



University of Pittsburgh

Public Meeting of the Executive Committee - July 10, 2019

Agenda

-
1. Welcome and Approval of Minutes Blum
 - A. Public Meeting of December 6, 2018

 2. Resolution Approving the University's Fiscal Year 2020 Proposed Operating Budget and Proposed Capital Budget Shear
 - A. Resolution

 3. Resolution Approving Dissolution of the University of Pittsburgh Trust and Related Entities Blum
 - A. Resolution

 4. New Business/Adjournment Blum

**MINUTES OF THE PUBLIC MEETING
OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF PITTSBURGH**

July 10, 2019

A public meeting of the Executive Committee of the Board of Trustees was held on Wednesday, July 10, 2019, at 12:40 p.m., in 2700 Posvar Hall. Executive Committee members in attendance were Eva Tansky Blum (Chairperson of Board of Trustees and Chairperson of the Executive Committee), John A. Barbour, Douglas M. Browning, Louis R. Cestello, David C. Chavern, Patrick Gallagher (Chancellor and Chief Executive Officer), Deborah J. Gillotti, Edward J. Grefenstette, Patricia D. Horoho, John A. Maher III, John H. Pelusi Jr., and Herbert S. Shear. In addition to the Executive Committee members, some of whom also serve on the Budget Committee, the following Budget Committee members were in attendance D. Michael Fisher, S. Jeffrey Kondis, Peter C. Varischetti, and John J. Verbanac. University Officers in attendance were Anne E. Cudd, Kathy W. Humphrey (Secretary of the Board of Trustees and Committee Liaison), Susan M. Gilbert, Cynthia C. Moore, Narahari Sastry, and Gregory A. Scott. Staff in attendance were Stacey Czerniejewski, David N. DeJong, Richard Henderson, Kimberly L. Honath, Cyndee Pelt, Amy E. Service, Paul A. Supowitz, Kevin Washo, Thurman D. Wingrove, and Laura Zullo.

Welcome and Approval of Minutes. Chairperson Eva Tansky Blum convened the public meeting of the Executive Committee. She announced that the meeting had been duly advertised as a public meeting in accordance with the Sunshine Act and was, therefore, open to the public as observers. A quorum of Executive Committee members was present for the transaction of business.

Approval of Minutes. On motion duly made and seconded, the minutes of the public meeting of December 6, 2018, were approved.

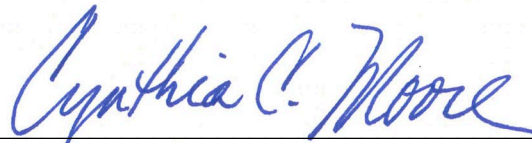
Resolution Approving the University's Fiscal Year 2020 Proposed Operating Budget and Proposed Capital Budget. Chairperson Blum called upon Trustee Herbert S. Shear, Chairperson of the Budget Committee, to report on the public meeting of the Budget Committee, which was held earlier in the day. At that meeting, the Budget Committee reviewed and endorsed the University's Fiscal Year 2020 Proposed Operating Budget, including the Proposed 2020 Tuition Rate Schedule, and Proposed Fiscal Year 2020 Capital Budget, which items were recommended for approval by the Executive Committee of the Board of Trustees. Mr. Shear called the Committee's attention to the resolution approving the University's Fiscal Year 2020 Proposed Operating Budget, Fiscal Year 2020 Proposed Tuition Rate Schedule, and Proposed Fiscal Year 2020 Capital Budget.

Upon motion duly made and seconded, the Executive Committee approved the Resolution, which is included as pages 3 through 6 of these minutes.

Resolution Approving the Dissolution of the University of Pittsburgh Trust and Related Entities. Chairperson Blum introduced the Resolution Approving the Dissolution of the University of Pittsburgh Trust and Related Entities, which calls for the formal administrative dissolution of a number of inactive companies previously owned or managed by the University and/or the University of Pittsburgh Trust.

Upon motion duly made and seconded, the Executive Committee approved the Resolution, which is included as pages 7 through 8 of these minutes.

New Business/Adjournment. There being no new business or further discussion, Chairperson Blum adjourned the meeting.



Cynthia C. Moore, Deputy Secretary of the Board
of Trustees and Senior Associate Legal Counsel

**RESOLUTION OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF TRUSTEES
APPROVING THE UNIVERSITY'S FISCAL YEAR 2020
PROPOSED OPERATING BUDGET AND PROPOSED CAPITAL BUDGET**

WHEREAS, the Budget Committee has reviewed the Fiscal Year 2020 Proposed Operating Budget, which includes the Proposed Tuition Rate Schedule, and the Fiscal Year 2020 Proposed Capital Budget; and

WHEREAS, at its public meeting of July 10, 2019, the Budget Committee recommended that the Executive Committee of the Board of Trustees approve: (i) the University's Fiscal Year 2020 Proposed Operating Budget, which includes the Proposed Tuition Rate Schedule, and (ii) the University's Fiscal Year 2020 Proposed Capital Budget; now therefore be it

RESOLVED, that the Executive Committee hereby approves the University's Fiscal Year 2020 Proposed Operating Budget, which includes the Proposed Tuition Rate Schedule, as set forth in Exhibit A attached to this Resolution; and be it further

RESOLVED, that the Executive Committee hereby approves the University's Fiscal Year 2020 Proposed Capital Budget as set forth in Exhibit B attached to this Resolution.

EXHIBIT A
UNIVERSITY OF PITTSBURGH
of the Commonwealth System of Higher Education
Fiscal Year 2020 Budget by Operating Unit
(Dollars in Thousands)

	Educational & General (E&G)					Total FY 2020 Budget
	Unrestricted	Auxiliary	Restricted/ Research	SOMD	Plant	
REVENUES:						
Tuition and Fees	\$ 814,511	-	-	\$ 51,749	-	\$ 866,260
Tuition Discounts	(216,277)	-	-	(22,941)	-	(239,218)
Net Tuition and Fees	598,234	-	-	28,808	-	627,042
Commonwealth Appropriation	165,407	-	-	12,620	-	178,027
Commonwealth Construction Grants	-	-	-	-	\$ 27,130	27,130
Grants and Contracts	57,745	-	\$ 217,230	599,472	-	874,447
Contributions for Operations	4,000	-	24,933	22,904	1,000	52,837
Endowment Distrib. - Financial Aid	75,619	-	-	-	-	75,619
Endowment Distrib. - Donor Restricted	-	-	47,145	30,640	-	77,785
Sales and Services / Rental / Other	85,662	\$ 159,764	42,030	169,514	15,703	472,673
Total Revenues	986,667	159,764	331,338	863,958	43,833	2,385,560
EXPENSES:						
Salaries and Wages	549,074	21,082	145,348	367,580	-	1,083,084
Fringe Benefits	171,402	7,363	43,209	106,862	-	328,836
Total Compensation	720,476	28,445	188,557	474,442	-	1,411,920
Business and Professional	128,356	44,043	80,114	115,109	-	367,622
Supplies	30,258	2,738	17,663	72,544	-	123,203
Utilities	26,982	9,152	-	15,723	-	51,857
Maintenance and Facilities	25,773	9,814	1,604	15,250	-	52,441
Depreciation	-	-	-	-	193,360	193,360
Interest	-	-	-	-	38,070	38,070
Other	(2,044)	26,396	(1,505)	73,798	2,624	99,269
Total Expenses	929,801	120,588	286,433	766,866	234,054	2,337,742
INCREASE IN NET ASSETS	56,866	39,176	44,905	97,092	(190,221)	47,818
LESS: CAPITAL / NONOPERATING ACTIVITY	(56,866)	(24,411)	(44,905)	(82,911)	190,221	(18,872)
INCREASE IN NET ASSETS - OPERATING	\$ -	\$ 14,765	\$ -	\$ 14,181	\$ -	\$ 28,946

UNIVERSITY OF PITTSBURGH
of the Commonwealth System of Higher Education
Fiscal Year 2020 Proposed Tuition Rate Schedule

	Full-Time Two-Term Rates				Part-Time Per-Credit Rates			
	In-State		Out-of-State		In-State		Out-of-State	
	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020
UNDERGRADUATE								
Pittsburgh Campus								
Kenneth P. Dietrich School of Arts and Sciences	\$18,130	\$18,628	\$31,102	\$32,656	\$755	\$776	\$1,295	\$1,360
General Studies	18,130	18,628	31,102	32,656	755	776	1,295	1,360
Education	18,130	18,628	31,102	32,656	755	776	1,295	1,360
Swanson School of Engineering	19,726	20,662	34,636	37,060	821	860	1,443	1,544
Social Work	18,130	18,628	31,102	32,656	755	776	1,295	1,360
Computing & Information	19,530	20,456	33,600	35,952	813	852	1,400	1,498
College of Business Administration	20,250	20,806	35,040	36,792	843	866	1,460	1,533
Dental Medicine	17,614	18,098	30,952	32,498	733	754	1,289	1,354
Nursing	22,826	23,452	39,532	41,508	951	977	1,647	1,729
Health & Rehabilitation Sciences	22,826	23,452	39,532	41,508	951	977	1,647	1,729
Johnstown Campus - Other	12,940	13,198	24,184	24,666	539	549	1,007	1,027
Johnstown Campus - Engineering	15,000	15,300	28,600	29,172	625	637	1,191	1,215
Johnstown Campus - Nursing	16,578	16,908	30,838	31,454	690	704	1,284	1,310
Johnstown Campus - Respiratory Care	13,838	14,114	25,846	26,362	576	588	1,076	1,098
Greensburg Campus	12,940	13,198	24,184	24,666	539	549	1,007	1,027
Greensburg Campus - Nursing	16,578	16,908	30,838	31,454	690	704	1,284	1,310
Titusville Campus - Other	10,958	11,176	20,702	21,116	456	465	862	879
Titusville Campus - Nursing	15,936	16,254	29,644	30,236	664	677	1,235	1,259
Bradford Campus - Other	12,940	13,198	24,184	24,666	539	549	1,007	1,027
Bradford Campus - Nursing	16,578	16,908	30,838	31,454	690	704	1,284	1,310
GRADUATE								
Kenneth P. Dietrich School of Arts and Sciences	\$22,846	\$23,530	\$38,736	\$39,898	\$920	\$947	\$1,583	\$1,630
Katz Grad School of Business excluding EMBA (a) (b) (c)	45,564	46,920	63,912	65,820	1,308	1,347	2,024	2,084
Katz Grad School of Business MS	29,252	30,128	40,500	41,714	1,110	1,143	1,616	1,664
Joint JD/MBA	41,762	43,014	55,244	56,900	N/A	N/A	N/A	N/A
Joint MHA/MBA	27,866	28,700	43,344	44,644	1,308	1,347	2,024	2,084
Joint MSW/MBA	30,376	31,286	42,610	43,888	1,308	1,347	2,024	2,084
Education	22,846	23,530	38,736	39,898	920	947	1,583	1,630
Swanson School of Engineering	26,224	27,010	44,474	45,808	1,243	1,280	2,103	2,166
Public & International Affairs	22,846	23,530	38,736	39,898	920	947	1,583	1,630
Social Work	22,846	23,530	31,990	32,948	920	947	1,306	1,345
Law-MSL excluding LLM (d)	33,944	34,962	43,686	44,996	1,280	1,318	1,914	1,971
Computing & Information	24,022	24,742	40,732	41,952	977	1,006	1,674	1,724
Dental Medicine - Other	51,064	52,594	62,612	64,490	2,108	2,171	2,593	2,670
Dental Medicine - MS, PhD in Oral Biology (a)	26,784	27,585	31,989	32,946	1,090	1,122	1,306	1,345
Nursing and Joint Nursing/GSPIA	26,788	27,590	31,990	32,948	1,090	1,122	1,306	1,345
Pharmacy (e)	26,788	27,590	28,572	29,428	1,090	1,122	1,165	1,199
Public Health	26,788	27,590	45,452	46,814	1,090	1,122	1,861	1,916
Medicine	26,904	27,710	43,110	44,402	1,093	1,125	1,766	1,818
Health & Rehabilitation Sciences - Other	26,788	27,590	45,452	46,814	1,090	1,122	1,861	1,916
Health & Rehabilitation Sciences - Prof Prgms (f)	26,788	27,590	31,990	32,948	1,090	1,122	1,306	1,345
DOCTORATE-PROFESSIONAL PRACTICE								
Law	\$33,944	\$34,962	\$43,686	\$44,996	\$1,280	\$1,318	\$1,914	\$1,971
Dental Medicine	47,518	50,368	56,978	60,396	1,040	1,102	1,576	1,670
Medicine	56,004	57,684	58,186	59,930	980	1,009	1,334	1,374
Pharmacy	31,816	32,770	36,582	37,678	1,228	1,264	1,412	1,454
Nursing	26,788	27,590	31,990	32,948	1,090	1,122	1,306	1,345
Health & Rehabilitation Sciences (g)	26,788	27,590	31,990	32,948	1,090	1,122	1,306	1,345
Health & Rehabilitation Sciences - Doctor of Physical Therapy (h)	41,796	43,047	49,185	50,658	N/A	N/A	N/A	N/A

- (a) Tuition is for three terms.
- (b) The EMBA program is a five-term program. The total cost for new students who enter May 2020 is \$80,000.
- (c) The EMBA in Healthcare program is a five-term program. The total cost for new students who enter May 2020 is \$95,000.
- (d) The LLM two-term tuition rate is \$39,000.
- (e) The MSPBA program is a three-term program. The total cost for new students entering January 2020 and after is \$58,050.
- (f) The Graduate Professional programs include: Occupational Therapy, Communication Science and Disorders, Nutrition and Dietetics, Physician Assistant Studies, Prosthetics and Orthotics, and Clinical and Mental Health Counseling.
- (g) Rates apply to the following Doctorate-Professional Practice programs: Audiology (AuD) and Occupational Therapy (OTD).
- (h) Tuition is for three terms. Tuition will be billed at the flat rate for the entire three-year program. FY2020 rate applies to students entering May 2020.

EXHIBIT B - UNIVERSITY OF PITTSBURGH - CAPITAL BUDGET - FISCAL YEAR 2020

Project Category	Project Cost	RESERVES				SOURCES OF FUNDING				Commonwealth	Gifts and Other
		General Plant or Depreciation Reserves	Provost or Department Reserves	Auxiliary Reserves	SOMD Reserves	DEBT					
						E&G Debt	Auxiliary Debt	SOMD Debt	Other Debt		
Educational and General											
Educational and General Programmatic and Preservation	\$ 364,215,000	\$ 38,280,000	\$ 9,750,000	\$ 65,000	\$ -	\$ 141,120,000	\$ -	\$ -	\$ 162,000,000	\$ 4,000,000	\$ 9,000,000
Total Educational and General	\$ 364,215,000	\$ 38,280,000	\$ 9,750,000	\$ 65,000	\$ -	\$ 141,120,000	\$ -	\$ -	\$ 162,000,000	\$ 4,000,000	\$ 9,000,000
Auxiliary and SOMD											
School of Medicine Division Programmatic and Preservation	\$ 154,365,000	\$ -	\$ -	\$ -	\$ 49,365,000	\$ -	\$ -	\$ 105,000,000	\$ -	\$ -	\$ -
Auxiliary Programmatic and Preservation	\$ 77,015,000	\$ -	\$ -	\$ 30,515,000	\$ -	\$ -	\$ 46,500,000	\$ -	\$ -	\$ -	\$ -
Total Auxiliary and SOMD	\$ 231,380,000	\$ -	\$ -	\$ 30,515,000	\$ 49,365,000	\$ -	\$ 46,500,000	\$ 105,000,000	\$ -	\$ -	\$ -
Subtotal Capital Budget Projects	\$ 595,595,000	\$ 38,280,000	\$ 9,750,000	\$ 30,580,000	\$ 49,365,000	\$ 141,120,000	\$ 46,500,000	\$ 105,000,000	\$ 162,000,000	\$ 4,000,000	\$ 9,000,000
Emerging Opportunities	\$ 30,000,000										
Subtotal Capital Budget Projects	\$ 625,595,000	\$ 38,280,000	\$ 9,750,000	\$ 30,580,000	\$ 49,365,000	\$ 141,120,000	\$ 46,500,000	\$ 105,000,000	\$ 162,000,000	\$ 4,000,000	\$ 9,000,000
Contingency	\$ 15,000,000										
Total Proposed Capital Budget	\$ 640,595,000	\$ 38,280,000	\$ 9,750,000	\$ 30,580,000	\$ 49,365,000	\$ 141,120,000	\$ 46,500,000	\$ 105,000,000	\$ 162,000,000	\$ 4,000,000	\$ 9,000,000

**RESOLUTION OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF TRUSTEES
APPROVING DISSOLUTION OF
THE UNIVERSITY OF PITTSBURGH TRUST
AND RELATED ENTITIES**

WHEREAS, the Administration of the University of Pittsburgh has recommended the dissolution of The University of Pittsburgh Trust (the “Trust”), along with certain inactive companies owned or under the control of the Trust and/or the University, namely TSH Corp., BCR National Laboratory, Forbes-Schenley Land Company, and Schenley Park Apartments Company (collectively, the “Related Entities”); and

WHEREAS, on June 27, 2019, the Board of Trustees of the Trust by unanimous written consent approved (i) a Plan of Complete Liquidation for the Trust (the “Plan”), which Plan includes the dissolution of the Trust, and (ii) an amendment to the Bylaws of the Trust to provide for a single Trustee to administer the dissolution of the Trust; and

WHEREAS, upon dissolution of the Trust and Related Entities, the University of Pittsburgh – Of the Commonwealth System of Higher Education (the “University of Pittsburgh”) shall receive any surplus of cash and property of the Trust and the Related Entities; and

WHEREAS, in the judgment of the Executive Committee of the Board of Trustees, the Plan is in the best interest of the Trust and the University of Pittsburgh; and

WHEREAS, in the judgment of the Executive Committee of the Board of Trustees, it is deemed advisable that the Bylaws of the Trust be amended to update the composition of the Board of Trustees to provide for a single Trustee to administer and facilitate the Plan; and

WHEREAS, in the judgment of the Executive Committee of the Board of Trustees, it is deemed advisable that the Bylaws of the Related Entities be amended to update the composition of the Board of Trustees or Board of Directors, as applicable, in order to facilitate the dissolution of the Trust and Related Entities; now therefore be it

RESOLVED, that the Executive Committee of the Board of Trustees does hereby acknowledge the actions of the Board of Trustees of the Trust, including the Plan and amendment to the Bylaws of the Trust; and be it further

RESOLVED, that the Bylaws of the Related Entities be amended to update the composition of the Board of Trustees or Board of Directors, as applicable, to provide for a single voting trustee or director, which shall be the Deputy

Secretary of the University or in her/his absence, such other person as designated by the Chancellor and Chief Executive Officer of the University, with the consent of the Board Chairperson of the University (the "Designated Official"); and be it further

RESOLVED, that the Board Chairperson of the University and the Designated Official be and each of them is hereby empowered, authorized, and directed to carry out the provisions of the foregoing resolutions and to undertake all actions as may be necessary to dissolve the Trust and Related Entities; and be it further

RESOLVED, that upon the liquidation and winding up of the Trust and Related Entities any surplus of cash and property shall be paid or distributed to the University of Pittsburgh; and be it further

RESOLVED, that the Board Chairperson of the University, the Designated Official, and the proper officers of the Trust and Related Entities be and each of them is hereby authorized to do all acts and things and to sign, seal, execute, acknowledge, file, record, and deliver all papers, instruments, documents, and certificates from time to time necessary, desirable, or appropriate to be done, signed, sealed, executed, filed, acknowledged, delivered, or recorded in order to effectuate the purposes of the foregoing resolutions or to carry out the transactions contemplated hereby.