

MINUTES

THE BOARD OF TRUSTEES

Temple University - Of The Commonwealth System of Higher Education

Tuesday, May 12, 1998 - 3:00 P.M.

**Feinstone Lounge, Sullivan Hall
Park and Berks Malls**

Presiding Officer, Howard Gittis, Chairman, Executive Committee

INVOCATION

The Invocation was given by Trustee Joan H. Ballots.

ATTENDANCE

Members: Joan H. Ballots, Francis J. Catania, John J. Contoudis, Paul A. Dandridge, Peter D. DePaul, Louis J. Esposito, Howard Gittis, Lacy H. Hunt, Edward Kassab, Mitchell G. Leibovitz, Peter J. Liacouras, Joseph W. Marshall, III, Milton L. Rock, Edward H. Rosen, Robert A. Rovner, Anthony J. Scirica, James H. Shacklett, III, Isadore A. Shrager, Edna S. Tuttleman

Ex Officio Participants: Edwin G. Beausoleil, Donald L. Walters

Invited Guests: Adriana L. Bohm, Emily Klepner, Seth Oberman, Judith Perinchief, Philip Udo-Inyang, Shontae White, Jean H. Woods

Administration and Staff: James C. Bausman, Beverly L. Breese, Corrine A. Caldwell, Albert R. Checcio, M. Patricia Clifford, Martin S. Dorph, Thomas R. Freitag, Leon S. Malmud, Thomas Maxey, Timothy C. O'Rourke, Arthur C. Papacostas, Robert J. Reinstein, Valaida S. Walker, James S. White

General Counsel: Peter Matoon

University Counsel: George E. Moore

Trustees Unable to Attend: William H. Cosby, Jr., Nelson A. Diaz, Robert C.

Donatucci, Richard J. Fox, Jane S. Fumo, Lewis F. Gould, Jr., Clifford S. Green, Sidney Kimmel, Arthur G. Raynes, William W. Rieger, James A. Williams

RECOGNITION OF VICE PRESIDENT/CHIEF NEGOTIATOR C. ROBERT HARRINGTON AND MABEL LOUISE WOOD GREEN, WIFE OF TRUSTEE CLIFFORD SCOTT GREEN

Trustee Edward H. Rosen, speaking for the Board, said that Vice President C. Robert Harrington was a member of the Temple University family for two generations, a dedicated leader who managed to interact with people in the University from Board members to the newest employee and newest student. Mr. Rosen said that Vice President Harrington was resourceful, patient, a real asset to our University. In many respects the relationships he had with the various entities are a reflection of his devotion and honesty, character and patience.

Mr. Rosen said that we are blessed to have had him among us. He will be sorely missed by all of the University family.

The Board held a moment of silence in memory of Mabel Louise Wood Green and C. Robert Harrington, and the Secretary was directed to send the statements of the Board to their families.

Trustee Howard Gittis, speaking for the Board, said that Clifford Scott Green, a Senior Judge on the U.S. District Court for the Eastern District of Pennsylvania, has been a member of our Board of Trustees for more than ten years. Judge Green's wife, Mabel Louise Wood Green, who had been undergoing kidney dialysis treatment for a number of years, passed away on May 5, 1998.

Mrs. Green, a woman of grace and charm and a great friend of Temple University will be dearly missed.

Trustee Gittis extended the condolences of the Board to Judge Green and his family.

Approval of Minutes - Regular meeting of March 10, 1998

On motion duly made and seconded, the Minutes of the meeting of the Board of

Trustees held on March 10, 1998, were approved as distributed.

PRESIDENT'S REPORT - Peter J. Liacouras

President Liacouras informed the Board that he will make a full report at the June 25, 1998, meeting. He asked for questions, and there were none.

REPORTS AND RECOMMENDATIONS FOR ACTION

Executive Committee - Howard Gittis, Chairman

1. Report

The Report of the Executive Committee was received as distributed.

Recommendations for Action:

2. Borrowing Authority - 7/1/98 - 9/30/98

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Business and Finance Committee and Executive Committee (4/30/98), and 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 July 1, 1998, through September 30, 1998.

3. Establishment of a School of Tourism and Hospitality Management

Dr. Donald Walters, President of the Faculty Senate, reported that the Collegial Assembly in the School of Health, Physical Education, Recreation and Dance (HPERD) approved the proposal to establish a School of Tourism and Hospitality Management as had the Representative Faculty Senate. Dr. Walters said that the Faculty Senate is pleased to join in this recommendation.

Trustee Edward Rosen, who chaired the Task Force on the Hospitality Initiative, referred to an article that appeared in The Philadelphia Inquirer suggesting that this School is being established to bring in suburban enrollments. Mr. Rosen said that nothing could be further from the truth. He said that such an emphasis was not present at any of the deliberations.

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and the Joint Business and Finance Committee and Executive Committee and established a School of Tourism and Hospitality Management as recommended in the "Report of the Task Force on the Hospitality Initiative," dated March 30, 1998, and previously distributed.

4. Establishment of a B.S. Degree in Tourism and Hospitality Management

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and the Joint Business and Finance Committee and Executive Committee and established a B.S. Degree in Tourism and Hospitality Management as recommended in the "Report of the Task Force on the Hospitality Initiative," dated March 30, 1998, and previously distributed.

5. Establishment of a Master of Tourism and Hospitality Management (MTHM) Degree

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and the Joint Business and Finance Committee and Executive Committee and established a Masters Degree in Tourism and Hospitality Management as recommended in the "Report of the Task Force on the Hospitality Initiative," dated March 30, 1998, and previously distributed.

Committee on Campus Planning and Plant Management - Louis J. Esposito, Chairman

6. Report

The Report of the Committee on Campus Planning and Plant Management was received as distributed.

Committee on Educational Policies - Isadore A. Shrager, Chairman

7. Report

The Report of the Committee on Educational Policies was received as distributed.

Recommendations for Action:

8. Establishment of an Undergraduate Major in Environmental Studies (Offering two types of degrees, a B.A. and a B.S.)

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and established a B.A. and a B.S. in Environmental Studies.

9. Merger of the Departments of Risk Management/Actuarial Science and Health Administration into a New Department called the "Department of Risk, Insurance, and Healthcare Management (RIHM)" in the School of Business and Management

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and merged the Departments of Risk Management and Insurance/Actuarial Science (RMIAS) and Health Administration (HA) in the School of Business and Management and renamed it the "Department of Risk, Insurance, and Healthcare Management."

10. Establishment of the TempleLaw Scholars Program

On motion duly made and seconded, the Board of Trustees approved the recommendation of the Educational Policies Committee and established the TempleLaw Scholars Program, previously approved by the College of Arts and Sciences (CAS) Collegial Assembly.

Committee on Audit - Mitchell G. Leibovitz, Chairman

11. Report

The Report of the Audit Committee was received as distributed.

Committee on Business & Finance - Edward H. Rosen, Chairman

12. Report

The Report of the Committee on Business and Finance was received as distributed.

Committee on Development - Howard Gittis, Chairman

13. Report

The Report of the Committee on Development was received as distributed.

Committee on Honorary Degrees - Peter J. Liacouras, Chairman

14. Report

The Report of the Committee on Honorary Degrees was received as distributed.

President Liacouras informed the Board that Commencement will be held on Thursday, May 21, in The Apollo of Temple at 10:30 A.M. Trustees are asked to assemble in The Fox and Gittis Foyer at 9:30 A.M. Sixteen individual ceremonies will follow commencement.

At the 10:30 A.M. University-wide commencement, the first to be held on campus in decades, the Invocation will be given by Rabbi Rebecca Alpert. Honorary degrees will be awarded to Geraldine Dietz Fox for her lifetime of nationally acclaimed activities on behalf of the

hearing impaired, William H. (Sonny) Hill, Jr., for his activities on behalf of the youth, Milton L. Rock, for more than we can describe in terms of support for the University and the arts, Daniel H. Polett, for his leadership at the Temple University Hospital, and finally, to Sonia Sanchez, the University's poet laureate.

Professor Sanchez will give a short response at the University-wide commencement. Geraldine Fox will speak at the College of Allied Health Professions ceremony; Sonny Hill at the Health, Physical Education, Recreation and Dance ceremony, Milton Rock at the Esther Boyer College of Music program, Daniel Polett at the School of Business and Management and Sonia Sanchez at the College of Arts and Sciences degree ceremony.

The President said that Bill Cosby is expected to speak at the University-wide commencement.

The President's salute will be delivered by Corrinne Caldwell, Acting Provost. A student from the School of Business and Management will deliver the student response which will be followed by the delivery of degrees-in-course.

The President asked that any Trustee planning to participate in the exercises notify him or Janet Carruth so that they can assist in the delivery of degrees-in-course.

Temple University Health System, Inc., Board of Directors - Howard Gittis, Chairman

15. Report

The Report of the Board of Directors of Temple University Health System, Inc., was received as distributed.

Mr. Gittis said that he is confident that the financial performance of the Health System is better than that of any other academic health center, probably in the Northeast. He said that Temple University Hospital alone last year provided either free or under reimbursed care in excess of \$30 million. He said that asking the Health System and its parent University to continue to meet these kinds of unprecedented demands is simply not what you should expect of your government.

Recommendation for Action:

16. Approval of the Acquisition of Episcopal Hospital

Mr. Gittis announced that the recommendation regarding the acquisition of Episcopal Hospital was withdrawn from consideration and probably would come before the Board at its June meeting.

16(a) Formation of TUHS Insurance Company Ltd.

The Board was informed that TUHS Insurance Company Ltd. and the University offshore insurance company will share some officers and directors in common.

On motion duly made and seconded, the Board of Trustees approved the Resolution of the Board of Directors of Temple University Health System, Inc. (5/12/98), and authorized the creation of a single parent offshore captive corporate subsidiary for the purpose of reinsuring the primary medical malpractice risk of the Temple University Health System, obtaining a letter-of-credit to secure a fronting company, and appointing the initial Board of Directors of said corporation.

Committee on Athletics - Arthur G. Raynes, Chairman

17. Report

The Report of the Committee on Athletics was received as distributed.

REPORT OF THE OFFICERS

18. Treasurer's Report - Martin S. Dorph

Recommendation for action:

On motion duly made and seconded, the list of grants and contracts awarded for the period July 1, 1997 - March 31, 1998, the major gifts and grants received for the quarter ended March 31, 1998, and the purchases and sales of securities for the third quarter, Fiscal Year 1998, were received.

19. Secretary's Report - George E. Moore

Recommendation for Action:

On motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated August 28, 1998, to candidates approved by the appropriate academic committees of the faculty; with the understanding that degrees for Law School Evening students who regularly complete their studies in July shall be dated July 21, 1998, with a certificate of the Dean of the Law School verifying said receipt.

OLD BUSINESS

Recommendations for Action:

20. Amendment to Resolution Approving Plan of Merger (March 10, 1998)

with Pennsylvania College of Podiatric Medicine ("PCPM") and
Authorizing Refinancing of PCPM's Indebtedness

On motion duly made and seconded, the Board of Trustees hereby amended its resolution (March 10, 1998) approving the plan of merger with the Pennsylvania College of Podiatric Medicine ("PCPM") to authorize the appropriate officers of the University (a) to structure the transaction substantially as set forth in the revised Affiliation Agreement attached as SUPPLEMENT I to the official copy of these Minutes on file in the Office of the Secretary; (b) to refinance the existing indebtedness of PCPM concurrently with the consummation of the transaction, as set forth in SUPPLEMENT II which is attached to the official copy of these Minutes on file in the Office of the Secretary; and (c) otherwise to execute, acknowledge, deliver and file all necessary artifacts, instruments, agreements and other documents, and take such other actions as are necessary or, in the opinion of such officer or officers, advisable to effectuate the affiliation as authorized by the March 10, 1998, resolution and as amended hereby.

21. Ratification of Board Actions taken by Notational Vote
Following Special Executive Session Conference Call of the
Board of Trustees on April 17, 1998

On motion duly made and seconded, the Board of Trustees ratified its actions taken by Notational Vote following a Special Executive Session Conference Call on April 17, 1998, with regard to the following items:

Acquisition of Certain Real Property

on the recommendation of the Campus Planning and Plant Management Committee, authorization of the officers to acquire certain real property on the terms described in Executive Session.

Space Planning/Comprehensive Planning Consultant

on the recommendation of the Campus Planning and Plant Management Committee, authorization of the officers to retain The Hillier Group to carry out Phase I space planning and comprehensive planning at a cost not-to-exceed \$107,635, with the Funding and Financing Sources being the Plant Development Fund.

Ambler West Hall Renovations

on the recommendation of the Campus Planning and Plant Management Committee, authorization of the officers to proceed with renovations to the Temple Ambler West Residence Hall at a cost not-to-exceed \$1,678,765, with the Funding and Financing Sources being the Unexpended Plant Fund and the Plant Development Fund.

[Secretary's Note: Discussion was followed promptly by Notational Votes (roll calls of those participating) and phone calls to those not participating (if

reachable). The following Trustees were reached or telephoned the Secretary to cast their votes in favor of all three items given above, Acquisition of Certain Real Property, Space Planning/Comprehensive Planning Consultant and Ambler West Hall Renovations: Joan H. Ballots, Paul A. Dandridge, Theodore Z. Davis, Peter D. DePaul, Louis J. Esposito, Richard J. Fox, Paul P. Giordano, Howard Gittis, Clifford S. Green, Lacy H. Hunt, Edward Kassab, Joseph W. Marshall, III, Daniel H. Polett, Isadore A. Shrager, Edna S Tuttleman.]

NEW BUSINESS

There was no New Business.

ADJOURNMENT

Hearing no call for further business, the presiding officer declared the meeting adjourned at 3:26 P.M.