

BOARD OF TRUSTEES

Temple University – Of The Commonwealth System of Higher Education

PUBLIC SESSION

Thursday, July 17, 2014 at 10:30 a.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 10:00 a.m.

PARTICIPANTS

Trustees: Dennis Alter, Scott F. Cooper, Patrick J. Eiding, Richard J. Fox, Lewis F. Gould, Jr., Lon R. Greenberg, Patrick V. Larkin, H. F. “Gerry” Lenfest, Solomon C. Luo, Joseph W. Marshall, III, Christopher W. McNichol, J. William Mills, III, Leon O. Moulder, Jr., Patrick J. O'Connor, Bret S. Perkins, Daniel H. Polett, Jane Scaccetti, Anthony J. Scirica, Michael J. Stack, III

President: Neil D. Theobald

Interim University Counsel: Michael B. Gebhardt

Non-Voting Representatives: Robert A. Rovner, Lori Shorr

Administration and Staff: James C. Bausman, Jr., William T. Bergman, Raymond Betzner, Rhonda Brown, Janet Carruth, Karen Clarke, James P. Creedon, Hillel Hoffmann, Stephanie Ives, Kenneth H. Kaiser, Larry R. Kaiser, Thomas Kupp, Jaison G. Kurichi, Jodi Levine Laufgraben, Kenneth Lawrence, Robert H. Lux, Patrick McAndrews, Anne Nadol, Theresa A. Powell, Richard Rumer, Michael Scales, Dale Venturini, Joyce Wilkerson, Gregory Zimmaro

Introduction of Guests:

Faculty: Charles A. Jungreis, William R. Reinus

Students: Blair T. Alston, Tykee James, Amber Navarro O'Brien

Approval of Minutes: The minutes of the meeting of May 13, 2014 were approved.

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ANNOUNCEMENTS – PATRICK J. O’CONNOR

The Board of Trustees observed a moment of silence in remembrance of Trustee Lewis Katz who passed away suddenly on May 31, 2014. Mr. O’Connor stated that Mr. Katz was the most unique individual he had ever met, and that Mr. Katz’s impact on the university will be felt for decades to come. He was a dedicated alumnus, trusted advisor and friend to all who knew him. The memorial service held in Mr. Katz’s honor on June 4 was a moving tribute on the life that Mr. Katz led and the lives that he touched through his personal generosity and entrepreneurship. His recent commencement speech was one of the most inspiring speeches ever given by anyone.

Chairman O’Connor introduced the following individuals who were elected to the Board of Trustees at the May meeting

Scott Cooper is the president of the Alumni Association and is attending his first meeting today.

Alan Cohen was unable to attend due to a prior commitment in New York. Mr. Cohen is an executive officer with Goldman Sachs.

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PRESIDENT’S REPORT – NEIL D. THEOBALD

Thank you, Mr. Chairman.

Many people who are not familiar with higher education believe the summer is a down time for universities. Nothing could be further from the truth. The summer is an opportunity to reflect on where Temple is as a university, and lay plans for future success.

One area that's receiving particular attention during the summer is maintaining our strong student recruiting class and expanding our fine incoming cohort of new faculty. We initially sought an incoming freshmen class of 4,300. Early in the process, it was clear that the Commonwealth would be in no position to help us this budget year, so we increased the class to 4,500, which will generate an additional \$1.7 million in tuition revenue over each of the next four years. I am very pleased to report that we have withstood recruiting raids from a number of other universities and our freshman class stands at 4,795—almost 500 over our original goal and 300 over our revised goal.

We received applications from all 50 states. We’ve nearly doubled the number of high-ability students from the class that matriculated two years ago. Our international enrollments are up 62% and minority enrollments are up 19% over this period. I am particularly pleased to note that nearly 60% of the incoming class has registered for our Fly in 4 initiative... a one-of-a-kind program to help students graduate in four years, and reduce their college debt. We are only halfway through summer and we have set an aggressive target of 75% participation by fall.

The success we have seen so far suggests this innovative program is attracting students who want a high quality education that is both accessible and affordable. I will have more details on the success of Fly in 4 and the makeup of our class when we meet in the fall.

Along with Fly in 4, the new class will also benefit from an exceptional group of new faculty members. Temple is recruiting outstanding instructors in science and engineering, medicine, arts and humanities, social sciences, business and education. It's hard to single out any of these great faculty members, but I want to specifically mention just a few.

Kallie Willets is a talented young chemistry professor who comes to us from the University of Texas at Austin. Professor Willets brings four federal grants with her in her areas of expertise: spectroscopy and electrochemistry.

Also new to Temple in the fall will be Sudhir Kumar and Blair Hedges, two rising stars in the field of biology. Sudhir was the director of the Center for Evolutionary Medicine and Informatics at Arizona State University while Blair was the winner of the Faculty Scholar Medal from Penn State.

These hires continue our momentum from 2013, when more than 50 new tenure and tenure track professors came to Temple. As I indicated in a recent email to you, several of the members of the 2013 faculty cohort recently secured a highly-competitive \$12 million grant from the U.S. Department of Energy to create a new research center. I will have more to tell you about that soon.

I am greatly looking forward to the new faculty and new students arriving on campus. They are excited about joining our community and becoming part of a university that is seen as one of this nation's rising stars in public higher education.

I am also delighted to introduce to you two new members of our administrative team.

At a time when state support for higher education has been in decline, private giving has become increasingly important to the university's budget. That's why I am particularly pleased to publically announce the hiring of Jim Dicker as our new Vice President for Institutional Advancement. Jim comes to us after a highly successful career at Lafayette College and has more than 25 years of fundraising experience. I'm pleased to report that Jim has hit the ground running. Thus, he cannot be with us today because he had already scheduled a series of off-campus meetings for today. I will be sure that all of you meet him at our next Board meeting.

I am also delighted to introduce to you Joyce Wilkerson, who joined our team this month as a senior advisor to the President for community affairs. Joyce has a long history of working to improve the lives of local residents in the city of Philadelphia. Joyce was deputy director of the Philadelphia Redevelopment Authority before serving as Mayor John Street's chief of staff. Most recently, Joyce was executive director of the New Orleans Redevelopment Authority. Please join me in welcoming Joyce to Temple University. Would you stand, Joyce?

Before I leave you ... I want to take this opportunity to say a few words about our beloved colleague, Lewis Katz. First, I want to thank all of you for your support during Lewis' memorial service last month. Being together as a community helped us all come to grips with this sudden loss. Of course, this is our first public session since Lewis' tragic passing. It is still hard to believe he won't be joining us. Lewis loved Temple University. His contributions to this university ... were simply tremendous. Lewis was a friend, confidant and trusted adviser to us all. It's hard to carry on without him here ... yet we know that by strengthening Temple's position and serving Temple's students, we are preserving Lewis' legacy.

Thank you very much.

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**REPORTS AND RECOMMENDATIONS FOR ACTION
STANDING COMMITTEES**

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

RECOMMENDATIONS FOR ACTION:

Mr. Gould stated the budget actions today have been thoroughly vetted through the Budget & Finance Committee and the Executive Committee. The budgets presented today are the culmination of intensive work over the last six months, and have been discussed extensively.

1. University Operating Budget for Fiscal Year 2014-2015

Upon motion duly made and seconded, the Board of Trustees adopted the University Operating Budget for 2014-2015, as set forth in Agenda Reference 1.

2. Tuition Schedule for Fiscal Year 2014-2015

Upon motion duly made and seconded, the Board of Trustees approved the Proposed Tuition Rates for 2014-2015, as set forth on pages 8 thru 16 of Agenda Reference 1.

3. University Services Fee for Fiscal Year 2014-2015

Upon motion duly made and seconded, the Board of Trustees approved the University Services Fee for 2014-2015, as set forth on page 17 of Agenda Reference 1.

4. 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 4.

5. Temple University Clinical Enterprise Budget for Fiscal Year 2014-2015

Upon motion duly made and seconded, the Board of Trustees adopted the Temple University Clinical Enterprise Budget for 2014-2015, as set forth in Agenda Reference 5.

6. Declaration Regarding Reimbursement of Capital Expenditures through Debt Financing

Upon motion duly made and seconded, the Board of Trustees adopted a resolution declaring the official intent of the University to reimburse itself for certain capital expenditures to be acquired, installed, constructed, or renovated including, but not limited to: the purchase of the William Penn High School property and related stabilization and renovation of such property, the renovation of five floors of Wachman Hall to remodel and create new classroom space, and the renovation of portions of the first and second floors of the Student Faculty Center, by incurring debt and by taking other actions substantially as set forth in Agenda Reference 6.

Board of Directors, Temple University Health System, Inc. – Lon Greenberg, Chair

RECOMMENDATION FOR ACTION:

7. Temple University Health System, Inc., Capital and Operating Budgets for Fiscal Year 2014-2015

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Board of Directors of Temple University Health System, Inc. (5/20/2014), and adopted the Temple University Health System, Inc., Operating and Capital Budgets for 2014-2015, as set forth in Agenda Reference 7.

Mr. O'Connor commented that there was vigorous debate throughout the entire budget process through the pertinent committees.

Investment Committee – Christopher W. McNichol, Chair

RECOMMENDATION FOR ACTION:

8. Amendment of the University Investment Policy for “Endowment Pool – Asset Allocation”

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Investment Committee (7/16/2014) that the University's Investment Policy be revised to amend the asset allocation and weighted benchmark for the Endowment Pool as described and set forth in Agenda Reference 8.

Academic Affairs Committee – Joseph W. Marshall, III, Vice Chair

RECOMMENDATIONS FOR ACTION:

9. Establish Curricula in Various Schools and Colleges

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (6/16/2014) that the officers be authorized to establish, restructure and terminate curricula in various schools and colleges as listed and set forth in Agenda Reference 9:

- A) Establish a Bachelor of Arts in Global Studies with Concentrations in Global Security, Global Economy and Global Cultures in the College of Liberal Arts;
- B) Establish a Minor in Global Studies in the College of Liberal Arts;
- C) Establish a Master of Science in Digital Innovation in Marketing in the Fox School of Business and Management;
- D) Establish a Master of Science in Compliance, Ethics and Regulatory Affairs in the Fox School of Business and Management;
- E) Establish Concentrations in Entrepreneurship and Innovation Management for the Master of Business Administration in the Fox School of Business and Management;
- F) Establish a Professional Science Masters in Bioinnovation in the College of Science and Technology;
- G) Establish a Concentration in Historical Keyboard in the Doctor of Musical Arts in Performance in the Boyer College of Music and Dance in the Center for the Arts;

- H) Restructure the Concentration in Piano in the Doctor of Musical Arts in Performance in the Boyer College of Music and Dance in the Center for the Arts;
- I) Restructure the Bachelor of Fine Arts in Dance;
- J) Terminate the Track in Dance Education and the Track in Performance/Choreography for the Bachelor of Fine Arts in Dance;
- K) Terminate the Concentration in Arts in the Public Sphere in the Bachelor of Arts in Communication Studies in the School of Media and Communication; and
- L) Establish a Concentration in Communication and Entrepreneurship in the Bachelor of Arts in Communication Studies in the School of Media and Communication.

10. Establish a Department in the School of Medicine

Upon motion duly made and seconded, the Board of Trustees approved the recommendation of the Academic Affairs Committee (by written unanimous consent on 6/19/2014) that the officers be authorized to establish a department in the School of Medicine as described and set forth in Agenda Reference 10:

- A) Establish a Department of Medical Genetics and Molecular Biochemistry in the School of Medicine;
- B) Eliminate the Department of Biochemistry in the School of Medicine; and
- C) Transfer the Tenure of Faculty from the Department of Biochemistry to the Department of Medical Genetics and Molecular Biochemistry in the School of Medicine.

OFFICERS' REPORTS

11. Treasurer's Report – Kenneth H. Kaiser

The Investment Reports for the Three Months Ended March 31, 2014, and grants and contracts awarded between January 1, 2014, and March 31, 2014, were accepted as presented in Agenda Reference 11.

12. Secretary's Report – Michael B. Gebhardt

Upon motion duly made and seconded, the Board of Trustees approved the presentation of degrees-in-course dated November 1, 2014, to candidates approved by the appropriate academic committees of the faculty in the Tsinghua LLM Program in Beijing, China.

OLD BUSINESS

NEW BUSINESS

Mr. O'Connor announced the appointment of Trustee Bill Mills as chair and Trustee Phil Richards as Vice Chair of the Athletics Committee. Both trustees were thanked for their willingness to serve on the committee.

The vice presidents of the Faculty Senate and Temple Student Government were invited to give remarks.

Mr. Blair Alston, Vice President of Temple Student Government, made the following remarks to the Board of Trustees:

“I'd like to start by first thanking Chairman O'Connor, President Theobald, and the entire Board of Trustees for this opportunity to speak before you today. It gives me great pleasure to give the State of the Students address on behalf of Student Body President, Raymond Smeriglio, who cannot be with us today as he's interning in Manhattan this summer.

“Upon election by the student body, our team was sworn in on May 5th. Raymond Smeriglio, President; Julia Crusor, Vice President of External Affairs; and myself, Vice President of Services will serve as the executive leadership for Temple Student Government for the 2014-2015 academic school year. As President, Raymond Smeriglio serves as the chief student advocate of the student population and acts as the face of Temple Student Government both internally and externally. Julia Crusor, Vice President of External Affairs, oversees the recruitment and retention efforts of Temple Student Government while maintaining communication throughout the university community with students, faculty, staff, administration and the surrounding community. Personally, as Vice President of Services, I promote awareness of Temple Student Government, advocate for services that meet the needs of students, seek to oversee and improve existing services, and provide mechanisms for student feedback.

“In addition to our executive team, we've hired over 25 new team members to serve and advocate on behalf of all students in various focus areas. These members will serve in areas such as government affairs, local and community affairs, academic affairs, and student affairs just to name a few. Throughout the academic year, you'll have a chance to meet these outstanding student leaders as they join in on the various Trustee committees.

“After looking at our General Activity Fee Report for the 2013-2014 school year, I would like to report on some of the successes of this past year. We concluded with a very successful allocation process with our 254 currently registered student organizations. There was an attendance of over 14,500 students for more than 180+ events and we look forward to having another successful allocation process this upcoming school year providing students with guidance and funds to put on successful, educational, and engaging programs.

“We've already begun working with Sodexo dining services in an effort to highlight areas where we can improve the student experience in our dining facilities, conducting a small dining focus group and offering official recommendations to be implemented throughout the summer and into the Fall. Likewise, Temple Student Government had the pleasure of participating in the strategic planning meeting for Fall 2014 with Sodexo.

“Collectively, the new leadership and team members of Temple Student government are thrilled for the upcoming school year. Throughout the summer we are continuing to craft and work on our initiatives and goals as we approach the beginning of the school year. Furthermore, we are gearing up for the welcoming of the Class of 2018 by preparing for Convocation and Welcome Week. We have hit the ground running and this administration is looking forward to serving the students.

“Thank you, Mr. Chairman. We look forward to a strong year of improving the student experience.”

Dr. Charles A. Jungreis, Vice President of the Faculty Senate, thanked the Board for the opportunity to give remarks. He thanked the Board for allowing the faculty and student representatives to provide input on various issues of concern and stated that these presentations would help the Board in its deliberations of various matters under consideration. He stated that the faculty are fully supportive of the Fly in Four initiative. He thanked the Board again for the opportunity to speak.

ADJOURNMENT