

BOARD OF TRUSTEES

Temple University – Of The Commonwealth System of Higher Education

PUBLIC SESSION

Tuesday, October 9, 2012, at 3:30 p.m.

Feinstone Lounge, Sullivan Hall
Liacouras Walk and Polett Walk

MINUTES

Presiding Officer: Patrick J. O'Connor, Chair of the Board

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

PARTICIPANTS

Trustees: Dennis Alter, Joan H. Ballots, Leonard Barrack, John Campolongo, Theodore Z. Davis, Nelson A. Diaz, Ronald R. Donatucci, Patrick J. Eiding, Richard M. Englert, Richard J. Fox, Lewis F. Gould, Jr., Lon R. Greenberg, Lewis Katz, Susanna E. Lachs, Solomon C. Luo, Christopher W. McNichol, J. William Mills, III, Mitchell L. Morgan, Patrick J. O'Connor, Daniel H. Polett, Phillip C. Richards, Robert A. Rovner, Edward Rudolph, Jane Scaccetti, Anthony J. Scirica, Michael J. Stack, III

University Counsel: George E. Moore

Non-Voting Advisory Members: David Lopez, Joan Shapiro

Non-Voting Representatives: Lori Shorr

Administration and Staff: Frank P. Annunziato, James C. Bausman, Jr., William T. Bergman, Raymond Betzner, William D. Bradshaw, Janet Carruth, James P. Creedon, Hai-Lung Dai, Michael Gebhardt, Stephanie Ives, Kenneth Kaiser, Larry Kaiser, Thomas Kupp, Jaison G. Kurichi, Jodi Levine Laufgraben, Kenneth Lawrence, Anne K. Nadol, Timothy C. O'Rourke, Richard Rumer, Michael Scales, David L. Unruh, Anthony E. Wagner, Gregory Zimmario

Guests:

Faculty: Dr. Frank Farley, Dr. Douglas C. Wager

Students: Darin J. Bartholomew, Julian C. Hamer, Robert J. Kost

Mr. O'Connor, Chairman of the Board, called the meeting to order.

Approval of Minutes: The minutes of the meets of June 21 and August 7, 2012, were approved.

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ACTING PRESIDENT'S REPORT – RICHARD M. ENGLERT

OPENING REMARKS

We are a little over a month into the academic year, and we are off to a great start.

In my 36 years at Temple, I've never seen such energy on our campus.

This energy has been fueled by our growing academic reputation, our entry into the BIG EAST Conference and the Temple Made campaign.

This great spirit and enthusiasm did not arise overnight, and it isn't simply the result of successful marketing efforts.

It is the result of a number of strategic decisions and wise investments by this Board of Trustees.

I want to share with you a very few updates that highlight the great momentum that continues to propel Temple forward as a national leader in education.

CONTROLLING RISING STUDENT DEBT AND MAINTAINING STUDENT ACCESS

Temple's commitment to access for all our students, and especially those of limited means, includes a commitment to controlling rising student debt. This involves five coordinated efforts.

1. Freezing base tuition

Your decision as a Board of Trustees to freeze base tuition was a bold action that demonstrates that Temple University is a national leader in keeping tuition affordable for all our students, and especially for those of limited means.

No other public university took this step.

The reaction of our students and their families has been heartwarming, and the freeze has captured the attention of Commonwealth leaders, the media and the general public.

2. Partnering with the Commonwealth

A second element in controlling student debt is our long-standing partnership with the state that allows us to keep our in-state tuition at affordable levels.

We are extremely grateful to our Governor, our Lieutenant Governor and the state General Assembly for keeping our Commonwealth appropriation level for this year.

3. Containing costs

For every university, the annual costs continue to rise for salaries, health care benefits, energy consumption, advanced technology, and other operations. Cost containment strategies are critical to keeping tuition affordable.

Thanks to the ingenuity and cooperation of our outstanding faculty and staff, we have identified ways to contain costs across the University without compromising academic or research excellence, or student services.

I want to emphasize that our faculty has been a great partner in this regard – including making thoughtful suggestions about ways to keep costs down and generate new revenue.

Just this year, we reduced operating costs by \$37 million. That makes our total cost reductions \$113 million over the past four years.

No other institution has been able to accomplish this level of cost savings while at the same time keeping tuition as low as we have.

4. Increasing the student financial aid budget by \$8 million this year

Thanks to your decision over the years to set aside 12.51% of tuition dollars for direct financial aid grants to our students, the University has been able to build a substantial budget line for direct grants to students.

These institutional grants are over and above the federal, state and privately-funded grants that our students receive.

In addition to this impressive commitment to set aside dollars annually, this year you made the decision to add \$8 million to the institution's financial aid budget, bringing the annual total to \$90 million.

These added dollars have already had a direct pay-off in helping numerous students to enroll in school this year who otherwise would not have enrolled.

Again, this is a decision that our students have applauded.

5. Embarking on a \$100 million campaign to raise funds for student scholarships

You have taken one other action that demonstrates the University's unparalleled commitment to controlling student debt.

This summer, you decided to initiate a multi-year campaign to raise \$100 million for student scholarships.

That campaign has been jump-started by the generosity of Board members. For example, we are most appreciative for the leadership gifts in the six figures for this campaign from Trustee McNichol, Trustee Richards, Trustee Katz and Chairman O'Connor. Other board members are also participating in the

campaign, and others have given generously for other purposes. I am focused her only on the scholarship campaign.

These leadership gifts have inspired the rest of us. I am extremely proud to say that 100% of the University officers have contributed to this campaign.

I am also proud to announce that our deans will also hit 100% participation. This is an extraordinary manifestation of commitment after only a few months of this campaign.

The \$100 million campaign is also benefiting from the terrific dedication of Trustee Cosby.

During the summer, he devoted his time and creativity to star in and develop videos to appeal to our alumni. In addition, he has written a personal letter to all of our alumni asking them to participate in the campaign. You have a copy of that letter at your places. It will be mailed later this month.

MAKING STRATEGIC INVESTMENTS IN EXCELLENCE

Temple's commitment to excellence has been enhanced by a number of strategic investments. Let me mention only two.

1. Strategic faculty hiring

I am very pleased to say that our success in hiring outstanding faculty members has yielded outstanding dividends.

This year, for example, we have hired 53 tenured/tenure track faculty. These new faculty members come with stellar backgrounds. Let me give only one example.

Dr. Walter Koch is Professor and Chair of the Department of Pharmacology in the School of Medicine.

Dr. Koch, an NIH Merit Awardee, is the founding director of the Center for Translational Medicine. As director of the Center, he is responsible for leading the development of Temple's collaborative research strategy by fostering cooperation among investigators.

Dr. Koch was most recently at Jefferson Medical College where he was a center director and vice chair for research and the head of a laboratory for cardiovascular gene therapy and the holder of an endowed chair in the Department of Medicine.

As principal investigator and project leader of several multimillion dollar NIH grants, Dr. Koch has overseen numerous advances in cardiac research over the last two decades.

He is responsible for discovering the role of a group of proteins in modulating heart function in normal and diseased hearts and is one of the foremost authorities in the world on cardiac signaling.

He has also received grant awards from the American Heart Association, as well as from biotechnology companies Genzyme and Amgen.

Dr. Koch has been issued six (6) patents and has filed two (2) other patent applications. He has over two hundred peer-reviewed publications.

He has also brought an outstanding team with him to Temple. His team is now developing strategies using gene transfer technology to treat congestive heart failure.

Dr. Koch is simply one example of how our deans, in this case Dr. Larry Kaiser, continue to attract the best faculty to our university.

2. Growing research

Outstanding faculty members extend our capacity to grow our research funding and enhance our research excellence.

In fact, this year our total research expenditures will top \$170 million, the highest amount in Temple's history. This compares with some \$130 million just three years ago.

This remarkable increase is the result of a combination of strategic faculty hiring plus the merger with Fox Chase Cancer Center, with its strong record of research.

These accomplishments and continued research productivity should catapult Temple from 132nd into the top 100 research universities in the country – a goal of our academic strategic plan launched a few years ago.

One corollary of strong research productivity is an increased level of technology transfer revenue for the University.

For example, we just entered a new licensing agreement with the local biopharmaceutical company, Onconova Therapeutics Inc. The agreement provides for the European distribution of a novel, targeted Temple-created anti-cancer compound designed to inhibit critical pathways to the growth and survival of cancer cells.

This licensing agreement is expected to increase Temple's technology transfer revenues to more than \$13 million for the current fiscal year, a five-fold increase from last year.

This will place us among the top 30 institutions in total annual technology revenues.

These are but a few of many cases in which strategic investments continue to enhance Temple's excellence and prominence as an international leader in multiple fields of study.

On behalf of our students, faculty and staff, I want to thank you, our Board of Trustees, for your continued support for these kinds of investments and your unwavering commitment to excellence.

Finally, let me very briefly mention two other recent developments.

ONLINE LEARNING TASK FORCE

We have established a task force to explore opportunities and suggest strategies for the best ways in which we can incorporate online learning technologies in our programs.

The task force is being co-chaired by Trustee Chip Marshall and the Fox School's Dean Moshe Porat.

The work of the task force will generate multiple opportunities for Temple to improve learning outcomes and reach larger numbers of students through distance learning.

SPECIAL TASK FORCE ON INSTITUTIONAL INTEGRITY

Three months ago, I created a Special Task Force to review recommendations in the report by Judge Louis Freeh. The Task Force completed its work on September 15, 2012.

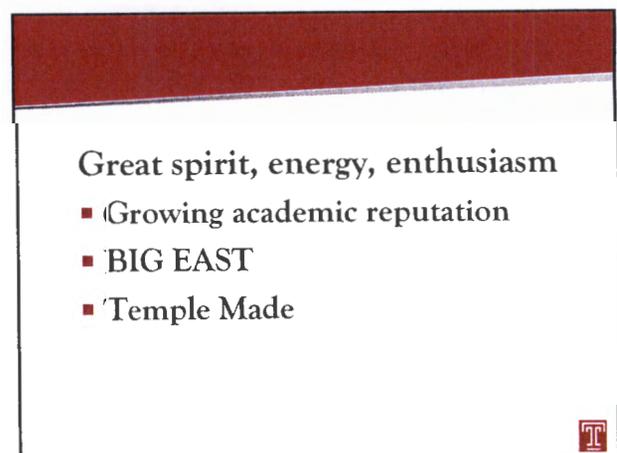
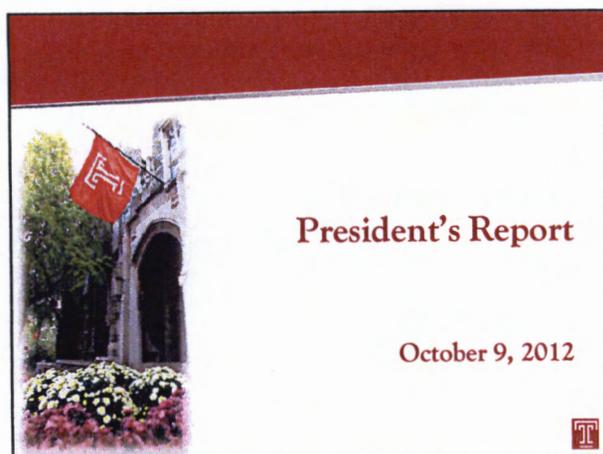
The Chairman of the Board, University Counsel and I had the opportunity to meet with members of the Task Force, and receive and discuss their final report. The report has been made widely available to the entire university community.

I want to thank the Task Force Chair JoAnne Epps, Dean of the Beasley School of Law, and the task force members for their work.

CLOSING REMARKS

Thank you for your outstanding leadership. It is an honor to work with you on behalf of our great University.

(Secretary's Note: Powerpoint presentation follows.)



Controlling debt, maintaining access

1. Freeze base tuition
2. Commonwealth partnership
3. Cost containment
4. \$8 million more financial aid
5. \$100 million student scholarship campaign



Leadership gifts

- Four trustees in the six figures
- 100% participation of officers
- 100% participation of deans



Strategic investments in excellence



Strategic faculty hiring



Dr. Walter Koch, Professor and Chair of the Department of Pharmacology, School of Medicine

- Founding director, Center for Translational Medicine
- Joins Temple from Jefferson Medical College
- Discovered the role of a group of proteins in modulating heart function
- One of the foremost authorities in the world on cardiac signaling
- Six patents, two more pending



Growing research

- \$170 million in research expenditures
- top 100 research universities



**Increased technology transfer
returns**

- \$13 million in revenue
- top 30 universities



Online education task force



**Special Task Force
on Institutional Integrity**



President's Report

October 9, 2012



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REPORTS AND RECOMMENDATIONS FOR ACTION - STANDING COMMITTEES

Committee on Trustee Affairs – Daniel H. Polett, Chair

RECOMMENDATIONS FOR ACTION:

1. **Election of Chair of the Board**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendation of the Committee on Trustee Affairs (9/5/2012), elected Patrick J. O'Connor as Chair of the Board of Trustees of Temple University – Of The Commonwealth System of Higher Education, to serve until the next Annual Meeting of the Board of Trustees or until his successor shall have been elected and qualified.

(Secretary's Note: Trustee O'Connor abstained and did not participate in this action.)

2. **Election of University Trustee**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendation of the Committee on Trustee Affairs (9/5/2012), elected Richard M. Englert for a term beginning October 9, 2012 until December 31, 2012, to the Board of Trustees of Temple University – Of The Commonwealth System of Higher Education.

3. **Re-Election of University Trustees**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendation of the Committee on Trustee Affairs (9/5/2012), re-elected the individuals listed below for a four-year term beginning October 9, 2012, to the Board of Trustees of Temple University – Of The Commonwealth System of Higher Education.

Joan H. Ballots
Theodore Z. Davis
Richard J. Fox
Daniel H. Polett
Phillip C. Richards

(Secretary's Note: Trustees Ballots, Davis, Fox, O'Connor, Polett and Richards abstained and did not participate in this action.)

4. **Resolutions of Appreciation**

Upon motion duly made and seconded, the Board of Trustees, upon the recommendation of the Committee on Trustee Affairs (9/5/2012), approved the Resolutions of Appreciation as follows and as set forth in Agenda Reference 4:

Ex Officio Participants

Paul LaFollette, Jr. – President, Faculty Senate
Colin P. Saltry – President, Temple Student Government

5. Election to Board of Directors of Temple Educational Support Service, Ltd.

Upon motion duly made and seconded, the Board of Trustees, upon the recommendation of the Committee on Trustee Affairs (9/5/2012), elected the following individuals as Directors of Temple Educational Support Service, Ltd., to hold such office until their successors have been appointed and qualified.

Neil D. Theobald (Ex Officio, effective January 1, 2013)
Patrick J. O'Connor (Ex Officio)
Hai-Lung Dai
Nelson A. Diaz
Lewis F. Gould, Jr.
Lewis Katz (Chair)
Solomon C. Luo
Joseph W. Marshall, III
Daniel H. Polett
Bruce Stronach
George E. Moore (Secretary)
Anthony E. Wagner (Treasurer)

(Secretary's Note: Trustees O'Connor, Diaz, Gould, Katz, Luo, Marshall, and Polett abstained and did not participate in this action.)

6. Appointment of Officers for 2012-2013

Upon motion duly made and seconded, the Officers listed below, having been duly nominated by the Committee on Trustee Affairs (9/5/2012), be appointed to serve from October 9, 2012, except as otherwise specifically noted, until the next Annual Meeting of the Board of Trustees or until their successors shall have been appointed and qualified:

Acting President (through December 31, 2012)-----	Richard M. Englert
President (effective January 1, 2013)-----	Neil D. Theobald
Senior Executive Vice President for Health Affairs-----	Larry R. Kaiser
Interim Provost, Senior Vice President for Academic Affairs-----	Hai-Lung Dai
Executive Vice President, Chief Financial Officer, Treasurer-----	Anthony E. Wagner
Senior Vice President for Construction, Facilities and Operations-----	James P. Creedon
Sr. Vice President-Govrnmnt Relations, Community & Public Affairs-----	Kenneth Lawrence, Jr.
Senior Vice President, University Counsel, Secretary-----	George E. Moore
Senior Vice President for Institutional Advancement-----	David Unruh
Vice President for Operations-----	William T. Bergman
Vice President for Computer and Information Services-----	Timothy C. O'Rourke
Vice President for Student Affairs-----	Theresa A. Powell

7. Re-Election to Board of Directors of Temple University Health System, Inc.

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Committee on Trustee Affairs (9/5/2012) and the Board of Directors of Temple University Health System, Inc. ("TUHS"), re-elected the following individuals to the Board of Directors of TUHS each for the 2012-2015 term or until a successor has been duly elected:

Daniel H. Polett
Jane Scaccetti

(Secretary's Note: Trustees Polett and Scaccetti abstained and did not participate in this action.)

Executive Committee – Lewis F. Gould, Jr., Vice Chair

8. Report

The quarterly report of the Executive Committee was accepted as presented in Agenda Reference 8.

RECOMMENDATIONS FOR ACTION:

9. Board and Standing Committees' Schedule of Meetings for 2012-2013

Upon motion duly made and seconded, the Board of Trustees approved the Schedule of Meetings for the Board and its Standing Committees for 2012-2013, as set forth in Agenda Reference 9, with meetings of the Board being held at 3:30 p.m. in Feinstone Lounge, Sullivan Hall, Liacouras Walk and Polett Walk.

10. Borrowing Authority – November 1, 2012, through December 31, 2012

Upon 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 November 1, 2012, through December 31, 2012.

Academic Affairs Committee – Solomon C. Luo, Vice Chair

11. Report

The quarterly report of the Academic Affairs Committee was accepted as presented in Agenda Reference 11.

RECOMMENDATIONS FOR ACTION:

12. Consideration of Tenure

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Academic Affairs Committee (10/1/2012) and the President, approved the granting of faculty tenure.

13. Transfer the Tenure of Stephen Berkowitz from the Department of Art and Art Education to the Department of Graphic Arts and Design in the Tyler School of Art in the Center for the Arts

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (10/1/2012) that the officers be authorized to transfer the tenure of one faculty member from the Department of Art and Art Education to the Department of Graphic Arts and Design in the Tyler School of Art in the Center for the Arts.

Alumni Relations and Development Committee – Richard J. Fox, Chair

14. Report

The quarterly report of the Alumni Relations & Development Committee was accepted as presented in Agenda Reference 14.

15. Approval of Naming Opportunity – Edberg-Olson Expansion Project

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Alumni Relations and Development Committee (10/9/2012) and the Gift Acceptance Committee (8/24/2012), recommended that the Board of Trustees authorize the naming of the Coaches Conference Room in the Edberg-Olson Expansion Project for Donald and Nancy Resnick, in recognition of their generous support.

16. Approval of Naming Opportunity – Kornberg School of Dentistry

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Alumni Relations and Development Committee (10/9/2012) and the Gift Acceptance Committee (8/24/2012), recommended that the Board of Trustees authorize the naming of the second floor seminar room in the Kornberg School of Dentistry for the late George Monasky, D.D.S., a beloved faculty member who served the School for more than 30 years.

17. Approval of Gift-in-Kind – University Libraries

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Alumni Relations and Development Committee (10/9/2012) and the Gift Acceptance Committee (8/24/2012), recommended that the Board of Trustees authorize the acceptance of a collection of Spanish and Portuguese books from Professor Luis González Del Valle as a gift-in-kind for the Temple University Libraries.

18. Approval of Gift-in-Kind – University Libraries Special Collections

Upon motion duly made and seconded, the Board of Trustees, upon the recommendations of the Alumni Relations and Development Committee (10/9/2012) and the Gift Acceptance Committee (8/24/2012), recommended that the Board of Trustees authorize the acceptance of the archives of jazz legend Grover Washington, Jr., from Christine Washington, as a gift-in-kind for the Temple University Libraries Special Collections.

19. Intentionally omitted.

Facilities Committee – Mitchell L. Morgan, Chair

20. Report

The quarterly report of the Facilities Committee was accepted as presented in Agenda Reference 20.

RECOMMENDATIONS FOR ACTION:

21. Weiss Hall – Replacement and Relocation of Horizontal Fan Coil Units

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (10/3/2012) that the officers be authorized to proceed with the replacement and relocation of horizontal fan coil units in Weiss Hall, at a cost not-to-exceed \$400,000, with the funding and financing source being the Plant Development Fund (#100000-80220-7385-07).

22. Health Sciences Center Central Steam Plant – SCADA Control System for Boiler Burners

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (10/3/2012) that the officers be authorized to proceed with the Health Sciences Center Central Steam Plant SCADA control system for boiler burners, at a cost not-to-exceed \$1,300,000, with the funding and financing source being the Plant Development Fund (#100000-81080-07).

23. Utility Metering – Various Buildings (Phase 2 of 2)

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (10/3/2012) that the officers be authorized to proceed with Phase 2 of the utility metering in various buildings, at a cost not-to-exceed \$750,000, with the funding and financing source being the Plant Development Fund (#100000-80220-7385-07).

24. Health Sciences Center Central Steam Plant – Motor Control Center and Substation Replacement

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Facilities Committee (10/3/2012) that the officers be authorized to proceed with the Health Sciences Center Central Steam Plant – motor control center and substation replacement, at a cost not-to-exceed \$750,000, with the funding and financing source being the Plant Development Fund (#100000-81080-7385-07).

STANDING COMMITTEES - REPORTS FOR INFORMATION:

Athletics Committee – Lewis Katz, Chair

25. Report

The quarterly report of the Athletics Committee was accepted as presented in Agenda Reference 25.

Budget & Finance Committee – Lewis F. Gould, Jr., Chair

26. Report

The quarterly report of the Budget & Finance Committee was accepted as presented in Agenda Reference 26.

Government Relations and External Affairs Committee – Ronald R. Donatucci, Co-Chair

27. Report

The quarterly report of the Government Relations & External Affairs Committee was accepted as presented in Agenda Reference 27.

Investment Committee – Christopher W. McNichol, Chair

28. Report

The quarterly report of the Investment Committee was accepted as presented in Agenda Reference 28.

Board of Directors, Temple University Health System, Inc. – Jane Scaccetti, Chair

29. Report

The quarterly report of the Executive Committee was accepted as presented in Agenda Reference 29.

The following committees did not meet during the reporting period:

Audit Committee
Campus Life & Diversity Committee
Student Affairs Committee

APPOINTMENT OF STANDING COMMITTEES FOR 2012-2013

Mr. O'Connor stated that he has made every effort to be responsive to requests for service on the various committees of the Board. However, it is necessary to circulate the membership due to expertise in various areas. He invited any trustee to contact him to request any changes.

30. Nominations for Membership on the Executive Committee by the Chair of the Board

Upon motion duly made and seconded, the Board of Trustees approved, as required by Section 6.3.A. of the Bylaws, the appointments to the Executive Committee made this day by the Chair of the Board and effective this date.

31. ANNOUNCEMENT:

Chair of the Board Announces Committee Assignments

Mr. O'Connor announced the appointments to the various committees other than Executive Committee as set forth in Agenda Reference 31.

Secretary's Note: No action required.

OFFICER'S REPORT

32. Treasurer's Report – Anthony E. Wagner

The Treasurer's Report for the three months ended June 30, 2012, was accepted as presented in Agenda Reference 32.

**OLD BUSINESS
NEW BUSINESS
ADJOURNMENT**