Minutes of the Annual Meeting of the Board of Directors of the American Foundation for Pharmaceutical Education

Following a buffet luncheon at noon, on January 21, 1994, at the Pfizer World Headquarters, New York City, Chairman Ernest Mario introduced Dr. Frederick Telling, representing Pfizer and host for the meeting, who extended a cordial welcome to all attendees. The following 25 persons were present and represented a quorum: Maurice Q. Bectel; Donald D. Beeler; Leslie Z. Benet; Frederick M. Eckel; Patricia A. Ensor, proxy representing Patrick Zenner; Robert D. Gibson; William M. Heller, proxy representing Jerome Halperin; Benjamin Hershenson; Lonnie Hollingsworth; Kenneth W. Kirk, proxy representing Ronald Ziegler; James Lewis, proxy for Michael George; Louis A. Luzzi; Ernest Mario; James C. McAllister III; Daniel A. Nona; Joseph Oddis; John C. O’Leary, proxy representing Samuel L. Barker; Robert L. Powell; Joseph V. Roney; Irving Rubin; Peter R. Seaver; Peter T. Tattle; Frederick W. Telling; Carl E. Trinca; and David Work, proxy representing Carmen Catizone. In addition to those above, the following individuals were also present and five others were represented by appointed proxies: Jon C. Anderson, “Profile” Awardee; James Doluisio, “Profile” Awardee; Richard E. Faust, AFPE President and Secretary; Michael Hart, ACPE, Guest; and Glenn A. Sonnedecker, “Profile” Awardee.

The minutes of the following meetings, previously approved by a mail vote, were formally received and approved: Board of Directors January 12, 1993; and Executive Committee May 3, 1993.

OPERATIONAL REPORTS
The reports of the Treasurer and Chairman of the Board, as well as the Finance, Century Club, Patrons, Planning and Education Committees were provided in the Background Booklets for the Annual Meeting.

REPORT OF THE NOMINATIONS COMMITTEE
The following persons were nominated for election as Officers of the American Foundation for Pharmaceutical Education from January 21, 1994 to the next Board of Directors Meeting in January 1995:

Chairman of the Board
Ernest Mario

Vice Chairman of the Board
To be nominated

Treasurer
Frederick W. Telling

General Counsel
Santo J. Costa

Secretary
Richard E. Faust

and for appointment as President, for the same period: Richard E. Faust.

The following persons were nominated for election to the Executive Committee, for the same period: V.N. Anderson, Jerome Halperin, Irving Rubin, Samuel L. Barker, Richard J. Lane, Joseph E. Smith, Leslie Z. Benet, Ernest Mario, Frederick W. Telling, Ronald J. Brenner, Daniel L. Peters, Carl E. Trinca, Robert L. Powell, George J. Vuturo, (Vice Chairman of Board of Directors TBA), Mr. Costa, Mr. Faust, ex officio. and William M. Heller, a special consultant.

COMMITTEES
Nominating Committee
Ronald J. Brenner, Chairman
Charles A. Pergola, Vice Chairman
R. David Cobb Joseph E. Smith
Mark Novitch William A. Sumner
Irving Rubin Frederick W. Telling

Finance Committee
V. N. Anderson, Chairman
Frederick W. Telling, Vice Chairman
Raul E. Cesan Robert A. Ingram
Paul N. Clark Richard J. Lane
Lonnie Hollingsworth William C. Sheldon
William A. Sumner

Patrons Committee
Joseph E. Smith, Chairman
Jerome Halperin, Vice Chairman
Samuel L. Barker Charles A. Pergola
Donald D. Beeler Daniel L. Peters
Ronald J. Brenner Robert L. Powell
Michael W. George Timothy G. Rothwell
Thomas M. Laughlin Patrick Zenner
President Faust reported that so far more than 35 requests had been received for application materials covering these two new Fellowships. He distributed copies of the application information with a special appeal to the Board of Directors that each member, especially those representing the larger pharmaceutical firms, make an effort to seek funds to sponsor one of these new awards. Such support will be essential if the program is to expand and meet the identified need in this critical educational area.

F. The AFPE Endowment Fund and Administrative Expense
President Faust reported on a meeting held on July 14 with Dr. Telling, Vice Chairman of the Finance Committee, and representatives from the Bank of New York, concerning possible moves that would increase interest and dividend income, generated by our investment portfolio. Considerable discussion concerning the pros and cons of such action and how the recommendations of the Bank of New York might be pursued led to the proposal that further discussions be held with the Bank in an effort to accomplish this objective.

G. Former Fellow Distinguished Service “Profile” Awards
These awards were made immediately following the luncheon and before adjournment to another room for the Members and Board of Directors meetings. President Faust commented briefly on the accomplishments of the following three individuals and Dr. Mario presented each with a framed, embossed and inscribed piece of artwork:

1. Dr. Jon C. Anderson
2. Dr. James T. Doluisio
3. Dr. Glenn A. Sonnedecker

H. Search for the New AFPE President and Action on the Current President’s Contract
A report from Dr. Heller, Chairman of the Presidential Search Committee, was distributed and discussed. Dr. Heller noted that special News Releases were broadly disseminated in December and January with a third to be created and released in February. Five persons have already expressed interest in the position.

The Search Committee is composed of Board members Maurice Q. Bectel, DSc, Vice President, Pharmacy Relations; Pharmaceutical Research Manufacturers Association; Ronald J. Brenner, PhD, Hillman Medical Ventures, Inc.; William M. Heller, PhD, retired Executive Director, United States Pharmacopeial Convention; Frederick W. Telling, PhD, Vice President, Pfizer Pharmaceuticals; and Carl E. Trinca. PhD, Executive Director, American Association of Colleges of Pharmacy. Joseph A. Oddis, DSc, Executive Vice President, American Society of Hospital Pharmacists, is the only non-Board member on the Search Committee.

The Committee plans to select five to seven candidates (by July 8) to be interviewed during the summer (scheduled now for August 2) with a view to recommending two or three to be interviewed by the Executive Committee.

Through an oversight, President Faust’s contract was not extended to cover the period January 1994 through January 1995. The Board voted unanimously to provide this extension under the same salary and conditions in the current contract.

I. Drop in Contribution Income
President Faust noted that at the end of fiscal 1992-93 on August 31, 1993 contribution income was down approximately $100,000 to $900,000 compared to the amount received during the 50th Anniversary Year (1991-1992). The current uncertainties and pressures being felt by the pharmaceutical industry have resulted in a cutback in philanthropic funds in many companies.

To meet this challenge and hopefully reach the “$2 million by the year 2000,” President Faust described the fund-raising challenges that AFPE faces and the need to hire a president who will spend considerable time in face-to-face interactions with existing and potential patrons. To enable this, he suggested using some financial reserves considerable time in face-to-face interactions
with existing and potential patrons. To enable this, he suggested using some financial reserves to hire a special Assistant to the President or Vice President to oversee office functions.


Chairman Mario elected to place this vital topic last on the discussion agenda in order to allow ample time for thorough review, comment, and exchange of ideas. Unfortunately, Dr. Vuturo could not be present for the discussion, which lasted more than an hour, but members of the Commission were present and participated actively in the presentation.

The Commission which met on September 28 in Reston, Virginia was composed of the following six individuals in addition to Chairman George J. Vuturo:

From AACP:
- Dr. Robert Gibson, University of California, San Francisco
- Dr. David Knapp, University of Maryland
- Dr. Harold Wolf, University of Utah

From AFPE:
- Dr. Maurice Q. Bectel, PhRMA
- Dr. Jerome A. Halperin, USP Convention
- Dr. William M. Heller, AFPE Consultant

The following six recommendations were developed by the “Vuturo Commission”:

1. AFPE should be an independent foundation serving the needs of AACP in particular and pharmaceutical education in general.
2. AFPE and AACP should jointly develop a common strategy to implement their respective goals regarding a wide variety of issues including collection and uses of funds. Such strategy shall be jointly updated annually.
3. AFPE should have a Participatory Governing Board of Directors with staggered three-year terms.
   - 15 member Board
   - 6 Health Industry members—selected by current AFPE Board, later by Advisory Council
   - 6 Academic members—selected by AACP
   - 2 professional members—selected by JCPP
   - 1 Public member selected by rest of the Board
   - ex officio members: AACP Executive Director and AFPE President
4. AFPE should create an Executive Committee of the Board of Directors.
5. AFPE should have an Advisory Council of indeterminate number similar to current AFPE Board without the academics to assist in fund raising activities.
6. AFPE should occupy facilities close to but separate from AACP allowing for:
   - shared support services and resources
   - close working relationship between President, AFPE and Executive Director, AACP

There was unanimous acceptance of recommendation No. 1 that AFPE should remain an independent foundation rather than become a direct operational unit of AACP or any other organization. There was also general approval of recommendation No.2 that AACP and AFPE should develop a plan-of-action on a wide variety of issues, including the collection and uses of funds to support pharmacy education. Rather than a “common strategy” the term “cooperative strategy” was proposed and accepted.

Dr. Mario commented that the “cooperative strategy” should:
(a) enhance the ability to raise funds while keeping each organization independent; (b) include how to measure the effect of the plan-of-action; and (c) include how to report back to the respective Boards. Dr. Heller, Chairman of the Board of Grants, noted that a 4- or 5-year rolling plan should be developed in view of the fact that AFPE scholarship and fellowship commitments can extend that long.

Recommendations No. 3, 4, and 5 stimulated lengthy discussion with several Board Members questioning the rationale for a major revision in the structure of the Board of Directors. With two of the fifteen individuals on the proposed new Board appointed by JCPP, concern was expressed that this would represent only two of the twelve Association Members of AFPE and also may not be reflective of the profession. In fact, it was pointed out that if JCPP appointed two academicians, academia would outnumber representatives from industry which might create a major problem in fund raising.

Recommendation No. 6 also stimulated extensive discussion. The advantages of having the AFPE office “within walking distance” of AACP were elaborated, but several persons noted that modern communication technology made the location irrelevant. Thus the Search Committee would have to continue working with the move to Alexandria as a prospect but not a determination.

In view of the lack of agreement on recommendations 3,4,5 and 6 Dr. Mario asked Dr. Faust to arrange for another meeting of the Board of Directors as soon as possible to discuss the issues in more detail.

AFPE Budget

The Board approved the Modified Budget for 1993-94 with one change. A separate line for Presidential Search Committee expenses will be created at $11,000 with Other Office Expenses remaining at $9,000. Total investment in Education stands at $1,095,500 for Education and $177,700 for Administration.

Old/New Business

The Executive Committee will meet in the fall to interview candidates for the Presidency of AFPE with the possibility that the new President will assume office at the Board of Directors’ meeting in January.

The meeting adjourned at approximately 4:15 PM.

Richard E. Faust