

MINUTES OF THE FALL MEETING OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF PITTSBURGH

September 28, 2018

The Fall Meeting of the Board of Trustees was held on Friday, September 28, 2018, at 10:30 a.m., in the Assembly Room of the William Pitt Union at the University of Pittsburgh. Alumni, Commonwealth, and Term Trustees in attendance were Jane Bilewicz Allred, John A. Barbour, Eva Tansky Blum (Chairperson), Gary T. Brownlee, Michael A. Bryson, Vaughn S. Clagette, James P. Covert, Bradley J. Franc, Patrick Gallagher (Chancellor and Chief Executive Officer), Dawne S. Hickton, Sy Holzer, S. Jeffrey Kondis, Robert G. Lovett, Roberta A. Luxbacher, the Honorable John A. Maher III, Larry J. Merlo, Martha Hartle Munsch, Thomas E. Richards, Keith E. Schaefer, Herbert S. Shear, Jack D. Smith, William E. Strickland Jr., Stephen R. Tritch, Peter C. Varischetti, and John J. Verbanac. Ex Officio and Special Trustees in attendance were G. Nicholas Beckwith III, Douglas M. Browning, Louis R. Cestello, David C. Chavern, Tamara M. Haddad, Robert M. Hernandez, David J. Morehouse, Marlee S. Myers, Jeannine T. Schoenecker, Michael G. Wells, and Marna Cupp Whittington. Emeritus Trustees in attendance were Thomas G. Bigley, Catherine D. DeAngelis, the Honorable D. Michael Fisher, J. Roger Glunt, and Alfred L. Moyé. The Honorable Dan Frankel attended as a representative of the Governor of Pennsylvania. University Officers in attendance included Ann E. Cudd, Kathy W. Humphrey, Paul Lawrence, Arthur S. Levine, Cynthia C. Moore, Rob A. Rutenbar, Greg Schuler, Gregory A. Scott, and Geovette Washington. Staff in attendance included Kristin Davitt, Kimberly L. Honath, Heather S. Lyke, Amy E. Service, and Thurman Wingrove. Also in attendance was Narahari Sastry.

Remarks of the Chairperson. Eva Tansky Blum, Chairperson of the Board of Trustees, 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 Blum welcomed all in attendance to the Fall Meeting of the Board of Trustees, noting that the following new Trustees were attending their first Board meeting: Gary T. Brownlee, Vaughn S. Clagette, David J. Morehouse, Michael G. Wells, and Marna Cupp Whittington.

Moment of Silence. At the request of Chairperson Blum, the Trustees observed a moment of silence in memory of Jerry Cochran, a long-time member of the University administration. Mr. Cochran was recruited to the University by then-Chancellor Wesley Posvar. After graduating from the University's School of Law, he left the University, returning in 1994 to join the administration of then-interim – and later Chancellor – Mark Nordenberg. Mr. Cochran served as Executive Vice Chancellor from 1995 until his retirement in 2014 and also served as General Counsel from 2004 to 2013.

Start of the Academic Year. Chairperson Blum thanked the Trustees who participated in welcoming the Class of 2022 at this year's New Student Convocation.

Approval of Minutes. The minutes of the June 29, 2018 Annual Meeting of the Board of Trustees were approved.

Report of the Alumni Association. Chairperson Blum called upon Dr. Lisa Golden, President of the Pitt Alumni Association, to provide a report on the Association. Dr. Golden stated that while the alumni community continues to expand nationally and internationally, the majority of the alumni population continues to reside in Western Pennsylvania. Of particular interest is the fact that nearly half of the University's alumni of record graduated within the past 18 years.

Dr. Golden reported on the findings of the 2017 Alumni Engagement Survey (the "Survey"). More than 10,000 alumni participated in the Survey, with 92% of those respondents rating their experience at the University as "excellent" or "very good." However, the Survey results showed that alumni are seeking to build stronger connections to the University, the Association, and other alumni. Respondents to the Survey also indicated an interest in events such as career networking and educational programming.

In response to the Survey's findings, the Association has taken a number of steps, including establishing *Pitt Stops*, a series of informative presentations designed to connect alumni with faculty, staff, and administrators. The Association will continue to develop: (i) coordinated and strategic programming that creates a continuum of alumni engagement opportunities; and (ii) new tools that make it easier for alumni to engage with the Association and with each other.

Report of the Audit Committee. The Honorable John A. Maher III, Chairperson of the Audit Committee, reported that the Committee held information and public meetings on September 21, 2018. At the information meeting, University Controller Thurman Wingrove reviewed the University's Consolidated Financial Statements for the Fiscal Year ended June 30, 2018. Following Mr. Wingrove's report, the University's independent auditor, KPMG, informed the Committee that an audit of the Consolidated Financial Statements had been completed and noted the following findings:

- There were no proposed unrecorded adjustments;
- There were no disagreements with management;
- There were no material weaknesses in internal accounting control; and
- University management and staff offered their full cooperation.

At its duly advertised public meeting, the Audit Committee approved the University's Consolidated Financial Statements and voted to retain KPMG as the University's Independent Auditor and Tax Advisor for Fiscal Year 2019. A copy of the University's Consolidated Financial Statements for the Fiscal Year ended June 30, 2018 was distributed to the Board and is filed with the official minutes of this meeting.

Report of the Governance and Nominating Committee. James P. Covert, Chairperson of the Governance and Nominating Committee, reminded the Board that the Committee is charged with the responsibility of reviewing and recommending candidates for election as Emeritus Trustees of the University.

Resolution to Elect an Emeritus Trustee of the University of Pittsburgh. Mr. Covert stated that at a duly advertised public meeting held on September 13, 2018, the Governance and Nominating Committee endorsed the election of former Board member Suzanne W. ("Suzy") Broadhurst as an Emeritus Trustee. The Resolution to Elect an Emeritus Trustee of the University of Pittsburgh is

included as page 13 of these minutes. A biographical statement for Mrs. Broadhurst was attached to the Resolution and included as page 14 of these minutes.

Upon motion duly made and seconded, the Board of Trustees approved the Resolution to Elect an Emeritus Trustee of the University of Pittsburgh.

Report of the Property and Facilities Committee. Committee Chairperson John A. Barbour provided an overview of actions taken by the Property and Facilities Committee at public meetings held on July 31, 2018 and September 27, 2018:

- ❖ *Development of 5000 Baum Boulevard.* Mr. Barbour reminded the members of the Board that a recent Brookings Institution report (*Capturing the Next Economy: Pittsburgh's Rise as a Global Innovation City*, hereinafter referred to as the "Brookings Report") outlined steps to leverage the region's strengths and establish it as a "top global destination for technology-based economic activity." In support of the Brookings Report's recommendations – and consistent with the University's Strategic Plan – the University intends to establish an Innovation District. A key part of the University's plans includes the purchase and renovation of the historic Ford Motor Company building located at 5000 Baum Boulevard.

The University will purchase the property from UPMC and work with Wexford Science and Technology to renovate the facility. When the renovation is complete, the building will be transformed into a cutting-edge center for research and innovation providing space for laboratories, offices, startup companies, and industry partners. The facility will also serve as the home of the new Immune Transplant and Therapy Center ("ITTC"). Construction and renovation of the facility is expected to generate about 2,000 local jobs, as well as additional future employment opportunities.

- ❖ *Renovation of Salk Hall – Phase I.* The Committee approved the first phase of a major renovation of Salk Hall to support the School of Pharmacy's operations. Phase I of the renovations will reconfigure eight floors of the building to create additional classrooms, laboratories, office areas, and student study/gathering spaces. The project is anticipated to generate approximately 500 jobs.
- ❖ *Acquisition of 3520-3530 Forbes Avenue.* The Committee approved the acquisition of the Parkvale Building, located at 3520-3530 Forbes Avenue. The University currently leases approximately 85% of the space in the building. Its close proximity to the University will further support the development of the planned Innovation District.
- ❖ *Lease Agreements.* The Committee approved extending two leases for space for: (i) the Department of Biomedical Informatics at 5607 Baum Boulevard; and (ii) the School of Medicine in the Bridgeside Point II building. Total real estate taxes to be paid by the University in connection with the leases are estimated to be approximately \$380,000 per year.

Resolution Electing Narahari Sastry as Senior Vice Chancellor and Chief Financial Officer, an Officer of the University. Board Chairperson Blum called upon Chancellor Gallagher to introduce the Background Statement and Resolution Electing Narahari Sastry as Senior Vice Chancellor and Chief Financial Officer, an Officer of the University. Chancellor Patrick Gallagher advised the Board that, following a national search, Narahari Sastry had accepted the Chancellor's invitation to serve as the next Senior Vice Chancellor and Chief Financial Officer. Mr. Sastry has a long and distinguished record of senior-career budget and operations roles in the federal government and currently serves as director of the Office of U.S. Foreign Assistance Resources where he oversees the \$35 billion foreign assistance budget for U.S. Department of State and the U.S. Agency for International Development. Mr. Sastry's professional career is more completely described in the Background Statement included as pages 15 through 16 of these minutes.

Upon motion duly made and seconded, the Board of Trustees approved the Resolution Electing Narahari Sastry as Senior Vice Chancellor and Chief Financial Officer, an Officer of the University. A copy of the Resolution is included as pages 17 through 18 of these minutes.

Report of the Chancellor: Presentation of the Annual Report for Academic Year 2017-2018.

Chancellor Patrick Gallagher advised the Board that his report would serve as the annual update on the University's activities and performance for the past academic year as required by the 1966 Commonwealth Act that established the University as a state-related institution of higher education. His report would review the highlights of the last year in the context of the University's Strategic Plan, the *Plan for Pitt*, which maps out the goals for the University.

❖ **Advancing Educational Excellence.**

- ***Institutional Recognition.*** Chancellor Gallagher advised the Board members that the University continues to earn recognition from leading national publications, such as:
 - *Kiplinger's Personal Finance*, which included the University on its list of best-value public institutions nationwide.
 - *The Wall Street Journal*, which ranked the University as a "Best Public University in the Northeast."
 - *The Princeton Review*, which included the University on its list of 200 of the nation's academically best and most affordable colleges/universities and also recognized Pitt-Bradford and Pitt-Johnstown as among the "Best Northeastern Colleges."

A number of the University's individual schools and departments also received recognition based on the quality of their programs:

- Nationally, the Physical Therapy program is ranked as No. 1; Occupational Therapy is ranked as No. 4; the Doctor of Nursing Practice program is ranked as No. 5; and the School of Social Work is ranked as No. 11.
- For the third consecutive year, the University's Philosophy program was ranked as No. 1 in the world.

- *Poets & Quants* ranked the College of Business Administration (“CBA”) as No. 11 among all Public Business Programs in the nation; No. 2 in academic advising; and No. 9 in career advising. In addition, CBA’s ranking in *U.S. News & World Report* climbed from No. 25 in 2017 to No. 20 in 2018.
- *Internal Measures of Success.* The success of its programs plays an important role in the University’s increase in retention, graduation, and placement rates: (i) 93% of the Class of 2021 returned to campus to continue their studies; (ii) the four-year graduation rate at the Pittsburgh campus reached 69%; and (iii) 94% of recent graduates surveyed reported that they were either employed or continuing their education within six to nine months of graduation, with more than 50% of those surveyed reporting that they have stayed in Western Pennsylvania.
- *School of Computing and Information.* Chancellor Gallagher reported the School of Computing and Information began its inaugural year by welcoming its first class of 735 students. The School launched the Modeling and Managing Complicated Systems (MoMaCS) Institute, which will serve as a hub where students can develop real-world solutions to complex, challenging problems using computer modeling and simulation.
- *Personalized Education.* The Office of the Provost established the Personalized Education Grant Program to fund projects designed to enhance learning through tailored engagement in educational activities. In March 2018, 17 proposals submitted by faculty, staff, and students were selected to receive funding for a wide range of projects intended to customize the academic experience at the University.
- *Accessibility and Affordability.* The University announced the creation of the *Pittsburgh Public Scholars* program, which offers valedictorians and salutatorians in the Pittsburgh Public School System guaranteed admission to the University campus of their choice. The University will also meet the financial needs of all Pittsburgh Public Scholars who are Pell Grant recipients. The first class of ten Pittsburgh Public Scholars began their studies at the University this fall.
- *Student and Faculty Achievement.* The University’s success in advancing academic excellence might best be measured by the achievements of its faculty, students, and alumni. Chancellor Gallagher highlighted a few of the University students and alumni who earned more than 150 international and national awards during the last year:
 - Joseph Kannarkat, who graduated with dual degrees in economics and neuroscience and a minor in chemistry in April 2018, was the only college student in the nation selected to receive the inaugural Kanders Churchill Scholarship.
 - Jesse Olsavsky, who is earning his doctorate degree in History, received both a Dissertation Completion Fellowship from the Mellon/American Council of Learned Societies and a Charlotte Newcombe Doctoral Dissertation Fellowship from the Woodrow Wilson Foundation.
 - The University was among 16 institutions in the country to be named a top producer of both the Fulbright U.S. Student program and the Fulbright U.S. Scholar program.

- The National Security Education Program awarded Boren Awards to eight University students – the largest number in University history. These study-abroad awards enable recipients to further their studies of “languages and cultures most critical” to national security. This is the 25th consecutive year that University students have received this prestigious award.
 - Robert Brandom, Distinguished Professor of Philosophy, was named a Fellow of the British Academy, one of only 14 philosophers outside of Great Britain to be recognized with this honor since the Academy was founded in 1902.
 - Edouard Machery, Distinguished Professor of History and Philosophy of Science, who received a Humboldt Research Award in 2017, was awarded a \$2.6 million grant from the John Templeton Foundation to study the diversity of people's conceptions of understanding, wisdom, and knowledge around the world.
 - Larry Davis, who recently stepped down after serving as Dean of the School of Social Work for 17 years, became the only person to receive the Significant Lifetime Achievement in Social Work Education Award from the Council on Social Work Education (2016) and the Distinguished Career Achievement Award from the Society for Social Work and Research (2018).
 - Marlene Cohen, Assistant Professor of Neuroscience, earned the National Academy of Science's 2018 Troland Research Award for her work examining how neurons in the brain process visual information.
 - Dawn Lundy Martin, Director of the Center for African American Poetry and Poetics, was one of 36 writers to receive a Creative Writing Fellowship from the National Endowment for the Arts.
 - Over the past year, members of the University faculty were inducted into a number of prestigious professional societies, including the National Academy of Medicine, the American Society for Clinical Investigation, the Association of American Physicians, and the American Academy of Arts and Sciences.
- ❖ Engaging in Research of Impact. This past fiscal year, sponsored research funding reached \$808 million – the highest amount ever received, including the years when the University received funding under from the American Recovery and Reinvestment Act.

The University receives the majority of its federal funding from the National Institutes of Health (“NIH”). The University received more than \$500 million in funds, making it fifth in the nation in terms of funding received from the NIH. Chancellor Gallagher discussed the research of two University professors who received funding from the NIH:

- Steven E. Reis, Associate Vice Chancellor for Clinical Research, Health Sciences and Director of the Clinical and Translational Science Institute. Dr. Reis received a \$12 million grant as part of a national study called *All of Us*. The goal of this study is to better understand how individual differences in lifestyle, environment, and genetics affect disease treatment and prevention. The University will receive \$60 million in funding from the NIH over the course of this five-year study.
- Angela Gronenborn, Distinguished Professor of Structural Biology and Director of the Pittsburgh Center for HIV Protein Interaction, received nearly \$23 million from the NIH's National Institute of General Medical Science to support research on the role of protein structures in HIV infection. The Pittsburgh Center is one of only five specialized centers funded by the NIH that is focused on HIV-related structural biology.

One of the priorities of the Strategic Plan is to strengthen the University's partnerships with industry in order to advance technology transfer and commercialization. The University has taken a number of steps to meet that goal through activities such as:

- Partnering with UPMC to launch the ITTC to explore treatments based on understanding and modifying the human immune system. As discussed in the report of the Property and Facilities Committee, the ITTC will be located in the renovated 5000 Baum facility.
- Establishing LifeX to nurture the creation of new start-up companies.
- Collaborating with Allegheny County, the City of Pittsburgh, Carnegie Mellon University, UPMC, the Allegheny Conference on Community Development, and several regional foundations to establish InnovatePGH. InnovatePGH will work to implement the recommendations contained in the Brookings Report by strengthening opportunities in three key fields: (i) advanced manufacturing; (ii) life sciences; and (iii) automation.
- Launching the Big Idea Center to provide students with an array of resources, mentorship opportunities, and incubator spaces. Located within the Innovation Institute, the Big Idea Center was founded through generous support provided by former University Trustee Robert Randall and his family. The Big Idea Center builds off of the success of the annual Big Idea Competition, which was also established by the Randall Family.

The University is rapidly earning a reputation as a global center of innovation: (i) Reuters ranked the University as 30th in its *Top 100: The World's Most Innovative Universities – 2017*, ahead of universities such as Columbia, Yale, and Carnegie Mellon; and (ii) the University closed the last fiscal year by reaching the highest number of invention disclosures (363), license and option deals (162), and startup companies (23) in its history.

- ❖ *Strengthening Communities*. As stated in the Strategic Plan, the University aspires to be an institution that reaches beyond the boundaries of its campus to have an impact on the larger community. This commitment is expressed in a number of ways:

- Pitt students devoted more than 121,000 volunteer hours to a wide range of service projects offered by *PittServes*.
- During the 2017-2018 Academic Year, the University also celebrated the 10th anniversary of its annual *Pitt Make a Difference Day*, which has grown to include the University's regional campuses, as well as nine alumni chapters. More than 4,200 faculty, staff, student, and alumni volunteered at 100 sites across the country.
- Contributions made by University faculty and staff members to the annual United Way campaign reached a record high of \$687,500 in 2017-2018.
- In Fiscal Year 2018, the University supported more than 31,500 jobs across Pennsylvania and educated more than 34,500 students. A recent analysis showed that each class of University graduates injects an additional \$97 million into the state economy. Collectively, University alumni add more than \$114 billion to the Commonwealth's economy over the course of their careers.
- The University relocated the Swanson School of Engineering's Manufacturing Assistance Center (MAC) to the City's Homewood neighborhood. The MAC supports a primary objective identified in the Brookings Report by helping to train skilled workers in advanced manufacturing techniques. During its first year of operations in Homewood, 42 students finished 76 classes at the MAC, and within three weeks of completing the program, 95% of trainees received a job offer for positions paying, on average, \$18 an hour.
- The University will open its first Community Engagement Center in Homewood in October, with a second Center scheduled to open in the City's Hill District neighborhood in 2019. The Centers will offer a number of programs – based on the needs of the community – including health and wellness services, business development support, legal clinics, and computer and science lab access. The Centers will also provide the University a base for teaching, research, and service opportunities within its neighboring communities.
- Pitt-Greensburg partnered with Excelsa Health to launch Westmoreland County's first and only Bachelor of Science in Nursing program. In two years, enrollment in the program grew by 211%. In recognition of this extraordinary growth, Pitt-Greensburg added a health care management program, which welcomed its first class this fall.
- Pitt-Johnstown has become a magnet for students interested in engineering, and enrollment in its engineering programs have grown each year for the last five years. Approximately 27% of students enrolled at Pitt-Johnstown are studying engineering.
- The University is continuing to advance the plan to transform Pitt-Titusville into an Education and Training Campus Hub. This summer, the Commonwealth provided support to make modifications to the campus infrastructure. It is hoped that the Campus Hub will become a model for providing educational opportunities in underserved areas.

- ❖ Promoting Diversity and Inclusion. Chancellor Gallagher stated that the changing demographics of the University's student population provide evidence of the success the University is having in increasing diversity on all campuses. Over the past five years, the University has enrolled 11% more international students and 23% more underrepresented minority students.

The Chancellor reminded the Trustees that two years ago, the University joined the Coalition for Access, Affordability, and Success. The Coalition provides high school students with free online college planning tools and a common application that can be used to apply to any of the 140 institutions participating in the Coalition. During the first year, 400 students applied to attend the University using the Coalition's common application. That number has jumped to 4,000 this year. It is hoped that participating in the Coalition will further assist the University's efforts to promote diversity on its campuses.

The University has also instituted a number of programs to increase the amount of business it does with minority-owned and women-owned business enterprises (MWBE), including construction firms. In 2013, the University awarded \$8.3 million in construction contracts to these businesses. In 2018, that number increased to \$24.1 million. Chancellor Gallagher noted that the City of Pittsburgh has set a goal to ensure that 25% of its construction contracts are awarded to MWBE. When the University began work on the Community Engagement Center in Homewood, it surpassed the City's goal by awarding 40% of construction contracts to MWBE.

The University also demonstrated its commitment to inclusion by renaming Pennsylvania Hall in honor of the late K. Leroy Irvis – the first building on the Pittsburgh campus to be named for an African American. Mr. Irvis graduated from the University School of Law and was elected to serve as a member of the Pennsylvania House of Representatives in 1958. He rose to become the Speaker of the House – the first African American to hold that position in any house of representatives since Reconstruction.

The University was recognized for its commitment to advancing diversity and inclusion when it was selected to receive the 2017 Higher Education Excellence in Diversity Award from *INSIGHT Into Diversity* magazine. The University was one of only two Pennsylvania higher education institutions to receive this recognition.

- ❖ Embracing the World. As part of the *Plan for Pitt*, the University also set a goal to expand its global presence through research, policy, partnerships, and the study of language and culture. In the fall of 2017, the University was recognized for its efforts when it became one of only four institutions selected to receive the Senator Paul Simon Award for International Education, which recognizes institutions which have demonstrated a comprehensive commitment to cultivating global learners and leaders.

Other markers of achievement in this area include:

- Over the past five years, the number of international students attending the University increased by 11%, with more than 3,200 international students enrolled at the University's five campuses in the 2017-2018 academic year. Similarly, the number of students participating in the University's study abroad programs increased by 71%.

- The University also increased the number of agreements it has with institutions and governments around the globe by 26%. These partnerships, which now total 188 agreements, include:
 - The University is collaborating with the Danish Energy Agency on designing and demonstrating smart energy systems in the City of Pittsburgh.
 - The Sichuan University-Pittsburgh Institute (SCUPI) – established in 2014 – is one of just five large-scale partnerships between leading universities in the United States and China. Last fall, the University welcomed the first SCUPI class of 26 juniors from China, with an additional 53 SCUPI students arriving this year.
- The Chancellor’s Global Advisory Council, a leadership advisory group composed of distinguished alumni living in nine different countries, held its first meeting in 2017. The first session of the Council focused on the University’s international priorities – presence and growth.

Chancellor Gallagher announced that Academic Year 2018-2019 has been designated as the *Year of PittGlobal* to celebrate and advance the University’s growing global presence.

- ❖ *Building Foundational Strength.* The final goal of the Strategic Plan is designed to ensure that the University has a strong foundation so that it is able to: (i) create a supportive and productive work environment; (ii) transform the University’s physical and information infrastructure; (iii) strengthen administrative and operational efficiency; and (iii) enhance the University’s capacity to partner. The University has worked to meet this goal through a number of initiatives, such as:
 - The *Pitt Seed* program, which provides faculty, staff, and students with an opportunity to be directly involved in contributing to University’s strategic transformation. The University received 171 proposals, 23 of which were selected to receive funding for a variety of projects, such as: (i) strengthening support for minority graduate students; (ii) leveraging the use of technology in classrooms, academic units and community events; and (iii) designing virtual tours of historic sites to improve accessibility and participation of those with disabilities.
 - Tackling affordability by limiting tuition increases for the majority of in-state students attending the Pittsburgh campus and the bulk of students attending the regional campuses.
 - Continuing a trend of strong investment performance that saw returns on the University’s endowment funds exceed benchmark expectations. This allowed the University to return \$136 million in income distributions to the University’s budget to support its education and research programs, including institutional financial support for students.

- University fundraising increased during Fiscal Year 2018, with overall performance (including gifts and pledges) reaching a total of \$190.5 million – an increase of 31% and 71% of the totals received in Fiscal Years 2017 and 2016, respectively. Notable gifts included: (i) a \$30 million commitment from the Henry L. Hillman Foundation for the continued support of the Hillman Fellows for Innovative Cancer Research Program; and (ii) more than \$9 million received from 3,358 donors from all 50 states and 31 countries on the second annual Pitt Day of Giving. The Chancellor expressed his appreciation to the Board for being among those that showed their commitment to the University, noting that 100% of the Trustees made donations to the University.
- The University released its first comprehensive Sustainability Plan and announced the establishment of a new Office of Sustainability. The Plan outlines goals, strategies, activities, policies, and priorities, such as a 50% reduction in greenhouse gas emissions and producing and/or procuring at least 50% of electric energy from renewable resources.
- The University also initiated 184 construction, maintenance and renovation projects, including: (i) major renovations in Posvar Hall and the Hillman Library to enhance the learning environment; (ii) a redesign of the Schenley Quadrangle to provide students with more inviting space; (iii) opening a new residence hall and renovating a dining facility at Pitt-Bradford; and (iv) construction of an addition to the Murtha Engineering and Science Building at Pitt-Johnstown.
- In August of 2017, the University also began the process of developing a Campus Master Plan, which is designed to serve as a roadmap for the future growth of the Pittsburgh campus. The University sought input from the University community, local governments, other institutions, and a broad segment of the larger community. The Plan will be shared online to seek input from the University community and regional stakeholders in order to find the best path forward for the University, the neighboring communities, the City, and the region.

The Chancellor concluded his remarks by discussing the Class of 2022. He noted that this class of 4,100 students is the most academically accomplished and one of the most racially and ethnically diverse in the University's history:

- 36% more Latinx students when compared to the Class of 2021;
- 40% more female engineering students;
- 10% more minority engineering students;
- 43% more minority nursing students; and
- 15% more international students.

The Chancellor thanked the Board and the members of the University community for the contributions they made to ensuring another successful year for the University.

New Business. Chairperson Blum reminded those in attendance that: (i) the University's Homecoming festivities will begin on October 1 and conclude on October 7; and (ii) the Winter Meeting of the Board is scheduled Friday, February 22, 2019.

Adjournment. There being no new business to come before the Trustees, Chairperson Blum adjourned the meeting.

Attachments. Copies of the following documents are filed with the official minutes of this meeting:

- PowerPoint presentation used during the meeting.
- Consolidated Financial Statements for the Fiscal Year Ended June 30, 2018.
- Community Engagement Center in Homewood Initiative Overview
- Neighborhood Commitments Brochure
- Invitation to the Opening of the Community Engagement Center in Homewood



Cynthia C. Moore, Deputy Secretary of the Board
of Trustees

**RESOLUTION
TO ELECT AN EMERITUS TRUSTEE
OF THE UNIVERSITY OF PITTSBURGH**

WHEREAS, the Governance and Nominating Committee is charged with the responsibility of presenting recommendations to the full Board of Trustees of former Trustees for consideration and election as Emeritus Trustees of the University of Pittsburgh, and

WHEREAS, the Governance and Nominating Committee has determined that Suzanne W. Broadhurst has made exceptional contributions to the progress and welfare of the University and has served with distinction and devotion as a Trustee of the University for more than two decades, as more fully described in the summary attached hereto; and

WHEREAS, at its public meeting on September 13, 2018, the Governance and Nominating Committee nominated Mrs. Broadhurst for election as an Emeritus Trustee of the University of Pittsburgh; now therefore be it

RESOLVED, that the Board of Trustees hereby elects Suzanne (Suzy) W. Broadhurst as an Emeritus Trustee of the University of Pittsburgh for life.

Suzanne (Suzy) W. Broadhurst

Suzanne (Suzy) W. Broadhurst served as a Trustee of the University from 1995 until 2017. During her tenure on the Board, she provided extraordinary service to both the Board and the University, including serving as Vice Chair of the Board for nine consecutive terms from 2003 until 2012. She served on several Board Committees, including the Affirmative Action, Diversity and Inclusion Committee; the Compensation Committee; the Executive Committee; the Governance and Nominating Committee; the Student Affairs Committee, and the Institutional Advancement Committee, including serving as the Chair of the Committee for eight years. She was appointed to serve on the Boards of Visitors of the School of Education, the Learning Research and Development Center, and the School of Nursing, which she chaired from 1997 until 2004. Mrs. Broadhurst also served on the 2013-2014 Chancellor Search Committee. In addition, she played an integral role in the University's \$2 billion capital campaign and served as Co-Chair of the Discovery Weekend Celebration in October 2000, which formally launched the initial phase of the campaign.

Mrs. Broadhurst is a native of Monessen, Pennsylvania. She earned her Bachelor of Science degree in Education from The Pennsylvania State University. In 2011, she retired as Director of Corporate Giving of the Eat'n Park Hospitality Group after 17 years of leading the company's philanthropic efforts. Earlier in her career, Mrs. Broadhurst taught in the Baldwin-Whitehall School District. She was a member of the Upper St. Clair School Board, where she served as its Vice President.

In 2010, Mrs. Broadhurst and her husband, Jim, were inducted into the University's Cathedral of Learning Society, which pays special tribute to those outstanding individuals who have given \$1 million or more over their lifetime to the University. Induction into the Society is among the highest honors the University bestows. Their generosity to the University includes, but is not limited to, contributions that established the Broadhurst Science Center at the University of Pittsburgh at Titusville; supported the University's athletic programs, including creating the Broadhurst Basketball Excellence Fund; and gifts to the School of Nursing and the Katz Graduate School of Business Administration/College of Business Administration. In 2012, the University honored Mrs. Broadhurst with the 225th Anniversary Medallion.

**BACKGROUND STATEMENT FOR
RESOLUTION ELECTING NARAHARI SASTRY
AS SENIOR VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER**

The Senior Vice Chancellor and Chief Financial Officer (hereinafter referred to as the “Senior Vice Chancellor/CFO”) is responsible for the stewardship, planning, administration, and reporting of the University’s financial resources. Areas of responsibilities include, among others: budget and financial reporting; University investments; finance and treasury operations; general accounting; student financial services; cost and sponsored projects accounting; tax matters; financial operations, including payroll and accounts payable; financial information systems; and insurance and workers’ compensation. The Senior Vice Chancellor/CFO also works with various internal and external constituencies to improve the effectiveness of the University’s financial and business operations.

Mr. Narahari Sastry has accepted Chancellor Patrick Gallagher’s invitation to serve as the University’s new Senior Vice Chancellor/CFO. Mr. Sastry has devoted his career to public service and currently serves as the Director of the Office of U.S. Foreign Assistance Resources, a position he has held since October 2014. In that role, he is responsible for the preparation, coordination, and allocation of a \$37 billion budget for United States Foreign Assistance across the State Department and United States Agency for International Development (USAID). In addition to management of the foreign assistance budget, his extensive portfolio includes: (i) leading strategic planning, performance management, and evaluation of foreign assistance efforts at the State Department, including development of a Strategic Plan for State and USAID; (ii) foreign assistance policy development and analysis; and (iii) operation and development of a global information technology resource management system.

Prior to assuming this position, Mr. Sastry served as the Deputy Assistant Secretary for Resource Management at the Department of Commerce, where he was responsible for the Department’s \$8 billion budget, oversaw budget and program performance, led the strategic planning and balanced scorecard program, and developed the Department’s enterprise risk management program. Mr. Sastry also served as Chief of the Veteran Affairs and Defense Health Branch (VADH) of the White House Office of Management and Budget’s (OMB) National Security Division for four years. As VADH Chief he was responsible for budget and policy matters relating to the Department of Defense’s health care system and the Department of Veterans Affairs. Earlier in his career, Mr. Sastry was a program analyst in OMB’s VADH Branch where he was responsible for oversight of the VA medical care system.

Mr. Sastry has earned numerous awards recognizing his outstanding contributions and achievements in federal service, including being nominated for this year’s Presidential Rank Award, which is the most prestigious award offered to a senior executive in federal service. In addition, Mr. Sastry served as Chair of the Office of Management and Budget’s Diversity Council.

He earned his Master of Public Policy from Georgetown University (2000), a Master of Public Health in Epidemiology from the University of Illinois at Chicago (1997), and a Bachelor of Science in Mathematics from the University of Michigan (1995).

Chapter I, Article III, Section 3.1 of the University's Bylaws provides that the Board may elect one or more Senior Vice Chancellors as an Officer of the University. Chancellor Patrick Gallagher is recommending that Narahari Sastry be elected as the Senior Vice Chancellor and Chief Financial Officer, an Officer of the Corporation, effective as of October 22, 2018. A resolution effecting this election is attached.

**RESOLUTION
ELECTING NARAHARI SASTRY
AS SENIOR VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER
AN OFFICER OF THE CORPORATION**

- WHEREAS, the Senior Vice Chancellor and Chief Financial Officer is responsible for the stewardship, planning, and oversight of the University's financial resources in support of the mission and strategic priorities as set by the Board of Trustees; and
- WHEREAS, the Senior Vice Chancellor and Chief Financial Officer is responsible for management oversight responsibility for a number of areas, including: budget and financial reporting; University investments; finance and treasury operations; general accounting; student financial services; cost and sponsored projects accounting; tax matters; financial operations, including payroll and accounts payable; financial information systems; and insurance and workers' compensation; and
- WHEREAS, the Senior Vice Chancellor and Chief Financial Officer, among other things, shall be responsible for establishing financial policies and procedures; planning, implementing and tracking operating and capital budgets for the University and its affiliated entities; and preparing the University's consolidated financial statements, along with other financial reports required to be filed with federal, state and local agencies; and
- WHEREAS, Narahari Sastry, who has a long and distinguished record of senior budget and operations roles in federal government, has accepted the invitation of Chancellor Patrick Gallagher to serve as Senior Vice Chancellor and Chief Financial Officer; and
- WHEREAS, Chancellor Gallagher has recommended to the Board of Trustees that Narahari Sastry be elected Senior Vice Chancellor and Chief Financial Officer, an Officer of the Corporation, now therefore be it
- RESOLVED, that Narahari Sastry shall be and hereby is elected Senior Vice Chancellor and Chief Financial Officer, an Officer of the Corporation, effective October 22, 2018; and be it further
- RESOLVED, that, in light of such election, the Officers of the University, including the names of the particular individuals holding such positions, shall be updated as set forth on Exhibit A attached hereto; and be it further
- RESOLVED, that the Secretary and Deputy Secretary are hereby authorized to update, conform and certify any outstanding resolutions, policies, charters, guidelines, or other documents previously approved by the Board or Committees of the Board as may be necessary to properly reflect the Officers of the University as contemplated herein; and be it further
- RESOLVED, that the Board extends its congratulations and warm welcome to Narahari Sastry as he assumes the position of Senior Vice Chancellor and Chief Financial Officer of the University.

EXHIBIT A

UNIVERSITY OF PITTSBURGH

List of Officers

<u>Officer Title</u>	<u>Name of Individual</u>
Chairperson of the Board of Trustees	Eva Tansky Blum
Chancellor and Chief Executive Officer	Patrick Gallagher
Provost and Senior Vice Chancellor	Ann E. Cudd
Senior Vice Chancellor for Health Sciences	Arthur S. Levine
Senior Vice Chancellor for Research	Rob A. Rutenbar
Senior Vice Chancellor and Chief Financial Officer	Narahari Sastry
Senior Vice Chancellor for Business and Operations	Gregory A. Scott
Senior Vice Chancellor and Chief Legal Officer	Geovette E. Washington
Senior Vice Chancellor for Engagement and Secretary of the Board of Trustees	Kathy W. Humphrey
Chief Investment Officer	Gregory G. Schuler
Treasurer	Paul Lawrence
Assistant Treasurer	Susan M. Gilbert
Deputy Secretary of the Board of Trustees	Cynthia C. Moore