

MINUTES

THE BOARD OF TRUSTEES

Temple University
- Of The Commonwealth System of Higher Education

Thursday, March 21, 1996

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

PUBLIC SESSION

Attendance:

Members Present - Richard J. Fox, Chairman; Joan H. Ballots, John J. Contoudis, Paul A. Dandridge, Theodore Z. Davis, Peter D. DePaul, Louis J. Esposito, Jane Scaccetti Fumo, Lacy H. Hunt, Mitchell G. Leibovitz, Peter J. Liacouras, Joseph W. Marshall, III, Daniel H. Polett, James H. Shacklett, III, Isadore A. Shrager, Edna S. Tuttleman

Administration and Staff Present - Paul H. Boehringer, Richard A. Chant, Albert R. Checcio, Martin S. Dorph, James W. England, Richard M. Englert, Jay G. Falkenstein, Linda T. Frazer, C. Robert Harrington, Leon S. Malmud, Timothy C. O'Rourke, Arthur C. Papacostas, A. Kent Rayburn, Robert J. Reinstein, William G. Sites, Valaida S. Walker, James S. White, Beverly L. Breese

Honorary Life Member Present - William Rafsky, Marvin Wachman

Ex Officio Participants Present - Karen S. Koziara (Faculty); Kamal I. Latham (Student), Joseph A. Marlino (Alumni)

University Counsel - George E. Moore

General Counsel - Peter Mattoon

Invited Guests Present - Nick Ado, Edwin Beausolell, Charles A. Williams, III (Students)

Members Absent - Francis J. Catania, William H. Cosby, Jr., Robert C. Donatucci, Howard Gittis, Lewis F. Gould, Jr., Clifford Scott Green, Judith E. Harris, Sidney Kimmel, Brian J. O'Neill, William W. Rieger, Milton L. Rock, Edward H. Rosen, Anthony J. Scirica, Anthony Hardy Williams, James A. Williams, Paul Zelenkofske

EXECUTIVE SESSION

The Board met in Executive Session to discuss a labor relations matter. See Item #3 below.

PUBLIC SESSION

Chairman Fox explained that the start of this Public Session was delayed because of the review of the TAUP contract in Executive Session.

INVOCATION

The Invocation was given by Mr. Daniel H. Polett.

NEXT MEETING DATE

Chairman Fox announced that the next meeting of the Joint Executive Committee and Business and Finance Committee, to which all Trustees are invited, will be held on **Thursday, April 18, 1996, at 3:00 P.M. on the Ambler Campus.** A tour of the campus will take place at 2:00 P.M.

APPROVAL OF MINUTES

On motion duly made and seconded, the Board of Trustees voted to approve the Minutes of December 12, 1995.

President's Report to the Board of Trustees, March 21, 1996

I. The Plan to Renew Temple's Mission

Year One (the present year):

We are on course with our goals. For example, we are investing one year earlier than planned in advanced academic technology.

On financial objectives: we are on course.

The University's operating budget is in balance.

This conclusion is based on our present estimate that the net deviation from budget to actual should be favorable by \$7 million, or about 1.6%. Accordingly, none of the \$4,725 in Quasi-endowment will be used, and as much as \$2,584 will be added to the remainder.

Before you jump for joy and reach the incorrect conclusion that we are therefore sitting pretty financially, I remind you that our present budget is underfunded, by a minimum of \$8.1 million in annual unmet needs of the Plant Fund, and as much as \$14 million in Year Two of The Plan to Renew Temple's Mission. The easy part of The Plan was Year One.

With the cooperation of non-union employees, TAUP and 9 other employee unions (2 smaller unions have not yet settled): we have substantially met the goal of a **salary base budget freeze** for one of these two years.

Year Two (next year):

The senior officers -- Jim White, Leon Malmud, and Jim England -- have major dollar targets to meet as part of The Plan, and should have their final plans available for my review in early May. We would like to avoid additional involuntary layoffs, if possible.

Most of the \$14 million in cuts will be reinvested in advanced academic technology, undergraduate education, attracting and retaining the best and brightest students with financial need, and improved and simplified student services.

Unless we conclude **Year Two** successfully, we will not achieve our fundamental goal of improving the University academically and in its student-orientation.

II. The Six Clusters of Priorities

The Strategic Planning Committee of the Board of Trustees has met twice and is making progress towards the Six Clusters of Priorities we set forth in October. These are:

RCM - full cost and full revenue budgeting;
marketing;
enrollment, retention and improving student services;
future role of Ambler;
auxiliary services;
College of General Studies.

The detailed agenda for last week's meeting is on your desk (SUPPLEMENT I to these Minutes.) I shall be glad to answer any questions. The next meeting of the SPC will be held on Thursday, April 18.

We expect the SPC to complete the bulk of its charge by the Special Meeting of June 27 and, prior to that time, to consult further with faculty and student leaders.

III. The Apollo of Temple, and The Temple University Learning Center

We are aiming for a ceremonial ground-breaking on Monday, Tuesday or Wednesday, April 29 - May 1 for the Learning Center. We have asked Governor Ridge to select a date, if he can participate.

IV. The State's Annual Appropriation

The University's request is modest: \$5.9 million (4%) plus \$3.6 million (half of the \$7.2 million in TCG shortfall) equals \$9.5 million (6.4%) increase in base plus two lines of about \$2.5 million each for advanced academic technology and deferred maintenance, respectively. If all of Temple's request were funded, the undergraduate tuition increase could be held to 3% and some of the \$8.4 million shortfall in Plant Funds available for unmet deferred maintenance could be reduced.

The Governor recommends no increase in base.

If the University raises tuition by 4.5% (\$120 a semester, \$240 a year), the Governor's proposal still leaves us \$7 million short.

V. Temple University - Japan

The membership of the board of the subsidiary corporation formed to operate Temple University Japan, which we call TESS, will be approved at the April 18th meeting of the Executive Committee. The By-Laws for TESS are being submitted for approval today.

VI. The University's Pooled Endowment Investments

There is on your desk a five-year report of the Subcommittee on Investments (SUPPLEMENT II to these Minutes), consisting of trustees Lacy Hunt, Dick Fox, Howard Gittis, Ed Rosen. As you can see, the Subcommittee has admirably achieved the goals approved by the Board in 1989.

The President distributed to the Board his February 20, 1996, memorandum (SUPPLEMENT III to these Minutes) regarding the reallocation of funds towards outstanding students with financial needs. He said that the report's recommendation is not a retreat from our historical position of populism, but it is to even out those students who are applicants and are able to, within a five-year period, complete their studies successfully.

The President referred to the March 21, 1996, issue of the Temple Times in which there is a report on a new advertising campaign. He said the campaign is aimed at making people more aware of the University, especially for undergraduate studies. He invited Trustees to see and hear the television and radio spots immediately following today's meeting.

Finally, the President welcomed Honorary Life Trustee William L. Rafsky and Chancellor and Honorary Life Trustee Marvin Wachman to today's meeting.

RECOMMENDATIONS FOR ACTION

1. Clare L. Wofford Memorial

The Board of Trustees agreed to establish two Clare L. Wofford Scholarships and, on motion duly made and seconded, directed that a letter be sent to Mrs. Wofford's family informing them of this action.

Executive Committee

2. Report

The Report of the Executive Committee was received as given in Agenda Reference 2.

3. Ratification of TAUP Contract

On motion duly made and seconded, the Board of Trustees ratified the Temple University/TAUP collective bargaining agreement for the period from October 15, 1996, through October 15, 2000.

4. Naming of Computer Activity Building, Main Campus, in Honor of Temple University's Sixth President, Marvin Wachman

On motion duly made and seconded, the Board of Trustees, taking into account the sale by the University of the building at 1619 Walnut Street previously named in honor of Temple University's sixth President, Marvin Wachman; approved the recommendation of the Committee on Trustees that the Computer Activity Building, Main Campus, constructed during Marvin Wachman's presidency, be renamed "Wachman Hall" in honor of Temple University's sixth President, Marvin Wachman; and that a plaque, recognizing the efforts of Dr. Wachman and Trustee Isadore Shrager in securing a gift of the original Wachman Hall (1619 Walnut Street) to the University, be placed prominently inside the main entrance to the newly-named Wachman Hall.

The Board applauded Dr. Wachman.

5. Borrowing Authority - 4/1/96 - 6/30/96

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, 1996, through June 30, 1996.

Vice President Dorph said that only a very small amount of actual borrowing takes place. The President said his understanding is that we have not borrowed on this in a substantial way for the last ten years. Chairman Fox added that this gives us the ability to move quickly if necessary.

Committee on Campus Planning and Plant Management

6. Report

The Report of the Committee on Campus Planning and Plant Management was received as given in Agenda Reference 6.

7. ADA Compliance Survey - Main Campus

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (2/2/96), and authorized the officers to retain the services of George Yu Associates to carry out an Americans with Disabilities Act compliance survey of twenty Main Campus buildings at a cost not-to-exceed \$182,000, with the Funding and Financing Sources being the Plant Development Fund.

8. Allocation of 1995/1996 Advanced Technology Funds

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (2/2/96), and authorized the officers to proceed with the purchase of the computer and other technology equipment in an amount not-to-exceed \$5,811,166, with the Funding and Financing Sources being the Computer and Technology Fee, Vice President for Computer and Information Services "10" Fund Budget and the Plant Development Fund.

9. The Apollo of Temple - The Convocation Center and the Recreation and Community Center

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to expend a sum not-to-exceed \$1,303,500, plus a contingency of \$65,175 (5%) for various General Condition costs associated with the construction of The Apollo of Temple Convocation Center via reimbursements to the Project Manager under their existing Professional Services Agreement with the University, with the Funding Source being the Commonwealth Challenge Plus Fund and the

Financing Source being Private Donations and Commonwealth Reimbursements.

10. High Rise Design Services - University Buildings

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96) that the officers authorize Facilities Management to prepare bid documents necessary for compliance with the City of Philadelphia's High Rise Code at a cost not-to-exceed \$311,688 with the Funding and Financing Sources being the Plant Fund.

11. Main Campus Building Security Code Evaluation and Design

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to retain the services of Jacobs Wyper Architects to carry out a comprehensive building security code evaluation and design at a cost not-to-exceed \$94,875 (including contingency), with the Funding and Financing Sources being the Plant Development Fund.

12. Renovations for Psychology - Weiss Hall

Mr. Contoudis suggested that the cost for these renovations is high. Mr. Falkenstein responded by saying that part of the job deals with deferred maintenance and some of the expenses deal with the relocation of operations currently in the space.

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to renovate 2,200 square feet on the 7th floor of Weiss Hall for reuse for Department of Psychology Research at a cost not-to-exceed \$309,000, with the Funding and Financing Sources being the Plant Development Fund.

12. Temple University Health Sciences Center Matters

(1) Temple University Nursing Center - An Urban Care Model

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (2/2/96), and authorized the officers to renovate a 5-bedroom apartment at 1035 Berks Street in Norris Homes for use as a primary care clinic at a cost of \$21,500 beyond the amount of \$78,500 previously approved, bringing the total cost not-to-exceed to \$100,000, including contingency, with the Funding Sources being the Temple University Hospital, Public Health Service Grant and the College of Allied Health Professions Nursing Development Account.

(2) Pneumatic Tubing System

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to purchase a Pneumatic Tubing System at a cost not-to-exceed \$383,680, with the Funding Source being Hospital Excess Revenue or Invested Cash or Bond Proceeds and the Financing Source being Equity or Tax Exempt Financing.

(3) Patient Television System Upgrade

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to modify the installation component of the previously approved patient television system project at a cost not-to-exceed \$60,000 (+\$462,000 previously approved), with the Funding Source being Hospital Excess Revenues and the Financing Source being Equity or Tax Exempt Financing.

(4) Equipment Acquisition in Support of Academic and Research Programs, Department of Bio-Chemistry

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to purchase basic research items which include in part computers, shakers, centrifuges and rotors, etc. and sophisticated, state-of-the-art research instrumentation in support of academic and research programs of the Department of Biochemistry, School of Medicine at a cost not-to-exceed \$230,000, with the Funding Source being the Department of Biochemistry, School of Medicine, Equipment Gift (\$200,000); Research and Development (\$30,000).

(5) Interventional Angiographic Suite

Chairman Fox asked that the Board see the rest of this \$1 million expenditure as it develops.

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Campus Planning and Plant Management Committee (3/6/96), and authorized the officers to proceed with the replacement of the Interventional Angiographic Suite in Diagnostic Imaging at a cost not-to-exceed \$70,000 (project total \$1,070,000) with the Funding Source being Hospital Excess Revenue or Invested Cash or Bond Proceeds and the Financing Source being Equity or Tax Exempt Financing.

Committee on Trustees

14. Nomination of Individuals to Serve as Directors of Jeanes Hospital (Temple Central Hospital, Inc.)

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Committee on Trustees to recommend to the Board of Directors of Temple University Health System, Inc., that the individuals listed below be appointed to serve on the Board of Directors of Jeanes Hospital for the terms set forth therein and in accordance with the Bylaws of Jeanes Hospital (Temple Central Hospital, Inc.):

Anita E. DeBrest	Stuart Myers
Frederic H. Kauffman	Robert N.C. Nix, Jr.
Robert H. Lux	Frank Podeitz
Joseph W. Marshall, III	Todd Sagin
Michael Messersmith	James H. Shacklett, III
Isadore A. Shrager	

15. Approval of Temple Educational Support Services, Ltd., (TESS) Bylaws

Mr. Moore reported that, effective May 1, 1996, Temple University will begin managing the operations of Temple University Japan (TUJ) on its own. To do that we have incorporated a Japanese corporation, Temple Educational Support Services, Ltd. Mr. Moore said that these Bylaws comply with Japanese law and also comply with the standard bylaws we have been using for the other subsidiary corporations, i.e., Jeanes, etc.

Mr. Moore said that, following this meeting, we will begin the process of selecting the individuals for membership on the TESS Board and moving forward with the development of the budget. He said there will be nine members on the Board, 5 of whom must be members of this Board of Trustees; one must live in Japan; the others may be members of this Board if this Board so determines.

President Liacouras said that the TESS Board will probably meet before the April 18th meeting of the Joint Committees and will meet four times a year.

Mr. Kamal Latham, President of Temple Student Government and a former Temple University Japan student, said that he found the academic side of TUJ to be well run, but not so the business side. He applauded this action.

On motion duly made and seconded, the Board of Trustees, on the recommendation of the Committee on Trustees, approved the Bylaws of Temple Educational Support Services, Inc. (TESS), which are attached as SUPPLEMENT IV to the official copy of these Minutes on file in the Office of the Secretary.

16. Nomination of Individuals to Serve as Directors of Temple Educational Support Services, Ltd., (TESS)

The captioned item was withdrawn from consideration.

Chairman Fox asked that any Trustees interested in serving on this Board so inform Mr. Moore.

Educational Policies Committee

17. Report

The Report of the Educational Policies Committee was received as given in Agenda Reference 17.

18. Departmental Name Change in the College of Engineering

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee (1/22/96) that the name of the Civil Engineering Department be changed to the "Department of Civil and Environmental Engineering."

Board of Governors

19. Report

The Report of the Board of Governors was received as given in Agenda Reference 19.

Committee on Audit

20. Report

The Report of the Committee on Audit was received as given in Agenda Reference 20. Vice Chairman Lacy Hunt further reported that the Committee met today and that there are no major outstanding issues at the present time.

Committee on Business and Finance

21. Report

The Report of the Committee on Business and Finance was received as given in Agenda Reference 21.

Committee on Development

22. Report

The Report of the Committee on Development was received as given in Agenda Reference 22.

Committee on Honorary Degrees

22a. Report

President Liacouras reported that we will have a convocation on April 2 where the Chief Justice of the United States, William H. Rehnquist, will receive an honorary degree as well as Epaminondas P. Spiliotopoulos, Professor of Law Emeritus of Athens University. This convocation is part of the celebration of the 100th anniversary of the Temple Law School, and all Board members are invited to attend.

The President informed the Board that the one person who will receive an honorary degree at the May commencement is Murray H. Shusterman, Honorary Life Trustee, for whom Shusterman Hall is named.

REPORTS OF OFFICERS

23. Treasurer's Report

On motion duly made and seconded, the Board of Trustees approved the list of gifts received for the Quarter ended December 31, 1995; grants and contracts awarded between October 1, 1995 and December 31, 1995, and the purchases and sales of securities between October 1, 1995 and December 31, 1995.

24. Secretary's Report

On motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated May 16, 1996, to candidates approved by the appropriate academic committees of the faculty; the presentation of degrees-in-course dated June 9, 1996, to candidates approved by the appropriate academic committees of the faculty in Tokyo and Osaka, Japan.

OLD BUSINESS

25. Tuition

Mr. Latham raised the issue of tuition and reported that the students do not support any increase in tuition. He said the students did go to Harrisburg with President Liacouras and presented a petition signed by 2,500 Temple University students saying that they want the Governor to give more money to Temple

University students. As a result, one of the State legislators has decided to make a Temple University only argument for increased funding.

Mr. Latham commended his chief of staff, Mr. Chuck Williams, for this effort. The Board applauded Mr. Williams.

26. Security

Mr. Latham raised the issue of security. He said he supports the recommendation to terminate the contract with external security. He said it is the responsibility of the University to do everything within its power to protect its students. He totally endorses the termination of the Wells Fargo contract and the return to an in-house security system. He said the students will feel comfortable and more safe.

NEW BUSINESS

Chairman Fox informed the Board that Trustee Edward Rosen underwent surgery several days ago and is doing well.

ADJOURNMENT

On motion duly made and seconded, the meeting of the Board of Trustees adjourned at 4:05 P.M.