

**MINUTES OF THE ANNUAL MEETING OF THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF PITTSBURGH
(Public Meeting)
June 24, 2022**

Trustees Present

Alumni, Commonwealth, Special, and Term

Mary Ellen Callahan, Vice Chair of the Board of Trustees, exercising the duties of the Board Chair

Louis Cestello, Vice Chair of the Board of Trustees

Patrick Gallagher, Chancellor and Chief Executive Officer

Majdi B. Abulaban

Jane Bilewicz Allred

John A. Barbour

SaLisa L. Berrien

Sundaa Bridgett-Jones

Douglas M. Browning

Hui-Debra Cen

David C. Chavern

Wen-Ta Chiu

Vaughn S. Clagette

Jay Costa Jr.

James P. Covert

Bradley J. Franc

Deborah J. Gillotti

John P. Gismondi

Lisa A. Golden

Edward J. Grefenstette

Tamara Haddad

Robert M. Hernandez

Diane P. Holder

Sy Holzer

S. Jeffrey Kondis

Thomas M. Kurtz

Robert A. Luxbacher

John A. Maher III

Erin McDowell

Larry J. Merlo

Natalie Mihalek

David J. Morehouse

Marlee S. Myers

John H. Pelusi Jr.

Bryan S. Salesky

Keith Schaefer

Jeannie T. Schoenecker

Peter Varischetti

Adam C. Walker

Michael G. Wells
Marna Cupp Whittington

Emeritus

Michael A. Bryson
Catherine D. DeAngelis
Herbert P. Douglas
D. Michael Fisher
J. Roger Glunt
Robert G. Lovett
Alfred L. Moyé
Martha H. Munsch
Robert P. Randall
Charles M. Steiner
Stephen R. Tritch
Sam S. Zacharias

Ex-Officio

Rich Fitzgerald, County Executive for Allegheny County
Dan B. Frankel, member of the PA House of Representatives (designee of the Governor Wolf)
Tanya I. Garcia (designee of the Secretary of Education)

University Staff Present

Kenyon R. Bonner, Vice Provost for Student Affairs
David Brown, Vice Chancellor for Government Relations and Advocacy
Ann E. Cudd, Provost and Senior Vice Chancellor
Kris Davitt, Senior Vice Chancellor for Philanthropy and Alumni Engagement
Dave N. DeJong, Senior Vice Chancellor for Business and Operations
Lina Dostillo, Vice Chancellor of Engagement and Community Affairs
Dawn Gould, Executive Assistant to the Vice Chancellor & Secretary to the Board of Trustees
Mark D. Henderson, Vice Chancellor and Chief Information Officer
Rosalyn E. Jones, Vice Chancellor and Secretary of the Board of Trustees
Paul Lawrence, Treasurer and Interim Investment Officer
Heather Lyke, Director of Athletics
Ellen Moran, Vice Chancellor, Strategic Communications and Marketing
Clyde W. Pickett, Vice Chancellor for Equity, Diversity and Inclusion
Rob A. Rutenbar, Senior Vice Chancellor for Research
Hari Sastry, Senior Vice Chancellor and Chief Financial Officer
Anantha Shekhar, Senior Vice Chancellor for the Health Sciences and John and Gertrude Petersen
Dean of the School Medicine
Paul Supowitz, Special Assistant for Strategic Initiatives
Carlos A. Villamarin, Staff Administrator - Office of the Secretary
Geovette Washington, Senior Vice Chancellor and Chief Legal Officer
Kevin Washo, Senior Vice Chancellor for University Relations & Chief of Staff

The Annual Meeting of the Board of Trustees was held on Friday, June 24, 2022, at 11:30 a.m. as a hybrid meeting with both in person and remote attendees.

Welcome and Remarks of the Chairperson Vice Chair Mary Ellen Callahan, exercising the duties of the chair, convened the meeting at which a quorum was present. In keeping with the Sunshine Act, the meeting was duly advertised as a public meeting. Vice Chair Callahan welcomed the trustees to the meeting and acknowledged the presence of ex officio trustees Dr. Tanya I. Garcia (designee for the Secretary of Education), County Executive Rich Fitzgerald, and Representative Dan B. Frankel, a designee of Governor Wolf.

Moment of Silence The Trustees observed a moment of silence in memory of former Provost, Donald Henderson; former Board Secretary Robert Dunkelman; and the family and friends of members of the Board, the University, and the local community who had passed away since the February Board Meeting.

Approval of Minutes On a motion duly made and seconded, the minutes of the February 25, 2022, Winter Meeting of the Board of Trustees were approved.

Report of the Chancellor Chancellor Gallagher began his report by thanking the Trustees for their hard work, contributions, and dedication to the governance and excellence of the University of Pittsburgh. He acknowledged and thanked both vice chairs, Mary Ellen Callahan and Lou Cestello, for their service to the Board following the passing of Board Chair Thomas Richards last fall. He also thanked Mary Ellen Callahan, Jane Bilewicz Allred, Wen-Ta Chiu, and Keith Schaefer whose terms were expiring on June 30, 2022; and Marna Whittington and Herb Shear who were retiring. He expressed his appreciation to the five Trustees completing their terms as committee chairs: Lou Cestello (Governance & Nominating), Marna Whittington (Budget), David Chavern (Risk & Compliance), Ed Grefenstette (Investment), and Deborah Gillotti (Institutional Advancement). Chancellor Gallagher congratulated all those nominated for election as new Trustees to the Board, those nominated for renewal of their terms, and those nominated for re-election to the UPMC Board of Directors.

University Updates This spring, the University wrapped up the major steps in the accreditation review process with the Middle States Commission on Higher Education, a rigorous two-year process that takes place every ten years. Middle States accreditation is a (i) prerequisite for access to federal or state funds for research, programs, or facilities as well as government sources of financial support for students, and (ii) instills public confidence in institutional mission, goals, performance, and resources. Although the University will receive later an official notice regarding the accreditation review findings, University officials were informed during the exit interview that the University had not only met all standards but exceeded them with flying colors. The visiting team noted that Pitt is a highly collaborative research university community, and commended Pitt twelve times for its performance on the self-study process, and four times on the standards themselves. Chancellor Gallagher acknowledged the excellent outcome, a credit to the Pitt community, and thanked Vice Provost Joe McCarthy, and the entire Academic Affairs Team in the Office of the Provost, for designing and drafting the self-study. He thanked the more than 250 faculty, staff, students, administrators, and trustees who met with the Middle States evaluation team, participated as members of the Steering Committee or working groups, or provided feedback on the draft of the self-study.

New Dean of Business School Chancellor Gallagher welcomed Eugene Anderson who was named in May as the new Henry E. Haller Jr. Dean of the Joseph M. Katz Graduate School of Business and College of Business Administration. Dr. Anderson was most recently the Dean of the Whitman School of Management at Syracuse University and had previously served as the Dean of the University of Miami Business School. He will be joining the Pitt community in August. Chancellor Gallagher thanked the search committee for its excellent work in the national search and thanked Arjang Assad, the current dean, whose stellar service began in 2015 and who will return to the Business School faculty.

New Dean of Pharmacy Chancellor Gallagher announced that Amy Lynn Seybert will be the new Dean of the University of Pittsburgh School of Pharmacy effective July 1. Dr. Seybert is currently chair of the Department of Pharmacy and Therapeutics, a position she has held in an interim and then permanent capacity since 2010. She is also the Administrative Director of the Pharmacy Residency Programs, Director of the PharmacoAnalytics fellowship, and Associate Director for Pharmacy Programs at the University's renowned Institute for Simulation, Education, and Research. Dr. Seybert earned both her undergraduate and doctoral degrees at the School of Pharmacy. The Chancellor acknowledged the search committee for its excellent work, and thanked Patricia Kroboth for an extraordinary two-decade tenure during which the School of Pharmacy emerged as a national leader in pharmacy education and research.

New Vice Chancellor, Government Relations, and Advocacy Chancellor Gallagher noted that David Brown joined the University in April as Vice Chancellor for Government Relations and Advocacy. Mr. Brown came to Pitt from the University of Southern California, where he served as the Vice President of Federal Relations managing a staff of more than 200 in support of USC's advocacy efforts. In his new role, he is responsible for engaging lawmakers and advocating for Pitt's policy priorities at all levels of government.

Budget The Chancellor acknowledged that it has been an intense and busy budget season, with a major effort to build support for the University's annual state appropriation request. The matter is in the hands of elected officials and is under very active legislative consideration before the House and Senate, with the hope that the process will reach a conclusion over the next few weeks. Chancellor Gallagher expressed his profound gratitude for the support of those who helped deliver the essential message that (i) access to Pitt is important for Pennsylvania citizens; (ii) state funding plays a vital role for Pitt PA students and families; and (iii) state funding supports the University's critical public mission to advance the state welfare through education and knowledge. Chancellor thanked the thousands who traveled to Harrisburg or their local lawmaker's office, wrote letters, attended meetings, or made phone calls, and let their voices be heard. Chancellor Gallagher concluded his report by noting that although the next fiscal year begins on July 1, the annual joint meeting of the Budget and Executive Committees to approve the University's budget would not occur until mid-July at the earliest in light of the timing of the appropriation bills. He will continue to keep everyone updated on the process.

Report of the Property and Facilities Committee Trustee Peter Varischetti reported that the Property and Facilities Committee held three public meetings via zoom on April 29, 2022; May 23, 2022; and, June 21, 2022.

At the meeting on April 29, 2022, the Committee approved the (i) Campus Recreation and Wellness Center Project, a nine story 270 thousand square foot facility which will include gymnasiums, fitness areas, an aquatic center, jogging track, specialized activity spaces, dining facilities and space for a future wellness suite, in the amount of \$255 million; (ii) the Fifth and Halket Core and Shell Construction for a 306,000 square foot building, including ten stories of programmable space for laboratories, classrooms, offices, retail, ancillary and support spaces as well as a parking garage, for the amount of \$154 million; and the acquisition of 3607-3611 Forbes Avenue (also known as the Strand Building), a five-story, 39,000 square foot property which is a strategic asset located in the heart of Oakland and includes space for four retail tenants on the first floor, office space currently occupied by the School of Medicine, and twenty residential apartments, for a purchase price of \$17 million plus closing costs of approximately \$925,000, pending final due diligence. The Recreation and Wellness Center and Fifth and Halket Core and Shell Construction projects are projected to generate 2167 construction jobs and 867 support jobs for the state and regional economies.

At the meeting on May 23, 2022, the Committee discussed the acquisition of Bridgeside Point II, located on Technology Drive, which consists of approximately 162,000 square feet of office and laboratory space and has been fully occupied by the School of Medicine since its construction in 2009, in the amount of \$81 million plus miscellaneous transfer and closing costs estimated at \$3 million, pending final due diligence.

At the meeting on June 21, 2022, the Committee approved enabling work for the planned Arena and Sports Performance Center project, including procurement and installation of a permanent shoring system on the site and commencement of site excavation, to maintain the planned schedule for construction of the new facility, in the amount of \$15 million. The construction of the new building will be presented for approval at a future meeting. This project is projected to generate 80 construction jobs and 32 support jobs for the state and regional economies.

Report of the Investment Committee Trustee Ed Grefenstette reported that the Investment Committee held a public meeting via Zoom on June 10, 2022, to approve two spending distribution rates for the consolidated endowment fund. With respect to the University's operating funds quasi endowment, the income percentage will remain unchanged for the Fiscal Year 2023 and will be 4.75% of the three-year average market value. The income from this fund supports student financial aid. With respect to the other funds in the Consolidated and Endowment Fund, the income percentage will remain unchanged for Fiscal Year 2023 and will be 4.25% of the three-year average market value. Both distributions will increase by approximately a 12.1% relative to the distributions from Fiscal Year 2022. In addition, there is also an annual 0.45% charge to the fund administrative costs.

Report of the Student Affairs Committee Student Affairs Committee Chair Robbi Luxbacher reported that the Student Affairs Committee voted to approve an increase to the student wellness fee at the University of Pittsburgh (Pittsburgh Campus) by \$50.00 per year per full-time student and \$25 per year per part-time student in Fall 2022 and in Fall 2023. This increase will help the campus keep pace with the rising demand for high-quality mental health and medical services and to pro-actively scale-up Campus Recreation staff to support the new 270,000 square foot Campus Recreation and Wellness Center, which is scheduled to open in Fall 2024.

The Student Affairs Committee also voted to approve a new Campus Recreation and Wellness Center Facility Fee at the University of Pittsburgh (Pittsburgh Campus). Effective Fall 2024, this new fee will cover the debt service for the construction of the facility until the retirement of the debt.

The amount of the Facility Fee will not be formally established or charged to students until the fiscal year 2025 or the scheduled opening of the new Center. This will ensure that the fee reflects the actual cost of the debt service, and that the debt service fee will only be paid by students who will have access to the new Center.

In addition, the Student Affairs Committee voted to approve an increase to the student health fee at the University of Pittsburgh at Greensburg from \$30.00 per term for full-time students to \$40.00 per term for full-time students, effective for the Fall term 2022. This increase will cover the rising costs of operating the Health Center, including the cost of an electronic medical record software system, equipment and supplies, a campus physician and support of the Counseling Center.

The Student Affairs Committee voted to approve an increase to the student recreation fee at the University of Pittsburgh at Johnstown from \$76.00 per term for full-time students to \$90.00 per term for full-time students, effective for the Fall term 2022. This fee increase will cover the rising costs of operating the Wellness Center and a planned eSports program.

Finally, the Student Affairs Committee voted to approve the elimination of the student health fee at the University of Pittsburgh at Titusville, effective Fall 2022. This fee will be eliminated since student services offices on this campus were closed as the campus transitioned to a non-residential campus; there is no on-site health service provided at Pitt Titusville; and, there is a lack of demand for tele-health and tele-counseling services.

Report of the Governance and Nominating Committee Vice Chair Cestello reported that at a duly advertised public meeting on June 7, 2022, the Committee endorsed nominees for election and re-election to the University of Pittsburgh Board of Trustees, University Directors to the Board of Directors of UPMC, and the chairperson of the University of Pittsburgh Board of Trustees. For re-election to the University of Pittsburgh Board of Trustees, the Committee nominated Vaughn S. Clagette, James P. Covert, SaLisa L. Berrien, Gary T. Brownlee, and David J Morehouse. For election to the University of Pittsburgh Board of Trustees, the nominees are Eva Tansky Blum, Dawne S. Hickton, David C. Frederick, Jeffrey D. Martchek, and Valerie Njie. Upon motion duly moved and seconded, the Board of Trustees approved the Resolution Electing and Re-Electing Trustees of the University of Pittsburgh for all of the nominees the Committee presented.

Vice Chair Callahan congratulated the five new Board of Trustees members and thanked those trustees departing from the Board. Noting her own departure with the expiration of her term, Vice Chair Callahan thanked the trustees for their support.

To serve as University Directors to the UPMC Board this year, the Governance and Nominating Committee recommended the re-election of those University Directors to the UPMC Board of Directors, whose terms were due to expire this year: Vaughn S. Clagette, James P. Covert, and John Verbanac. Upon motion duly moved and seconded, the Board of Trustees approved the Resolution Electing University Directors to the UPMC Board of Directors.

The final resolution presented was the Resolution Recommending the Election of Douglas M. Browning as Chairperson of the Board for his first term. The Board Chairperson also serves as first Vice Chairperson of the UPMC Board of Directors. Upon motion duly moved and seconded, the Board of Trustees approved the resolution electing Douglas Browning as Board Chairperson.

New Business/Adjournment The members congratulated Chairperson Browning on his new election, and he received the gavel from Vice Chair Callahan. Chairperson Browning thanked the Trustees and his family for their support. After giving a brief outline of the steps of the Chancellor search process, which will begin immediately, Chairperson Browning adjourned the meeting.

Rosalyn E. Jones,
Vice Chancellor & Secretary of the Board of Trustees