trustees tabled proposed Hospital Budgets for two years because they contained projected deficits. That situation has been turned around. He congratulated Dr. Leon Malmud, Vice President for the Health Sciences Center and the Chairman of the Hospital Board of Governors, Dr. Milton Rock, and Paul Boehringer, Executive Director of the Hospital for their fine work. He also singled out then University Counsel Robert J. Reinstein and now Vice President and Dean of the Law School for his initiative which led to a successful federal court action against the State to reimburse Temple University for inpatient Medicaid costs. This resulted in a turn-around of \$15 million compared with the situation two years ago. This development could be reversed, however, if "pooling" ends. The Hospital is doing so well this year that the annual \$2.5 million subsidy that the University provides, and has been providing over 15 years, will not be necessary this year. We owe a real debt of gratitude to Dr. Malmud and all of the team at the Health Sciences Center, including Board of Trustees Chairman Richard Fox, who has been involved in an oversight role.

The President said it is remarkable that we have required no discussion today about Temple University Hospital. The Hospital has turned \$12 million around in favor of the University in terms of the reimbursement for Medical Assistance inpatients. Instead of a deficit of \$9 million there is an excess of revenues over expenses of about \$6 million. We are still losing more than that \$6 million in Medicaid and unreimbursed free care. One piece of evidence as to why the University is not in "poor" financial condition is because of this turn-around of the Hospital.

The President also noted that Drs. Freeman and Ericksen serve on a committee (which Dr. Papacostas chairs), which reviews every potential personnel hire for the past 18 months. He pointed out that Penn State has just announced that because of the 3.5% cut from the State, they will freeze all personnel decisions regarding the hiring of new faculty. At the same time, they said a committee would be established to make exceptions. Temple University has had such a committee in place for 18 months. If you hear that Temple has announced a "freeze," it is really a repetition of the freeze of 18 months ago. We have already frozen 160 jobs on the administrative side.

38. "Temple University 1992-93 Budget Presentation to the General Assembly of the Commonwealth of Pennsylvania"

The President said that he would like to append the captioned Presentation to the "President's Report" (Item 2 of these Minutes), so that it will become an integral part of these Minutes.

At 4:00 P.M., the Board of Trustees went into Executive Session in Room 200, Sullivan Hall, to consider a real estate transaction.