

**MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF PITTSBURGH
(Public Meeting)
February 24, 2023**

Trustees Present:

Alumni, Commonwealth, Special, and Term

Douglas M. Browning, Chair of the Board of Trustees
Louis R. Cestello, Vice Chair of the Board of Trustees
Patrick D. Gallagher, Chancellor and Chief Executive Officer
Majdi B. Abulaban
Robert O. Agbede
John A. Barbour
SaLisa L. Berrien
Eva Tansky Blum
Sundaa Bridgett-Jones
Gary T. Brownlee
Hui Debra Cen
David C. Chavern
Vaughn S. Clagette
Jay Costa Jr.
James P. Covert
David C. Frederick
Deborah J. Gillotti
John P. Gismondi
Lisa A. Golden
Edward J. Grefenstette
Tamara M. Haddad
Dawne S. Hickton
Diane P. Holder
Patricia D. Horoho
S. Jeffrey Kondis
Thomas M. Kurtz
William K. Lieberman
Roberta Luxbacher
John A. Maher III
Jeffrey D. Martchek
Erin W. McDowell
Larry J. Merlo
Natalie Mihalek
David J. Morehouse
Marlee S. Myers
Valerie T. Njie

John H. Pelusi Jr.
Robert Ritson Jr.
Arthur J. Rooney II
Bryan S. Salesky
Jeannie T. Schoenecker
John P. Surma
John J. Tighe III
Peter C. Varischetti
John J. Verbanac
Adam C. Walker
William Ward, Jr.
Michael G. Wells

Emeritus

Michael A. Bryson
D. Michael Fisher
J. Roger Glunt
Robert M. Hernandez
Robert G. Lovett
Martha Hartle Munsch
Robert P. Randall
Jack D. Smith
Charles M. Steiner
Stephen R. Tritch
Sam S. Zacharias

Ex-Officio

Rich Fitzgerald, Allegheny County Executive
Tanya I. Garcia, Designee to the Secretary of Education

University Staff Present

Kenyon R. Bonner, Vice Provost for Student Affairs
David Brown, Vice Chancellor for Government Relations and Advocacy
Jeffer Choudhry, Chief Investment Officer
Ann E. Cudd, Provost and Senior Vice Chancellor
Kris Davitt, Senior Vice Chancellor for Philanthropic and Alumni Engagement
Dave N. DeJong, Senior Vice Chancellor for Business and Operations
Lina Dostillo, Vice Chancellor of Engagement and Community Affairs
John Elliott, Director of Internal Audit
Laurel Gift, Assistant Vice Chancellor for Compliance, Investigations and Ethics
Dawn M. Gould, Manager, Office Operations and Trustee Engagement
Rosalyn E. Jones, Vice Chancellor and Secretary of the Board of Trustees
Anish Kumar, Vice Chancellor for Real Estate
Paul Lawrence, Treasurer
Kate Ledger, Acting Vice Chancellor for Communications and Marketing
Heather Lyke, Director of Athletics

Claudia Newell, Administrative Support to the Board of Trustees/Office of the Secretary
Clyde Wilson 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, Administrator to the Board of Trustees/Office of the Secretary
Geovette Washington, Senior Vice Chancellor and Chief Legal Officer
Kevin Washo, Senior Vice Chancellor for University Relations and Chief of Staff

The Winter Meeting of the Board of Trustees was held on Friday, February 24, 2023, at 11:00 a.m., with both in-person and remote attendees.

Welcome and Approval of the Minutes. Chairperson Douglas M. Browning, 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. Chairperson Browning welcomed the trustees to the meeting and acknowledged the presence of ex officio trustees Dr. Tanya I. Garcia (designee for the Secretary of Education), and Allegheny County Executive Rich Fitzgerald. He welcomed John P. Surma, who joins the Board in his capacity as the new UPMC Board of Directors Chair and three new Commonwealth trustees: Bill Ward Jr., Jack T. Tighe III, and Rob Ritson Jr. Chairperson Browning expressed appreciation to the new trustees and thanked them for their willingness to serve on the Board.

Moment of Silence. Chairperson Browning acknowledged the passing of former trustees Joseph Hardy and Albert Primo, speaking of their respective achievements in business and broadcast journalism, and service to the University. At his request, the trustees observed a moment of silence in memory of these former trustees and all those in the University and local community who have passed away since the September Meeting of the Board of Trustees.

Approval of Minutes. On a motion duly made and seconded, the minutes of the September 23, 2022, Fall Meeting of the Board of Trustees were approved.

Remarks of the Chair. Chairperson Browning thanked Chancellor Search Committee Chairs Eva Blum, Vice Chair Anantha Shekhar and the other members of the Chancellor Search Committee for their continued work on the chancellor search process. Next, he called upon the Chairs of the Committees to give updates on their public meetings since the 2022 September Board Meeting.

Report of the Property and Facilities Committee. Property and Facilities Committee Chair Peter C. Varischetti reported on the three public meetings the committee has held since the September Board meeting.

During the November 10, 2022, public meeting, the committee approved five projects:

- The replacement of the Cathedral of Learning's original domestic water system in the amount of \$7.3 million.

- The construction of the Arena and Sports performance center, a major component of the Victory Heights initiative, in the amount of \$240 million.
- An expansion to the Alan Magee Scaife Hall (WISER) renovation approved in the amount of \$2 million, bringing the amended total renovation cost to \$32 million.
- Renovation of the Eatery dining hall facility in the amount \$27.5 million.
- Conversion of the Family House space into student residential space in the \$5.1 million.

Committee Chair Varischetti stated that the projects combined are expected to generate 2,253 construction and support jobs for the state and regional economy. He also noted the \$6.2 million approval of the NexTier Bank property.

During the December 21, 2022, public meeting, the Property and Facilities Committee approved the \$10M acquisition of the 3-acre Lot 18 property within Hazelwood Green for the proposed BioForge project. The approval is subject to final due diligence and execution of satisfactory purchase and sale agreement. Committee Chair Varischetti stated that at future committee meetings, the University would seek separate approval for the design and construction of the proposed facility and a proposed tenant lease.

During a public committee meeting on February 23, 2023, the Committee approved:

- Repairs to the Heinz Chapel spire structural steel in the amount of \$11.5 Million.
- Construction of a new home for 7-T MRI within UPMC Presbyterian in the amount of \$6.6 million.

Committee Chair Varischetti noted that these projects are expected to generate 118 construction and support jobs.

Committee Chair Varischetti concluded his report by adding that the committee also approved a new lease at South Side Works (SSW) Box Office for the School of Health and Rehabilitation Sciences to support its hybrid Doctor of Physical Therapy program.

Report of the Investment Committee. Investment Committee Chair Louis Cestello reported on the Investment Committee public meeting of January 25, 2023. During the meeting, the Investment Committee voted to approve a resolution authorizing an amendment to and restatement of the investment objectives, statement of governance, and policies for the Consolidated Endowment Fund. Mr. Jeffer Choudhry, Chief Investment Officer, presented a background statement and noted that the primary changes were to the assessment policy and associated benchmarks.

Report of the Audit Committee. Audit Committee Chair Gary T. Brownlee reported on the Audit Committee information and public meetings of October 6, 2022. During the meeting, the Committee approved the audited Consolidated Financial Statement (CFS) and voted to retain KPMG as the University's independent auditor and tax advisor for the fiscal year 2023. Committee Chair Brownlee stated that Mr. Thurman Wingrove, University Controller, gave the Committee a comprehensive presentation of the University's consolidated financial statements for the Fiscal Year ending June 30, 2022. He stated that the University's independent auditor, KPMG, informed the Committee that their audit of the (CFS) had been completed, resulting in an unmodified opinion from KPMG, noting there were no proposed unrecorded adjustments concerning the financial

statements. Chair Brownlee reported that KPMG received the full cooperation of management and staff during the audit, and internal accounting controls had no material weaknesses. Copies of the audited financial statements have been distributed to the full Board.

Report of the Chancellor. Chancellor Patrick Gallagher reported that the University remains well positioned compared to peers and past performance.

Admissions and Enrollment. Chancellor Gallagher stated that demand for a Pitt education is at an all-time high, noting that as of February 17, 2023, there were over 55,000 first-year applications – 10% more than last year. He probed whether this increase was a post-Covid reaction or evidence of a structural change. He pointed out that the longer the trend persists, it is evidence of structural change in Pitt’s brand recognition as a desirable university and expansion of the admissions process around the country.

Chancellor Gallagher also addressed trends in enrollment data in less and more competitive institutions, noting that less competitive institutions are competing with each other for a shrinking pool of students with a continuing decline in enrollment, while at selective institutions, enrollment has rebounded with students competing against each other to gain admission. The Chancellor noted that the regional campuses must be competitive by offering high-quality and distinctive programs to respond to the needs of students applying to those institutions. He also emphasized the importance of focusing on job-relevant degrees, support for first-generation students, financial aid, and an outstanding student experience. Chancellor Gallagher explained that the desirability of the Oakland campus would be measured by how many applicants turn into admissions and emphasized the importance of recruiting, financial aid, academic excellence, student experience, and alumni support after graduation.

Student Accolades. Chancellor Gallagher highlighted the academic achievements of Pitt students. He also spotlighted Alex Firestein, Pitt’s first Mitchell Scholar, who will pursue graduate study in Ireland. He reported that Pitt was once again named a top producer of Fulbright scholars by the United States Department of State, noting nine scholars in the current year.

Faculty Accolades. Next, Chancellor Gallagher reported that Pitt faculty earned some of the highest awards in their fields, including Gwen Sowa of the School of Medicine, who was elected to the National Academy of Medicine. He stated that Joseph Glorioso, and Ronald Montelaro, also of the School of Medicine, were elected to the National Academy of Inventors, and Rory Cooper, of the School of Health and Rehabilitation Sciences, was elected to the National Inventors Hall of Fame for his exceptional work on assistive technology and mobility (for wheelchair users).

Research Funding. The Chancellor noted that the University faculty also compete against their peers for funding, with the National Institutes of Health as the largest funder of research in the United States and the largest funder of sponsored research at the University. He reported that the University is #3 in funding among U.S. Institutions, up from #11 in 2021, placing only behind Johns Hopkins and the University of California San Francisco (UCSF) and ahead of perennial peers like Duke, Penn, Stanford, and Michigan. Chancellor Gallagher noted that Pitt is a mature research organization seeing 13% year-over-year growth from 2021 to 2022, with 1270 awards, the highest in Pitt history.

Research Growth. Chancellor Gallagher reported on the University's strength in single-investigator research grants and the potential for growth in large multi-investigator and center type grants. He mentioned the success of internal support for research teams, with significant increases in larger team-oriented grants in the \$5M-\$10M range in 2022 from 2021. Chancellor Gallagher also noted that beyond the National Institutes of Health, significant research support increased from other public funding sources, including the National Science Foundation, the National Endowment for the Humanities, private foundations, industry, and other sources.

Innovation and Economic Development. Chancellor Gallagher reported on the University's role as an engine of growth and opportunity, focusing on recent developments during the first half of FY 2023. He stated that Pitt was issued 56 new US Patents, and the Big Idea Center Student Innovation programs launched in a premier storefront on Forbes Avenue as a place for student entrepreneurs to collaborate. The Chancellor also noted that LifeX, Pitt's incubator for innovative Life Science companies, is now partnering with the Commonwealth, receiving a \$16 million award to invest directly into regional startups.

Library Archives and Special Collections. Chancellor Gallagher noted the exceptional growth of the University's Library System since his arrival in 2014 when digital resources were challenging physical collections. The Chancellor highlighted the vibrancy of the University's Library, noting collections ranging from the August Wilson archive to Dick Thornburgh's papers and also recognizing the archives on Dr. Thomas Starzl, Dr. Peter Safar, and Dr. Jonas Salk, as well as Horror and Jazz-related collections.

Alumni of Note. Chancellor Gallagher noted the passing of Frances Hasselbein, Pitt-Johnstown '36, GSPIA PhD '01 (Hon.), who passed away in December 2022 at the age of 107, recognizing her contributions as a giant in the field of organizational leadership and a recipient of the U.S. Presidential Medal of Freedom 1998.

Next, he noted the achievements of alumni Debra Todd, Law '82, the first woman to serve as Chief Justice in Pennsylvania's Supreme Court, and Austin Davis Pitt-Greensburg '12 who recently became Pennsylvania's first Black lieutenant governor. He also recognized Kim Ward, Pennsylvania Senate President Pro Tempore and Senate Majority Leader, as one of the University's most stalwart champions in Harrisburg, noting that her chief of staff, Rob Ritson, is now a Board member.

Chancellor Gallagher also noted that alumni Kathryn Nesbitt, '15G, became the first woman to officiate a FIFA Men's World Cup Qualifier in 2022, and Darrelle Revis A&S '08 was recently elected to the Pro Football Hall of Fame.

Athletics. Chancellor Gallagher noted the competitive achievements of Pitt athletics. He pointed to the NACDA director's cup, a point-based system that provides a comprehensive measurement of how a school performs, noting that for the fall season, Pitt ranked 6th out of 154 schools—the highest in Pitt history. The Chancellor highlighted a recent Sports Illustrated article that featured Athletic Director Heather Lyke and congratulated her and her team on the recognition.

Campus Master Plan. Chancellor Gallagher spoke on the Campus Master Plan, a 30-year vision of campus needs, sustainability, and community partnership. He noted the new west wing of Scaife Hall, the Campus Recreation and Wellness Center project, and Pitt Victory Heights next phase Sports Performance complex. The Chancellor also reported on the George B. Duke Engineering and Information Technologies Building on the Pitt Bradford Campus, and the new Life Sciences Building at Pitt Greensburg.

Fundraising. Chancellor Gallagher reported that the recent Pitt Day of Giving (PDoG), which included 9450 donors from all 50 states and 35 countries totaled \$2.4 million. The Chancellor also noted there were 976 gifts to regional campuses, 17 gifts to varsity sports, and 54 to student organizations, with the largest gift totaling \$200,000.

Closing Remarks. Chancellor Gallagher observed that during times of uncertainty, Pitt's strength is rooted from its mission: to make the world a better place through learning, knowledge, and service. He noted that the University's momentum comes from a steady focus on fulfilling that mission with a commitment to excellence. The Chancellor concluded his report by recognizing the dedication and support of the Pitt community, and thanking the Board and University leadership, administrators, faculty, staff, and students; and the larger community elected officials, and alumni for their roles in making the world a better place.

Chairperson Browning thanked the Chancellor for his report and asked the Board for any questions or new business to come before the Board.

New Business/Adjournment. There being no new business to come before the trustees, Chairperson Browning adjourned the meeting.

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