

BOARD OF TRUSTEES

Temple University – Of The Commonwealth System of Higher Education

Thursday, June 21, 2007, at 3:30 p.m.

Feinstone Lounge, Sullivan Hall
Liacouras Walk and Berks Mall

MINUTES

Presiding Officer: Daniel H. Polett, Chairman of the Board

Note: The Trustees met for an information briefing at 2:30 p.m.

PARTICIPANTS

Trustees: Joan H. Ballots, Leonard Barrack, Jon A. Boscia, Theodore Z. Davis, Nelson A. Diaz, Ronald R. Donatucci, Loretta C. Duckworth, Richard J. Fox, Lewis F. Gould, Jr., Ann Weaver Hart, Lewis Katz, Susanna E. Lachs, Patrick V. Larkin, Solomon C. Luo, Joseph W. Marshall, III, J. William Mills, III, Mitchell L. Morgan, Henry J. Mullany, III, Daniel H. Polett, Milton L. Rock, Robert A. Rovner, James S. White, Michael P. Williams

Honorary Life Trustees: Edward H. Rosen

University Counsel: George E. Moore

Non-Voting Participants: Jane D. Evans, Juan Galeano

Administration and Staff: Frank P. Annunziato, Clarence D. Armbrister, James C. Bausman, Jr., William T. Bergman, Carl Bittenbender, Eileen Bradley, William D. Bradshaw, Robert Buchholz, Theresa Burt, Janet Carruth, Melissa Coopersmith, Richard M. Englert, Gloria Frager, Jessica Giordano, Deborah I. Hartnett, Thomas Kupp, Charles Leone, Sandra J. McDade, Vicki L. McGarvey, Timothy C. O'Rourke, Theresa A. Powell, Robert J. Reinstein, Vanessa Rose, Richard Rumer, Kenneth J. Soprano, Stuart P. Sullivan, William Wilkinson, Gregory Zimmaro

Trustee Polett, Chairman of the Board, called the meeting to order.

INVOCATION: Trustee Robert A. Rovner

Introduction of Guests

Faculty: William Aaronson, Antonio Giordano, Zameer U. Hasan

Students: Farzad Firoz

Approval of Minutes: The minutes of the meeting of May 8, 2007, were approved as distributed.



President's Report Year in Review

Board of Trustees Meeting
June 21, 2007

Agenda for the Future *as outlined in Investiture Address*

- **Great Universities, Great Cities**
- **Access to Excellence**
- **Community Partnerships**
- **Sustainability**
- **Globalization**
- **Research, Innovation and Entrepreneurship**
- **Creating a Culture of Philanthropy**

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Senior Staff

University Leadership and Management

- **New Cabinet and Organizational Structure**
- **Tony Wagner, Senior Vice President, CFO and Treasurer**
- **Lisa Staiano-Coico, Ph.D., Provost**
- **Senior Vice President, Research and Strategic Initiatives**

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Healthcare Enterprise

- **Major and unexpected challenge**
- **Immediate Actions**
 - Solution to the \$19.4 million shortfall in the FY07 School of Medicine budget caused by a reduction in payments from TUHS
 - Health Care Enterprise Planning Committee
 - Regular meetings with TUHS CEO Chip Marshall, Dean John Daly, and others
 - Provost Staiano-Coico
 - Frank Campbell- ECG Management
- **Initial impact**
 - Joint clinical enterprise budget for FY 2008, including the interface of TUHS, the School of Medicine, and the Temple University Physicians
 - Begun process to create formal funds flow agreement
 - Recommendation for new Board of Trustee Committee
 - Temple University Physicians - Memorandum of Understanding

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Academic Affairs

- Faculty Relations
 - Faculty Senate and TAUP Leadership
- Dr. Hai-Lung Dai, Dean, College of Science and Technology
- Dr. Teresa Scott Soufas, Dean, College of Liberal Arts
- General Education
- Tenure and Promotion Policy and Guidelines
- Student and Faculty Rights and Responsibilities Policy
- Student Affairs- move to Office of the Provost

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Finances

- Moody's Investors Service
 - Long term debt rating of A1 with a stable outlook
 - Four areas identified as serious challenges:
 - Continued underperformance of our investment portfolio
 - Relationship with the Health System
 - Moderate research activities
 - Anticipated enrollment challenges – highly competitive market
- Endowment Management
- FY08 Budget – to be presented today

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Administration and Management

- **Capital Projects**
 - Presided over three Groundbreakings
 - On budget, on schedule
- **Enterprise Database System**
- **Campus Safety**
 - Pearl Theater Shooting
 - Virginia Tech Tragedy

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Advancement and Development

- **Creating a culture of philanthropy**
- **Engaging volunteers, alumni, parents, foundations, corporations, and civic leaders in the Philadelphia region, across the country and around the world.**
- **Temple's strongest fundraising year on record**
 - As of June 15, 2007 = \$57.6 million this year
 - \$10 million gift from the Abramson Family Foundation
 - 13 gifts of \$1 million and above

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New Gifts and Pledges to Temple FY'95 - FY'07 (in millions)

as of June 15, 2007



* Includes two eight figure bequests

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Gifts & Pledges of \$1,000,000 or more

Fiscal Year	Donors
2003	9
2004	8
2005	5
2006	7
2007	13*

*At least one additional gift expected by June 30

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Government Relations

- Established relationships with Mayor, Governor, City, State and Federal elected officials
- Annual Non-Preferred Appropriation at 2% or more
- Creating Federal agenda
- Right to Know

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Athletics

- Challenging Year
- Al Golden and Fran Dunphy - 1st year
- Dawn Staley - renewed contract
- NCAA Hearings
- New President's Advisory Committee
- Preparation for NCAA Certification:
 - Steering Committee

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External and Civic Affairs

- **Extending Temple's presence in Greater Philadelphia region**
- **Accepted invitations to participate:**
 - Executive Committee of Greater Philadelphia Chamber of Commerce
 - CEO Council of Growth
 - Avenue of the Arts Board
 - Pennsylvania Women's Forum

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President's Report Year in Review

Board of Trustees Meeting
June 21, 2007

**REPORTS AND RECOMMENDATIONS FOR ACTION
STANDING COMMITTEES**

Committee on Trustee Affairs – Lewis F. Gould, Jr.

RECOMMENDATIONS FOR ACTION

1. Election of Commonwealth Trustee — Adrian R. King, Jr.

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Committee on Trustee Affairs (5/15/07) and elect Adrian R. King, Jr., for a term effective immediately and expiring October 2010, to the Board of Trustees of Temple University – Of The Commonwealth System of Higher Education, Mr. King having been appointed by The Honorable Edward G. Rendell, Governor of the Commonwealth of Pennsylvania, as set forth in Agenda Reference 1.

2. Election of University Officer – Deborah Hartnett

Upon motion duly made and seconded, the Board of Trustees approved the recommendations of the President and the Committee on Trustee Affairs (6/20/07), that Deborah Hartnett be elected to serve as Vice President for Human Resources until her successor has been elected and qualified.

3. Amendment to the Bylaws

Upon motion duly made and seconded, the recommendation of the Committee of Trustees Affairs (6/20/07), the Board of Trustees approved the amendment to the Bylaws by adding the following provision, which establishes a standing Healthcare Enterprise Committee:

Section 6.13 Healthcare Enterprise Committee

A. The Healthcare Enterprise Committee shall be comprised of five voting members of the Board, the President and Chair of the Board ex officio, and up to four additional members of the Committee who may or may not be voting members of the Board. Employees of the University or of Temple University Health System, Inc., or any of their subsidiaries or controlled affiliates are not eligible to serve as additional members of the Committee. The Chair will strive to appoint as the additional Committee members individuals who will provide the Committee with informed, diverse perspectives relating to the provision of healthcare, teaching and research within an academic medical center. In appointing the four additional members, the Chair in his or her discretion may consider, among other persons, those nominated by and commented upon by the President, the Dean of the School of Medicine and the Chief Executive Officer of Temple University Health System, Inc. All members of the Committee shall be voting members thereof.

B. Subject to the lawful authority of the Board, the Healthcare Enterprise Committee shall have oversight over long-range planning, strategic development, governance, mission and vision, operations, finances, and related matters and policies pertaining to the healthcare activities of the University and its component entities, including but not limited to Temple University School of Medicine, the clinical faculty practice plan of the School of Medicine and the Temple University Health System and its subsidiaries, and controlled affiliates.

C. The Committee shall promote coordination and collaboration among the components of the healthcare enterprise to foster financial stability, superior academic and research performance, high-quality clinical care and other measures of programmatic success.

D. The Committee shall consider and recommend to the Board from time to time the enterprise-wide collective mission and vision of the healthcare entities of the University, and recommend policies to the Board regarding the healthcare enterprise as required to meet the University's interests and advance its mission.

E. Unless otherwise directed by the Board, the Committee shall observe the customary allocation of responsibilities between management and the Board and its committees.

F. The Committee shall meet upon the call of the Chair at least quarterly, or otherwise as determined by the Board, and shall report upon the status of the University's healthcare enterprise at each regular meeting of the Board.

Executive Committee and Budget & Finance Committee –

Lewis F. Gould, Jr., Vice Chair of Executive Committee and Chair of Budget & Finance Committee

RECOMMENDATIONS FOR ACTION

4. **University Operating Budget for 2007-2008**

Upon motion duly made and seconded, the Board of Trustees adopted the University Operating Budget and the Operating Budget Policies and Procedures for 2007-2008, as set forth in Agenda References 4a, 4b, and 4d.

5. **Tuition Schedule for 2007-2008**

Upon motion duly made and seconded, the Board of Trustees approved the Proposed Tuition Rates for 2007-2008, as set forth in Agenda Reference 4c.

6. **General Activities, Computer and Technology, Student Health Services, Student Recreation and Student Facilities Fees, 2007-2008**

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 2007-2008, as set forth on page 8 of Agenda Reference 4c.

7. **Spending Rule for Endowment 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 4e.

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

8. **Report**

RECOMMENDATION FOR ACTION

9. **Temple University Health System, Inc., Final Budget 2007-2008**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Board of Directors of Temple University Health System, Inc. (5/30/07), and adopted the Temple University Health System, Inc., Final Operating Budget for 2007-2008.

Facilities Committee – Mitchell L. Morgan

RECOMMENDATIONS FOR ACTION

10. **Design Services for Renovations to Orthodontics Clinic**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (6/18/07) that the officers be authorized to proceed with the design services for renovations to the Orthodontics Clinic, located on the second floor of the New Dental School building, at a cost not-to-exceed \$290,000, with the funding and financing source being the Orthodontic Capital Campaign (81-0723-000).

11. **Modernization of Secondary Science Lab Classroom**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (6/18/07) that the officers be authorized to proceed with the renovations of 202 and 204 Ritter Hall for use as a College of Education science lab classroom at a cost not-to-exceed \$591,348, with the funding and financing source being the Projected Surplus Fund (10-1901-000).

12. **Modernization of Elementary Science Lab Classroom**

Upon motion duly made and seconded, the Board of Trustees approve the recommendation of the Facilities Committee (6/18/07) that the officers be authorized to proceed with the renovations of 302 and 304 Ritter Hall for use as a College of Education science lab classroom at a cost not-to-exceed \$381,121, with the funding and financing source being the Projected Surplus Fund (10-1901-000) and College of Education Carryover Funds (10-1901-335).

Academic Affairs Committee – Leonard Barrack, Chair

RECOMMENDATIONS FOR ACTION

13. **Consideration of Tenure**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) and the President regarding the granting of faculty tenure.

14. **Revision to the General Education Policy**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to revise the General Education Policy (#02.10.02) as set forth in Agenda Reference 14.

15. **Establish a Doctor of Occupational Therapy Degree in the College of Health Professions**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to establish a Doctor of Occupational Therapy degree in the College of Health Professions.

16. **Rename the Department of Communication Sciences in the College of Health Professions as the Department of Communication Sciences and Disorders**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to reorganize the department structure of the College of Health Professions by renaming the Department of Communication Sciences as the Department of Communication Sciences and Disorders.

17. **Transfer of Faculty from Department of Communication Sciences to the Newly-Established Department of Communication Sciences and Disorders**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to move the faculty of the Department of Communication Sciences into the Department of Communication Sciences and Disorders.

18. **Establish a Concentration in Reading for the Master of Science in Education (M.S.E.) in the College of Education**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to establish a Concentration in Reading for the Master of Science in Education in the College of Education.

19. **Create a Transcript Notation for Eleven Certificates in the Fox School of Business and Management**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to create transcript notations for eleven certificates in the Fox School of Business and Management.

20. **Create a Transcript Notation for a Certificate in Business Law in the Beasley School of Law**

Upon motion duly made and seconded, the Board of Trustees approve the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to create a transcript notation for a Certificate in Business Law in the Beasley School of Law.

21. **Establish an Optional Concentration in Environmental Engineering for the Bachelor of Science in Civil Engineering in the College of Engineering**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to establish a Concentration in Environmental Engineering for the Bachelor of Science in Civil Engineering in the College of Engineering.

22. **Establish a Minor in Environmental Engineering in the College of Engineering**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to establish a minor in Environmental Engineering in the College of Engineering.

23. **Restructure the Curriculum in the School of Podiatric Medicine**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to restructure the curriculum in the School of Podiatric Medicine.

24. **Transfer of One Faculty Member from the Department of Chemistry to the Department of Biology in the College of Science and Technology**

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/20/07) that the officers be authorized to transfer one faculty member from the Department of Chemistry to the Department of Biology in the College of Science and Technology.

Development Committee – Richard J. Fox, Chair

Trustee Fox commended Vice President Stuart Sullivan for the superb work done by the Office of Institutional Advancement this past year.

25. **Report**

RECOMMENDATIONS FOR ACTION

26. **Naming of Classroom 5a, Klein Hall**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Development Committee (6/21/07) and the Gift Acceptance Committee (5/15/07), approved the naming of Classroom 5A in Klein Hall, in honor of Marina Kats, in recognition of her generous support to the James E. Beasley School of Law. Such naming is contingent upon execution of an irrevocable gift agreement.

27. **Addendum to Gift Agreement with KYW-TV**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Development Committee (6/21/07) and the Gift Acceptance Committee (5/15/07), approved an addendum to the February 2007 Gift Agreement with KYW-TV to include an additional 4,300 reels of film covering the years 2000 through 2004.

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OFFICERS' REPORTS

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

Upon motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated November 1, 2007, to candidates approved by the appropriate academic committees of the faculty in the Tsinghua LLM Program in Beijing, China.

29. **Treasurer's Report – Anthony E. Wagner**

The Treasurer's Report was accepted as presented in Agenda Reference 29.

OLD BUSINESS

30. **Amendment to the Temple University Physicians' Memorandum of Understanding**

Chairman Polett remarked that this item had been discussed in Executive Briefing, immediately prior to today's meeting.

Upon motion duly made and seconded, the Board of Trustees amended the Memorandum of Understanding relating to the organization of Temple University Physicians, adopted on June 19, 2003, as set forth in Agenda Reference 30.

NEW BUSINESS

Chairman Polett acknowledged the work done by the Office of the Secretary during the past year.

ADJOURNMENT