

**THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES**

**COMMITTEE ON FINANCE, BUSINESS AND CAPITAL PLANNING
[JOINT MEETING WITH COMMITTEE ON GOVERNANCE AND LONG-RANGE PLANNING]
MINUTES OF MEETING
VOLUME FBCP 14**

April 6, 2017

A joint meeting of the Committee on Finance, Business & Capital Planning (FBCP) and Committee on Governance and Long-Range Planning (GLRP) was held telephonically on April 6, 2017 at 1:30 p.m.

FBCP Committee members Mark Dambly, Robert Fenza, Daniel Mead, William Oldsey, and Mary Lee Schneider, and GLRP Committee members David Han, Chris Hoffman, Betsy Huber, and Matt Schuyler were present. Also present were Emeriti Trustees Jesse Arnelle, Keith Eckel, and Carl Shaffer (GLRP members) as well as Faculty Representative Jim Strauss (FBCP), Katie Jordan (FBCP), and Alex Shockley (GLRP).

The meeting was called to order by FBCP Chairman Daniel Mead. The chairman welcomed Katie Jordan and Alex Shockley to the meeting.

Chairman Mead noted that the FBCP Committee has been discussing the Committee's role, as well as the Board of Trustees' role, in the areas of capital planning, capital projects and real estate transactions, noting that those discussions have resulted in a set of recommendations to amend the Board's *Bylaws*, noting that any action taken in this meeting would result in further consideration and action by the GLRP Committee, subject to final consideration and action by the full Board.

Frank Guadagnino, Associate General Counsel, walked through a red-line version of the pertinent *Bylaws*. Mr. Guadagnino reviewed the proposed revisions to the *Bylaws*, which are specific to Section 5.09, with 5.09(a) providing for matters that are subject to approval and 5.09(b) noting matters that are presented for informational purposes. The proposed revisions would raise the threshold for matters that are to be approved by the Board with respect to capital projects and real estate transactions, and correspondingly, adjust the levels in 5.09(b) which relate to informational reports on those matters. Mr. Guadagnino also noted a proposed addition to Section 5.09(a) which would require Board approval of the University's Capital Plan. During the course of the meeting, Mr. Guadagnino also noted some housekeeping changes as well as referencing other possible changes to Sections 5.09(a) and 5.09(b) that would be presented to the GLRP Committee for consideration.

Discussion occurred regarding the proposed adjustments to the thresholds, including background and context in how the conversations have evolved to this point; and, dialogue also occurred in the area of whether or not there would be benefit to having focus on the area of real estate be assumed within the possible expansion of an existing subcommittee. It was suggested that if these changes are recommended by the FBCP Committee, there would be a benefit of having a white paper developed that provides background and context to these suggested revisions so that the full Board, should this proposal get to them for consideration, will have that contextual information when it is asked to take action.

The FBCP Committee, by a vote of 4-0 (with Trustee Oldsey abstaining) to recommend the changes to the *Bylaws* as presented in the red-line revision. Chairman Mead asked that GLRP Committee Chair Huber place these recommended changes on her committee's May 2017 agenda for further consideration.

The meeting was adjourned at 2:27 p.m.

Respectfully submitted,

Crystal K. Straw
Assistant Secretary
Board of Trustees