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## NEWS IN BRIEF

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### CREATING A COLLEGE HOUSE

The establishment of a "college house" with Professor Richard L. Solomon as master has been announced by President Martin Meyerson and Provost Curtis R. Reitz.

Starting this fall the Van Pelt House, (a low-rise residence hall in the Superblock) will become a "learning environment" for 250 undergraduate men and women, with live-in faculty and graduate students. Some 20 faculty members have been involved in shaping the character of the house so far, according to Dr. Mark Adams, Asst. Professor of History and one of the project's planners.

Professor Solomon said the full program will evolve during the year out of common intellectual interests. Shared dining, informal seminars and cultural activities are projected, with a major goal to create "an open situation in which students and faculty can define their own intellectual and social relations outside the restrictions of the classroom," the President and Provost said in their announcement.

### JOINT PROGRAM: LAW AND FELS

A new four-year graduate program in law and public policy analysis in which students will earn both the J. D. and Ph.D. degrees has been announced by Dean Bernard Wolfman of the Law School and Dr. Julius Margolis, Director of the Fels Center of Government (a division of the Wharton School). It will be the first formal integrated program in the nation for the Ph.D. degree in public policy analysis and the J. D. degree.

The program will give the law student extensive background in modern economics, statistics and political science as preparation for a number of careers including public service and the teaching of law.

After a year of broad study ranging from civil procedure to statistics, the student will spend two years in a field of concentration chosen among the following areas: government regulation of business and financial institutions (antitrust, tax policy, administrative regulation of communications, transportation, energy resources, labor markets, and financial institutions); legal problems of the city (education law, welfare law, health law, environmental law, housing law, local government law); and problems in the administration of justice (operations of civil and criminal courts, methods of controlling the police, parole, probation, juvenile courts and commitments to mental institutions). The fourth year—and fifth if needed—will be spent writing the Ph.D. thesis.

Up to 10 members of each entering class in the Law School, beginning this September, are expected to be admitted to the program. Students graduating from it will receive the degrees both from the Law School and the Graduate School of Arts and Sciences.

### H.E.W. TEAM ON CAMPUS

The contract compliance division of the U.S. Department of Health, Education and Welfare is conducting a compliance review of University employment policies and practices relating to minorities and women under Executive Orders 11246 and 11375. The initial phase began March 29 and completion date is not yet firm, according to James H. Robinson, Equal Employment Administrator at the University.

*Almanac is edited by Karen C. Gaines at the University News Bureau, 524 Franklin Building.*

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Martin Meyerson and Curtis R. Reitz

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# Almanac

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## THE BUDGET: Savings and Salaries

*It would take up to \$3 million to achieve a 10% across-the-board salary increase for all faculty and staff, Associate Provost John N. Hobstetter told the Administrative Assembly on March 15. Here is a condensation of his address and the question-and-answer session that followed.*

For about a decade and a half, the University has operated with a balanced budget, retaining intact a reserve fund in the order of \$1.6 million—and this despite the fact that our expenditures have been rising more rapidly than the cost of living in the national economy.

About two years ago, some ominous changes began, and some cracks began to appear in what had seemed so stable a structure. State appropriations stopped increasing three years ago, and whereas for the previous decade-and-a-half that appropriation had amounted to about 9% of our total operating budget, it has now slipped to about 6.8%.

Also, as our tuition has risen and as we have attempted to compensate for the tuition rise in the form of increased student aid, our aid budget has increased very rapidly—much more rapidly than the cost of living.

All of these things, then, have overtaken us. At the close of 1969-70, the operating deficit for the year was \$2.3 million, and when the reserve fund of \$1.6 million was applied to that it left us with our first uncovered deficit of some \$700,000.

The Budget Committee became the object of considerable attention in the DP and elsewhere when it attempted to reduce that \$2.3 million operating deficit for 1970-71; and it succeeded in reducing it to what will probably be \$1.2 million. That is, if no disasters happen before the close of the fiscal year July 1, we should close with only another \$1.2 deficit added to the \$700,000 carried over.

But frankly, what was done to achieve this result in the current fiscal year cannot be repeated in 1971-72: \$1 million in nonrecurring income was used. We do not have that million to apply again.

In addition, we must legally resume payments to retirement funds and other things which we had been allowed to defer  
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## THE BUDGET (Continued)

because our equities had risen more rapidly than the legal minimum. We have new buildings coming in which will have to be opened and maintained. We have rentals to begin to pay on those new buildings. If we made no changes at all, costs would still rise by \$3 million. The \$3 million increase, plus a million in nonrecurring income we don't have, added to the 1970-71 nominal deficit of \$1.2 million, would mean that without making any changes in program or salaries in the University, we are faced with an operating deficit of about \$5.2 million.

In the housekeeping areas of the University—in development, coordinated planning, student affairs, athletics and recreation, and academic services—we have identified new savings of just about \$1 million.

These vary from a high of about 13% cut from one office, to a low of about 5% in another. Generally speaking they cluster in the vicinity of 10%.

In addition, we are obtaining savings from the academic deans. Last year they took a 5% cut in their academic staff budgets; this year we asked them to increase the total savings over the two years to just over 9%, which brings their savings close to the 10% we have been aiming toward.

If all of these things come to pass, and it appears now that they will, we shall have made significant reductions in expenditures.

We have also looked at the income side of the ledger.

The tuition increase you all know about. It amounts to a \$200 increase in tuition and fees for the second year in a row, comparable with what has been requested of students in other institutions like ours: about 8%.

We have attempted to help finance the student aid requirements that accompany a tuition rise, by shifting to loans or self-help to the extent possible. The DP is not correct when it states that we "slashed student aid." As a matter of fact the total outlay for student aid next year will be 13% higher than it was last year.

We have altered our package so that fewer hard dollars go out in the form of scholarship grants, but considering awards to all four undergraduate classes, even grants will show some increase on a per capita basis. The actual cut in freshman scholarships is \$53,000 on a base of \$1,493,000; but since fewer freshmen may need aid, we feel the average scholarship per freshman will also increase.

When all of these changes are summed up on the income side, the increased tuition minus the compensatory increase in student aid it entails, we can envision an increase in net income of \$2.8 million.

## SALARY QUESTION

Before we consider salaries of anybody at all, it looks like we would come in the budget with exactly the same uncovered deficit for next year we have had this year—\$1.2 million. Nobody is content to stop at that point.

The salary needs are very real and extremely important. At the Trustees meeting in January, I had an opportunity to speak at some length on the question of salaries. I presented considerable data on our academic salaries, with comparative data on administrative salaries and A-3 and supporting staff salaries.

The case is clear to everybody. The Chairman of the Trustees, in summarizing the meeting, indicated that this salary question had taken top priority in his listening, too.

It is clear that we have to do something substantial. We have fallen behind the cost of living in almost every category. We have fallen behind our academic competition, and we

have never been abreast of our industrial and governmental competition.

Now there are perhaps some advantages in working at a University so that we can tolerate some differential as opposed to industrial employers; but we cannot at all be content to play second fiddle to our academic neighbors in Delaware Valley, much less elsewhere.

Let me take a nominal 10% increase just as a ruler to estimate what additional monies are needed.

A 10% increase for academic staff will require \$1.6 million; a 10% increase for administrative staff, \$600,000; and a 10% increase for clerical and technical staff, \$800,000—a total of just over \$3 million. While there are some funds that can be applied against this, it is perfectly clear that if we want a 10% increase we have to come up with something between \$2.7 and \$3 million.

## THE INVISIBLE ENDOWMENT

Where does all this lead us?

The figures I have given are based on the projection that the State will make an appropriation no larger than it allotted this year: \$12 million. If the State were to restore our appropriation to its traditional 9% of the operating budget, we could provide these salary increases and undo some of the drastic harm that we are doing to the faculty and personnel of the University. Without that, we don't have the money and there seem to be almost no other alternatives.

There is of course no specific rationale for the State's supporting us at 9% of the operating budget. There is no formula for that percentage, but it has stayed relatively constant for a long time. When a component of income stays so close to 9% for so many years, it begins to acquire something of the character of income from a nonexistent endowment.

The size and quality of this institution reflect a \$250 million endowment that we do not have, and that is our problem!

We are working now toward setting up a clear, formulary basis for our relationship with the State.

A lot depends on whether or not we will be able to change the State appropriation from \$12 million to something higher.

What an increase represents is a margin for excellence, a margin for strength, not simply a margin for salaries.

*Q: Dr. Hobstetter, is there any chance the General State Authority might go back to a more favorable rental charge for buildings?*

*A:* There seems little likelihood for those already built, though it might be possible to make a deal in which the State appropriations refund some of the money. At the present time, the Commission on Higher Education and the Office of the Secretary of Education are working on the new master plan for higher education in Pennsylvania, and it is our hope that in the sections that relate to private education there will be provisions of some sort, perhaps through the Higher Education Facilities Authority.

*Q: What about the role of research in our budget?*

*A:* Funds that flow through organized research are put in what we call our restricted budget since we have no discretion over the use of those dollars. We recover some but not all of our costs. Cost-sharing has been the rule in Washington for some years, invented by Congress with the thought that at least one purpose of the research they fund at universities is training its students; and since universities exist to train students, they expect the universities to contribute to the training part.

But there is now developing an idea that graduate education is getting somewhat overbuilt, and the training of grad-

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## THE BUDGET (Continued from Page 2)

uate students is not something that the government wants to contribute to explicitly: we see that trend in the elimination of training grant programs outright and in the reduction, to the vanishing level, of fellowships and Federal loan funds to graduate students. It seems to me that if Washington becomes less interested in training it becomes less justified to have cost-sharing on research; when the government's purpose is almost totally the research results, I think we ought to be entitled to recover all of our costs.

*Q: Have there been any concrete proposals before the Budget Committee or the Trustees on absorbing the cost of Blue Cross-Blue Shield?*

*A:* Not this year. We are behind everybody on that, though the Benefits Committee has in the past indicated such things as having very high priority. I don't know but that we should conduct some kind of survey, when we do get around to a salary increase. Perhaps some part of it should go to improving the benefit package rather than to direct salaries.

It is clear that our benefits package has become quite deficient even on the AAUP scale. Advance information indicates that when the AAUP report comes out next year, based on this year's salary figures, our own direct compensation to faculty will gain relative to our competition; but overall compensation will not. The difference is that the *benefit package* is so much better elsewhere.

*Q: What are the possibilities of direct Federal aid?*

*A:* There is nothing on the horizon at the moment. I would suppose that when this does come it will take the form of helping with student aid. There has been a great deal of discussion about contingent pre-payment plans, and deferred tuition plans such as those at Yale and Duke.

We hope to develop similar programs to help carry student aid, beginning with our graduate and professional schools. If we are going to have students carry more of the cost of their own education, we are going to have to provide loans for them and this will have to be done under Federal auspices.

Even this scheme doesn't give us grants that would help carry the cost to us of each student, but it does allow us to shift from giving out so many of our discretionary funds.

## STUDENTS ARE SOURCE

It is worth saying in this connection, and I have been saying this increasingly of late because so few people understand it, that *almost all of our income comes from students*.

So many people have the idea that the universities are rich, sitting on pots of money, and the only reason they don't do what you want is out of wilfulness. But if we look at the unrestricted budget, at the money that isn't given to us for some set purpose, we find 60% comes from tuition and another 17% from other things the student pays for, such as housing. Only 3% of it comes from endowment, and the rest from the state government.

*Q: The HEW is coming on campus shortly, and if they should find a discrepancy between the salaries of men and the salaries of women, has the Budget Committee considered what can be done?*

*A:* Let me put it this way. If discrepancies are found, the University will do whatever is necessary to rectify the situation.

*Q: Yes, but I'm in the budget department, and I know that if you don't have it you can't spend it. Have you given any thought to where it is going to come from?*

*A:* The truth is I don't know where any of the salary increases are going to come from, but I do have a mental reservation that I may have to hold some of it for the ladies!

## OF RECORD



*Following is the text of a memorandum on Equal Opportunity issued March 16, 1971, to the Academic Deans, Directors, and Department Chairmen.*

The University of Pennsylvania shares with many institutions of higher education a history of opposition to personnel discrimination in any form on the basis of race, religion, sex, or national origin. Recently, President Meyerson has reaffirmed this policy in several public statements.

The University strives for the highest attainable levels of excellence in its faculty and teaching staff but can do so only if all candidates, including women and members of minority groups, are fully considered.

To make more tangible our commitments to this policy of non-discrimination in faculty appointments and promotions and to comply with a request by the Federal Government, President Meyerson and I request your assistance in compiling certain background information and your cooperation in the development of on-going practices to reinforce our general policy. The Equal Opportunity Office and the Personnel Office of the University will write you regarding the nature of further information required.

1. *Recruiting methods.* The style of recruiting for new members of the faculty undoubtedly varies considerably from department to department and from School to School. We request, first, from each departmental chairman (or Dean, if the School is not departmentalized) a general description of the practices in his or her department, with particular emphasis on the specific techniques employed to insure that women and members of minority groups are fully considered in the search process. This should encompass appointment of senior faculty members as well as assistant professors, instructors, and teaching fellows. May I request that you send this to me on or before March 31, 1971 with copies to your Deans.

2. *Particular personnel actions.* President Meyerson has indicated that each personnel action for promotion or additional staff should have a corollary determination that women and minority groups have been fully considered. If the action concerns such a person, the consideration is self-evident. For other cases, a method is needed to assure that the University's program of equal opportunity is being implemented. The most practical suggestion is to include from the commencement of action within a department documentation and specific assurance that a diligent search has been made among women and members of minority groups and that the person being added to the faculty or being promoted in rank is the most qualified person available from within and without the institution. Such assurances should be made by the individuals most directly involved in the primary decisions. Those who process personnel actions, through final departmental action, school personnel committees, dean's offices, and the Provost's Staff Conference should be satisfied that non-discriminatory search for excellence has been carried out. These assurances should be included in all pending personnel action request including those initiated before the date of this letter.

3. *Additional improvements.* Any suggestions you may have for ways to improve the attainment of our common goals are most welcome. I ask the Deans and Directors particularly to continue to explore possible new ideas within their Schools. A well-considered, positive program of seeking fuller representation of women and minority groups will enhance the quality of our faculties and of the University.

*Curtis R. Reitz, Provost and Vice President*



# THE PEOPLE'S PARK: Exchange of Letters Toward a Charette

March 30, 1971

Dear President Meyerson,

For several weeks, we, members of the People's Community Park Coalition, have been meeting with members of the University administration in attempts to reach an agreement on the future use of the proposed park land. Proposals have been submitted from both sides, but we are certain that no formal agreement will come to pass without your intervention.

We have become extremely frustrated at the lack of positive response that has been given us. We had hoped to work with the University to resolve this problem and create a viable plan for the park area.

There has been much debate as to what constitutes "community". Rather than overwork this word let us say that we have gone to great lengths to discern the size and constitution of our support and we feel that in numbers there are many more area residents supporting our proposed park than supporting a black-topped surface parking lot on this land.

We do not feel that we are asking impossibilities. A park on this proposed site would be of fairly equal monetary value to the University when compared to construction costs and revenues of a temporary parking lot. More importantly, we feel the more pressing issues, those of human needs and environmental concern, highly favor a park. We are willing and able to supply man-power, designs

and equipment if necessary. We are asking no more of you than a humanly possible obligation.

We realize that prolonging negotiations indefinitely for whatever reason is a stalling tactic on the University's part and will in itself destroy any possibility of a park. This present type of dealing is unsatisfactory, and can only result in an unnecessary confrontation.

Because of the number of people who would be affected by your decision, we are hoping that all communication be kept as public as possible. Therefore we ask that you give immediate consideration to our two demands, and that you reply publicly to these demands on Thursday, April 1, 1971 at our rally on College Hall Green between 1:00 and 3:00 in the afternoon. Our demands are:

- 1) that the University not pave over the land under negotiation during the coming summer, and
- 2) that the land be used for park-related activities.

Sincerely yours,

*People's Community Park Coalition*

\* \* \*

April 1, 1971

To the People's Community Park Coalition:

Thank you for your letter of March 30 concerning the land at 40th Street between Walnut and Locust Streets which makes clear that there are differences of view as to the most appropriate use of this site. There is a way in planning circles by which such issues of controversy are resolved. That way is a planning charette. With the concurrence of President Meyerson and Provost Reitz we now invite representatives of the following groups and organizations to join together immediately in the charette directed to the matter of your concern:

\*5 students designated by the People's Community Park Coalition

3 students designated by UPCOS

2 persons from the University Planning Office

4 persons designated individually by the University City Beautification Committee, the Coalition of Community Groups, the Greater University City Council, and the 40th Street Merchants Association

1 person designated by the Director of the Department of Recreation

3 persons to be designated individually by the Redevelopment Authority, the City Planning Commission, and the Pennsylvania Higher Educational Facilities Authority

1 professionally qualified architect to be designated by the landscape architect for the housing project

1 professionally qualified architect from the Architects Workshop of the Philadelphia Chapter of AIA to be selected by the People's Community Park Coalition

1 professionally qualified, impartial moderator to be designated by the President

If a reasonable degree of unanimity is forthcoming, the President and the Provost have agreed to give the recommendations developed the most serious consideration, bearing in mind only the financial and legal constraints within which the University must necessarily operate. We would ask to have the charette report delivered to the President's Office not later than April 19.

The University gives its assurance that the only construction activity on the site between now and that date will relate to grading, drainage, and utility work which will be useful for whatever is eventually constructed on that site.

If you have any further questions concerning this matter, please get in touch with Mr. Russell.

Sincerely yours,

—John C. Hetherston, Vice President for Coordinated Planning

—John A. Russell, Vice Provost for Student Affairs

*\*This figure is under negotiation—Ed.*

## THE COLLEGE

### CALL TO MEETING

The 429th meeting of the College Faculty is called for Tuesday, April 6, at 11 a.m. in Room 200 College Hall.

First on the agenda will be an election of members to the College Committee on Academic Freedom and Responsibility, to replace two members and two alternates whose terms are expiring.

Present members are Morton Benson, Professor of Slavic Languages and Literature; Richard S. Dunn, Professor of History; Loren G. Eiseley, Benjamin Franklin Professor of Anthropology; Ralph O. Erickson, Professor of Botany; Knut A. Krieger, Professor of Chemistry; and James B. Pritchard, Professor of Religious Thought.

Alternates are Maurice Johnson, Professor of English; and Julius Wishner, Professor of Psychology. Professors Benson, Dunn and Pritchard will complete their terms this year; Professor Johnson will become a member.

A nominating committee composed of Dr. Ralph Amado, chairman, and Professors Russell Sebold and Clyde Ryals, has proposed the following for membership:

Clifton C. Cherpack, Professor of Romance Languages  
Elizabeth F. Flower, Associate Professor of Philosophy.  
It has proposed as alternates:

Francis W. Irwin, Professor of Psychology

Robert J. Schrieffer, Professor of Physics.

The meeting will discuss the two-part report of the Committee on Organization of the College Faculty, distributed last week by Dean William E. Stephens. (Part I alone had been sent to the Faculty February 2.) The new section "goes further in a positive way than did Part I," the Dean said.

The Committee on Organization, chaired by Professor Albert Lloyd, began its study of the College and its departmental structure in February, 1970. Since the appearance of the Task Force on University Governance's report last fall, the Committee has concentrated on evaluation of the Task Force recommendations that pertain to the College.