

**THE PENNSYLVANIA STATE UNIVERSITY  
BOARD OF TRUSTEES**

**COMMITTEE ON FINANCE, BUSINESS AND CAPITAL PLANNING  
MINUTES OF MEETING  
VOLUME FBCP 38**

**July 15, 2021**

A meeting of the Committee on Finance, Business & Capital Planning was held on July 15, 2021 beginning at 9:20 a.m.

The following committee members, constituting a quorum, were present: Mark Dambly, Valerie Detwiler, Lynn Dietrich, Barbara Doran, Robert Fenza, Abe Harpster, Alex Hartzler, Anthony Lubrano, Mary Lee Schneider, and Brandon Short.

Ex-Officio member Matt Schuyler, Trustee Emeritus Al Clemens, Faculty Representative Roger Egolf,, Student Representative Erin Boas and the following administration members were also present Eric Barron, Madeline Cantu, Joseph Doncsecz, Stephen Dunham, Jennifer Eck, Frank Guadagnino, Shannon Harvey, Tracy Irvin, Nick Jones, Kurt Kissinger, Mary Lou Ortiz, Tom Penkala, Bill Sitzabee, Marv Smith, Crystal Straw, Sara Thorndike and Steve Watson.

The meeting was called to order by Chair Mary Lee Schneider. Chair Schneider advised the Committee that actions and recommendations by the Committee would be reported to the full Board of Trustees for their consideration at the July 15, 2021 meeting.

The Committee unanimously approved the minutes of the May 6, 2021 meetings of the Committee.

By a vote of ten-to-one with Trustee Lubrano dissenting, the Committee approved the following resolution for the Proposed Operating Budget for Fiscal Year Beginning July 1, 2021 with Corresponding Tuition and Fees Effective for 2021 Fall Semester:

RESOLVED, That the proposed Operating Budget for the University for the fiscal year beginning July 1, 2021, as shown in the 2021-2022 Proposed Operating Budget with corresponding Tuition and Fees Schedules, is approved.

(The 2021-2022 Proposed Operating Budget and Tuition and Fees Schedules are attached.)

The Committee unanimously approved the following resolutions for the Proposed Final Plan Approval and Authorization to Expend Funds, Erie Hall Replacement, Penn State Behrend:

RESOLVED, That the final plans for the Erie Hall Replacement, as designed by Sasaki Associates of Watertown, Massachusetts, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds and award contracts to accomplish the project is approved in the amount of \$28,210,000.

The Committee unanimously approved the following resolutions for the Proposed Final Plan Approval and Authorization to Expend Funds, Physical Fitness, Athletics, and Wellness Center (PAW Center) Renovation and Addition, Penn State DuBois:

RESOLVED, That the final plans for the Physical Fitness, Athletics, and Wellness Center (PAW Center) at Penn State DuBois, as designed by Kimmel Bogrette Architecture + Site of Blue Bell, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds and award contracts to accomplish the project is approved in the amount of \$17,300,000.

The Committee unanimously approved the following resolutions for the Proposed Final Plan Approval and Authorization to Expend Funds, Third Floor, South Addition Renovation, Penn State Health Milton S. Hershey Medical Center:

RESOLVED, That the final plans for the Third Floor, South Addition Renovation at Penn State Health Milton S. Hershey Medical Center, as designed by FLAD Architects of Madison, Wisconsin, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds and award contracts to accomplish the project is approved in the amount of \$42,300,000.

The Committee unanimously approved the following resolution for the Proposed Approval of Penn State Health's Request for Bylaw Change to Increase Penn State Health Debt to Capitalization Ratio:

RESOLVED, That the amendment to Article 2, Section 2.2(d), of the Amended and Restated Bylaws of Penn State Health (effective May 8, 2020) are approved.

(Appendix I)

It was noted that the Borrowing and Capital Report was updated in Diligent.

The Committee on Finance, Business & Capital Planning meeting was adjourned at 9:48 a.m.

Respectfully submitted,

Crystal K. Straw  
Assistant Secretary  
Board of Trustees

**THE PENNSYLVANIA STATE UNIVERSITY**

**BOARD OF TRUSTEES  
JULY 15, 2021**

**PROPOSED 2021-22 OPERATING BUDGET  
WITH CORRESPONDING  
TUITION AND FEES SCHEDULES**

**AGENDA ITEM 3.D**

**THE PENNSYLVANIA STATE UNIVERSITY  
2021-22 OPERATING BUDGET**

**TABLE OF CONTENTS**

<b>TAB A</b>	<b>OPERATING BUDGET SUMMARY</b>
<b>TAB B</b>	<b>ACADEMIC SALARY INFORMATION</b>
<b>TAB C</b>	<b>TUITION COMPARISONS</b>
<b>TAB D</b>	<b>2021-22 OPERATING BUDGET AND CORRESPONDING TUITION AND MANDATORY FEES SCHEDULES - EFFECTIVE FALL SEMESTER 2021</b>

**TAB A**

**2021-22 OPERATING BUDGET**

**THE PENNSYLVANIA STATE UNIVERSITY**  
**2021-22 OPERATING BUDGET**

The Board of Trustees will be asked to consider and approve Penn State’s operating budget on July 15, 2021.

**SUMMARY OF THE BUDGET PLAN**

In building the proposed 2021-22 Operating Budget, Penn State has placed the highest priority on keeping tuition affordable while continuing to provide a high-quality educational experience to students. The budget plan approved by the Board of Trustees as part of Penn State’s 2021-22 Appropriation Request reflected the university’s goal to maintain affordability and would have included a modest increase in the Pennsylvania Resident Undergraduate tuition rates to fund the 2019-2023 capital plan. The requested General Support appropriation increase was 3.0%, or \$7.3 million.

When Governor Wolf presented his 2021-22 Executive Budget in February 2021, his recommendation was that Penn State’s General Support appropriation be held flat with the 2020-21 level. Penn State’s 2021-22 state appropriation, including level funding, was passed by the General Assembly and signed by the Governor in June.

As the Commonwealth reviewed the state budget, Penn State’s planning efforts focused on modeling scenarios assessing the continued impact of the COVID-19 pandemic on the university’s budget. In addition to mandates and unavoidable cost increases that typically must be absorbed, it was expected that the pandemic would continue to affect both tuition revenues due to lower enrollments as well as educational and general costs. Various scenarios looked at a range of enrollment projections based on whether instruction would return to in-person delivery (in the best case) or in hybrid mode (in the worst case) for the Fall 2021 semester.

The proposed budget includes modest tuition rate increases for all undergraduate and graduate students, both in-state and out-of-state (including international students).

**2021-22 TOTAL OPERATING BUDGET**

The University is proposing expense changes totaling \$159.3 million in general funds, restricted funds, and auxiliary enterprises, plus \$475.9 million at Penn State Health, bringing the total 2021-22 operating expense budget to \$7.7 billion. Total budgeted revenues are \$7.7 billion with the deficit being funded from reserve balances. A summary of the budget is shown in Table 1.

**TABLE 1**  
**TOTAL UNIVERSITY BUDGET**  
**SUMMARY OF 2021-22 CHANGES**  
**(dollars in thousands)**

	<u>2020-21 Initial Budget</u>	<u>2020-21 Projected Year End</u>	<u>Changes</u>	<u>2021-22 Budget</u>
<b>General Funds:</b>				
Revenue	\$ 2,717,688	\$ 2,797,379	\$ 57,408	\$ 2,775,096
Expenditures	<u>2,906,591</u>	<u>2,831,334</u>	<u>34,889</u>	<u>2,941,480</u>
Surplus/(Deficit)	(188,903)	(33,955)	22,519	(166,384)
<b>Federal Funds - Agriculture</b>				
Revenue	35,124	22,888	(12,248)	22,876
Expenditures	<u>35,124</u>	<u>22,888</u>	<u>(12,248)</u>	<u>22,876</u>
Surplus/(Deficit)	0	0	0	0
<b>Restricted Funds:</b>				
Revenue	794,963	938,871	123,561	918,524
Expenditures	<u>794,963</u>	<u>920,871</u>	<u>116,361</u>	<u>911,324</u>
Surplus/(Deficit)	0	18,000	7,200	7,200
<b>Auxiliary Enterprises:</b>				
Revenue	466,287	287,922	38,331	504,618
Expenditures	<u>462,074</u>	<u>352,341</u>	<u>20,290</u>	<u>482,364</u>
Surplus/(Deficit)	4,213	(64,419)	18,041	22,254
<b>TOTAL REVENUE</b>	4,014,062	4,047,060	207,052	4,221,114
<b>TOTAL EXPENDITURES</b>	<u>4,198,752</u>	<u>4,127,434</u>	<u>159,292</u>	<u>4,358,044</u>
<b>SURPLUS/(DEFICIT)</b>	(184,690)	(80,374)	47,760	(136,930)
<b>Penn State Health System</b>				
Revenue	2,951,000	3,342,061	483,918	3,434,918
Expenditures	<u>2,892,000</u>	<u>3,231,702</u>	<u>475,935</u>	<u>3,367,935</u>
Surplus/(Deficit)	59,000	110,359	7,983	66,983
<b>TOTAL UNIVERSITY</b>				
<b>TOTAL REVENUE</b>	6,965,062	7,389,121	690,970	7,656,032
<b>TOTAL EXPENDITURES</b>	<u>7,090,752</u>	<u>7,359,136</u>	<u>635,227</u>	<u>7,725,979</u>
<b>SURPLUS/(DEFICIT)</b>	\$ (125,690)	\$ 29,985	\$ 55,743	\$ (69,947)

## **THE GENERAL FUNDS BUDGET**

The components of the General Funds budget include: the Educational and General budget (including the College of Medicine at the Milton S. Hershey Medical Center), which supports most of the University's basic teaching, research, and public service programs; and the budgets for Agricultural Research and Cooperative Extension and the Pennsylvania College of Technology.

Proposed revenue increases of \$57.4 million will result in an revenue budget of \$2.8 billion, and expense increases of \$34.9 million will yield an expense budget of \$2.9 billion with the deficit to be covered from fund balances. A summary of General Funds revenues is shown in Table 2 and of expenditures in Table 3.

The sections that follow focus on the changes in the General Funds budget.



**TABLE 2**  
**2021-22 TOTAL OPERATING BUDGET**  
**SUMMARY OF GENERAL FUNDS REVENUE**  
**(dollars in thousands)**

	<u>Initial Budget 2020-21</u>	<u>2020-21 Projected Year End</u>	<u>Changes</u>	<u>2021-22 Budget</u>
<b>GENERAL FUNDS:</b>				
<b>EDUCATIONAL &amp; GENERAL:</b>				
State Appropriation:				
Educational & General	\$ 242,096	\$ 242,096	\$ 0	\$ 242,096
Transfers	(5,032)	(5,032)	1,516	(3,516)
Sub-Total - State Appropriation	237,064	237,064	1,516	238,580
Tuition and Fees	1,872,072	1,939,252	116,647	1,988,719
Facilities & Administration	112,963	106,556	847	113,810
Investment Income	22,445	22,594	0	22,445
Academic Support from PSH	73,700	71,700	(20,500)	53,200
Other Income	228,371	250,833	(39,984)	188,387
<b>Total Educational &amp; General</b>	<u>2,546,615</u>	<u>2,627,999</u>	<u>58,526</u>	<u>2,605,141</u>
<b>AGRICULTURAL RESEARCH &amp; COOPERATIVE EXTENSION:</b>				
State Appropriation & E&G Transfers	57,541	57,541	(516)	57,025
Sales and Services Income	1,500	1,385	15	1,515
<b>Total Agricultural Research &amp; Cooperative Extension</b>	<u>59,041</u>	<u>58,926</u>	<u>(501)</u>	<u>58,540</u>
<b>Sub-Total University</b>	<u>2,605,656</u>	<u>2,686,925</u>	<u>58,025</u>	<u>2,663,681</u>
<b>PA COLLEGE OF TECHNOLOGY:</b>				
State Appropriation:				
PA College of Technology & Transfers	27,132	27,132	0	27,132
Sub-Total - State Appropriation	27,132	27,132	0	27,132
Tuition and Fees	81,828	77,988	(8,257)	73,571
Other Income	3,072	5,334	7,640	10,712
<b>Total PA College of Technology</b>	<u>112,032</u>	<u>110,454</u>	<u>(617)</u>	<u>111,415</u>
<b>TOTAL GENERAL FUNDS</b>	<u>\$ 2,717,688</u>	<u>\$ 2,797,379</u>	<u>\$ 57,408</u>	<u>\$ 2,775,096</u>

**TABLE 3**  
**2021-22 TOTAL OPERATING BUDGET**  
**SUMMARY OF GENERAL FUNDS EXPENDITURES**  
**(dollars in thousands)**

	<u>Initial Budget 2020-21</u>	<u>2020-21 Projected Year End</u>	<u>Changes</u>	<u>2021-22 Budget</u>
<b>GENERAL FUNDS:</b>				
<b>EDUCATIONAL &amp; GENERAL:</b>				
<b>Permanent:</b>				
Instruction	\$ 831,778	\$ 804,985	\$ 10,405	\$ 842,183
Research	158,765	155,749	2,151	160,916
Other Public Service	40,099	38,146	663	40,762
Academic Support	433,762	424,860	3,131	436,893
Institutional Support	564,529	543,296	(16,098)	548,431
Student Services	200,294	178,992	(7,842)	192,452
Student Aid	169,584	163,983	3,601	173,185
Physical Plant Operations	355,978	351,943	3,067	359,045
Compensation & Employee Benefits Adj:				
Merit and Other Inflationary Salary Increases	1,689	0	741	2,430
Merit and Other Inflationary Related Benefits	270	0	119	389
Benefits Cost Increases	(21,230)	0	36,069	14,839
<b>Total Educational &amp; General</b>	<u>2,735,518</u>	<u>2,661,954</u>	<u>36,007</u>	<u>2,771,525</u>
<b>AGRICULTURAL RESEARCH &amp; COOPERATIVE EXTENSION:</b>				
Compensation & Employee Benefits Adj.:				
Merit-based Inflationary Salary Increases	0	0	0	0
Merit-based Inflationary Related Benefits	0	0	0	0
Market & Equity Salary Increases	0	0	612	612
Market & Equity Related Benefits	0	0	98	98
Benefits Cost Increases	1,086	0	(367)	719
Program Changes	57,955	58,926	(844)	57,111
<b>Total Agricultural Research &amp; Cooperative Extension</b>	<u>59,041</u>	<u>58,926</u>	<u>(501)</u>	<u>58,540</u>
<b>Sub-Total</b>	2,794,559	2,720,880	35,506	2,830,065
<b>PA COLLEGE OF TECHNOLOGY</b>	<u>112,032</u>	<u>110,454</u>	<u>(617)</u>	<u>111,415</u>
<b>TOTAL GENERAL FUNDS</b>	<u>\$ 2,906,591</u>	<u>\$ 2,831,334</u>	<u>\$ 34,889</u>	<u>\$ 2,941,480</u>

## STATE APPROPRIATIONS

Penn State's 2021-22 approved appropriations total \$338.9 million, reflecting level funding across all line items. A summary of the appropriation is shown in Table 4 below.

**TABLE 4**  
**SUMMARY OF STATE APPROPRIATION**  
(dollars in thousands)

	<u>2020-21 Appropriation</u>	<u>Changes</u>	<u>2021-22 Total</u>
<b><u>Direct State Appropriation:</u></b>			
General Support	\$242,096	0	\$242,096
Pennsylvania College of Technology	<u>26,736</u>	<u>0</u>	<u>26,736</u>
<b>Sub-Total</b>	268,832	0	268,832
<b><u>Agricultural College Land Scrip Fund:</u></b>			
Agricultural Research and Cooperative Extension	54,960	0	54,960
<b><u>PA Department of Human Services:</u></b>			
Penn State Health *	<u>15,112</u>	<u>0</u>	<u>15,112</u>
<b>Total</b>	<u><u>\$338,904</u></u>	<u><u>\$0</u></u>	<u><u>\$338,904</u></u>

\* Reflects direct state appropriation to Penn State for Medical Assistance, CURE, Penn Cancer Institute, ASERT and other line items. Any federal match funding is not included.

## **CENTRALLY MANAGED EDUCATIONAL AND GENERAL REVENUE CHANGES**

Penn State's Education and General budget includes a combination of centrally managed and unit-controlled revenues and expenditures. The centrally managed portion of revenues includes the state appropriation, undergraduate and graduate residential tuition, facilities and administration cost recovery and investment income, and a portion of other income. Unit-controlled revenues include all sources managed by the College of Medicine (tuition, fee, F&A, academic support, and other revenues) as well as miscellaneous revenues generated by individual college, campus, or administrative units for various programmatic activities.

Revenue increases of \$42.9 million are included in the 2021-22 Educational and General (E&G) centrally managed budget. These changes are described below and summarized in Table 5.

### **STATE APPROPRIATION**

The proposed budget includes level funding for the Educational and General portion of the budget with state appropriation support of \$242.1 million.

### **TUITION**

Tuition rate schedules for resident and non-resident students by student level and by campus are shown in Schedule 1 in Tab D of this document. Tuition increases for 2021-22 have been held to the lowest level possible. These rates will be charged regardless of delivery method, remote or in person.

### **STUDENT INITIATED FEE**

An additional \$22,000 will result from increases to the Student Initiated Fee as determined by student leadership groups. The fee will increase \$1 at most Commonwealth Campuses. The University Park Student Initiated Fee will be held level with 2020-21.

### **FACILITIES AND ADMINISTRATION COST RECOVERY**

As sponsored research activities begin to recover from pandemic levels, no increase in income from facilities and administration cost recovery from grants and contracts is projected in 2021-22.

## **OTHER NON-TUITION INCOME**

An additional \$1.0 million will be budgeted as the University continues to implement a long-term plan to gradually eliminate the historical transfer of the General Support appropriation to the College of Medicine.

**TABLE 5**  
**EDUCATIONAL AND GENERAL OPERATING BUDGET**  
**2021-22 CENTRALLY-MANAGED REVENUE CHANGES**  
**(dollars in thousands)**

	<b>Total</b>
<b>State Appropriation</b>	\$ 0
<b>Tuition</b>	41,906
<b>Student Initiated Fee</b>	22
<b>Facilities and Administration Cost Recovery</b>	0
<b>Investment Income</b>	0
<b>Other Income</b>	1,000
<b>TOTAL INCOME CHANGES</b>	\$ <b>42,928</b>

## **CENTRALLY MANAGED EDUCATIONAL AND GENERAL EXPENDITURES**

Penn State's Education and General budget includes a combination of centrally managed and unit-controlled revenues and expenditures. The centrally managed portion of expenditures includes base salary allocations across Penn State, the university's benefits program and property and liability insurances, facilities and maintenance costs (including debt related to the capital program), investments in strategic priorities, activities funded by the student-initiated fee, student aid and grant-in-aid, and any budget reductions or cost-savings initiatives implemented to offset increases in the budget. Unit-controlled expenditures include all those managed by the College of Medicine as well as expenditures managed by individual college, campus, or administrative units for various instruction, research, or service activities (including those funded by prior-year balances).

Expense changes for the 2021-22 Educational and General (E&G) centrally managed portion of the University's general funds operating budget including cost savings yield an increase of \$42.9 million. The changes are described below and summarized in Table 6.

### **SALARIES**

The 2021-22 centrally managed budget proposal includes modest merit-based and contractual salary increases totaling \$24.7 million and \$2.8 million for faculty promotions and related benefits.

The competitiveness of Penn State's salaries is a very important component of the University's ability to attract and retain the best faculty and staff. Information regarding Penn State's faculty salary rankings can be found in Tab B of this document.

### **BENEFITS**

For 2021-22, the cost of the University's benefits program is projected to increase, beyond the amounts already budgeted, by \$13.7 million. \$13.3 of this amount will fund mandatory costs for the increase in the employer share of health care for employees, graduate assistants, and fellows. An additional \$400,000 of funding is planned for retirement contributions.

### **PROPERTY AND LIABILITY INSURANCES**

A \$4.8 million increase is needed for property and liability insurances in 2021-22.

## **FACILITIES AND MAINTENANCE**

A total of \$13.1 million will be budgeted to address facility and maintenance needs. This includes \$2.7 million to be added for the maintenance and operation of new or newly remodeled facilities scheduled to come online in 2021-22.

The University projects an increase of \$1.3 million in fuel and utility costs for 2021-22.

The 2021-22 proposed budget includes \$9.1 million in debt service related to the 2019-2023 Capital Plan approved in September 2017. This plan assumed that \$750.0 million of the \$2.1 billion E&G portion of the plan would be funded with debt. Additional funding will be provided from University reserves.

## **STRATEGIC PRIORITIES**

The proposed 2021-22 budget includes \$12.0 million for meeting strategic needs as well as to support innovation initiatives to advance the thematic priorities articulated in Penn State's Strategic Plan, "*Our Commitment to Impact*" (<http://strategicplan.psu.edu/>).

## **BUDGET REDUCTIONS AND COST SAVINGS INITIATIVES**

For 2021-22, the budget includes reductions in operating budgets made possible through cost savings initiatives totaling \$39.4 million. This amount is composed of a combination of \$3.5 million in savings related to the restructuring of our SERS expenditures and \$2.7 million of reductions resulting from a plan under way to reduce institutional IT costs. An additional \$22.2 million in savings will be realized from a 2% across-the-board reduction of unit budgets. Another \$11 million in savings or additional revenues will be identified throughout 2021-22.

## **STUDENT INITIATED FEE**

In Fall 2017, the Student Activity Fee and Student Facilities Fee was combined into one Student Initiated Fee. Our students requested this change to allow them more discretion in what services and programs to support. Additional revenue of \$22,000 will result from increases in the Student Initiated Fee at the campus locations, as determined by the students themselves. These funds will be used to support student activities, programs and facilities at the generating campuses. Student Initiated Fee charges by campus can be found in Schedule 2 in Tab D of this document.



## **STUDENT AID AND GRANTS-IN-AID**

A total of \$1.3 million is included in the 2021-22 budget for increased costs of grants-in-aid, primarily for graduate assistants, fellowships, employees, and dependents. An increase of \$10 million is included in funding for student aid is included reflecting continued efforts to improve access and affordability.

**TABLE 6**  
**EDUCATIONAL AND GENERAL OPERATING BUDGET**  
**2021-22 CENTRALLY-MANAGED EXPENSE CHANGES**  
**(dollars in thousands)**

		<u>UP Colleges/ Campus Locations</u>
<b>Compensation (and Related Benefits Adjustments)</b>		
1. Inflationary (merit-based) and Contractual	\$	24,708
2. Faculty Promotions & Summer Session		<u>2,822</u>
Sub-Total - Compensation (and Related Benefits Adj.)		27,530
<b>Benefits</b>		
1. Employee Health Insurances		13,267
2. Retirement		<u>404</u>
Sub-Total - Benefits		13,671
<b>Property and Liability Insurances</b>		4,760
<b>Facilities and Maintenance</b>		
1. Deferred Maintenance		0
2. Capital Improvement		9,117
3. Maintenance and Operation of New Facilities		2,687
4. Fuel and Utilities		<u>1,330</u>
Sub-Total - Facilities and Maintenance		13,134
<b>Strategic Priorities, Innovation, Access &amp; Affordability</b>		12,000
<b>Budget Reductions and Expense Adjustments</b>		(39,449)
<b>Student Initiated Fee</b>		22
<b>Student Aid and Grants-In-Aid</b>		<u>11,260</u>
<b>TOTAL EXPENSE CHANGES</b>	<b>\$</b>	<b><u><u>42,928</u></u></b>

## **AGRICULTURAL RESEARCH AND COOPERATIVE EXTENSION**

The traditional line items for Agricultural Research and Cooperative Extension are made available to Penn State through the Agricultural College Land Scrip Fund. The 2021-22 budget include level funding for Agricultural Research and Cooperative Extension of \$55.0 million.

Expense and income changes for the Agricultural Research and Cooperative Extension budgets are summarized in Table 7. Expense changes include \$1.4 million for benefits cost increases and a corresponding decrease in program funds. The budgets are funded primarily through state appropriations and support salaries, benefits, and operating costs for each program.

The College of Agricultural Sciences relies on the more than 150-year-old land grant partnership of federal, state, and county governments as the foundation for agricultural research and statewide extension programs. The state provides the required matching funds that allow Penn State to access Federal Agricultural Research appropriations and support from Pennsylvania's counties for Cooperative Extension.

**TABLE 7**  
**AGRICULTURAL RESEARCH AND COOPERATIVE EXTENSION**  
**2021-22 CHANGES**  
**(dollars in thousands)**

<b>Revenue:</b>	
Appropriation	\$ <u>0</u>
<b>TOTAL REVENUE CHANGES</b>	<b><u>0</u></b>
<b>Expense:</b>	
Compensation and Employee Benefits Costs*	1,429
Program Changes	<u>(1,429)</u>
<b>TOTAL EXPENSE CHANGES</b>	<b>\$ <u>0</u></b>

\*Includes benefits cost increases for salaries paid on Agricultural Federal Funds.

## **THE PENN STATE HEALTH SYSTEM**

The Penn State Health System is a subsidiary corporation within Penn State that was formed to operate the clinical activities, both hospital and physician.

Budgeted expenses of \$3.4 billion and income of \$3.4 billion for 2021-22, as shown in Table 1, were approved by the Board of Directors of the Health System.

Appropriation support from the Commonwealth to Penn State Health through the Pennsylvania Department Human Services are expected to total \$15.1 million.

## **THE PENNSYLVANIA COLLEGE OF TECHNOLOGY**

Expense and revenue changes included in the 2021-22 budget for the Pennsylvania College of Technology (Penn College) are described below and shown in Tables 8 and 8A.

The Penn College Board of Directors approved a budget plan on June 10, 2021 that included level funding in state support, a decrease of \$8.3 million in projected tuition revenues, and an increase \$7.6 million in other revenue including use of fund balances. General Fund expenses will decrease by \$617,000.

The total 2021-22 operating budget for Penn College is \$157.3 million, as shown in Table 8A. This includes the general funds budget of \$111.4 million, restricted funds of \$19.5 million, and \$26.4 million for auxiliary enterprises.

**TABLE 8**  
**THE PENNSYLVANIA COLLEGE OF TECHNOLOGY**  
**2021-22 GENERAL FUNDS BUDGET CHANGES**  
**(dollars in thousands)**

**Revenue:**

State Appropriation	\$	0
Tuition and Fees		(8,257)
Other		<u>7,640</u>

**TOTAL REVENUE CHANGES**                    \$ (617)

**Expense:**

Compensation Adjustments	\$	681
Employee Benefits		691
Other Expense		<u>(1,989)</u>

**TOTAL EXPENSE CHANGES**                    \$ (617)

**TABLE 8A**  
**THE PENNSYLVANIA COLLEGE OF TECHNOLOGY**  
**2021-22 TOTAL OPERATING BUDGET**  
**(dollars in thousands)**

	<u>2020-21 Initial Budget</u>	<u>2020-21 Projected Year End</u>	<u>Changes</u>	<u>2021-22 Budget</u>
General Funds	\$ 112,032	\$ 110,454	\$ (617)	\$ 111,415
Restricted Funds	14,819	17,174	4,700	19,519
Auxiliary Enterprises	<u>29,786</u>	<u>28,186</u>	<u>(3,412)</u>	<u>26,374</u>
<b>TOTAL</b>	<b>\$ <u>156,637</u></b>	<b>\$ <u>155,814</u></b>	<b>\$ <u>671</u></b>	<b>\$ <u>157,308</u></b>



**SCHEDULES INCLUDED IN THE  
RESOLUTIONS FOR APPROVAL OF THE  
2021-22 OPERATING BUDGET, TAB D**

Schedule I provides a summary of the proposed total University budget for 2021-22. Amounts shown for restricted funds are estimates, which are included to provide a complete picture of the total University budget. Actual restricted funds amounts will depend on continuing receipt of grants and contracts and may be higher or lower than estimated.

Total University general funds revenue, including the College of Medicine and the Pennsylvania College of Technology, are shown in Schedule II, and Schedule III shows corresponding estimated general funds expenditures.

Footnotes to Schedules I through III in Tab D provide additional explanations of the proposed revenue and expense changes.

**TAB B**

**ACADEMIC SALARY INFORMATION**

## Penn State's Rank among Select AAU Public Institutions and Big Ten Public Institutions by Year

Penn State's Rank among Select  
AAU Public Institutions

Year	Professor	Associate Professor	Assistant Professor
2019-20	5	7	12
2018-19	6	6	14
2017-18	4	4	12
2016-17	4	4	9
2015-16	3	4	6
2014-15	3	4	7
2013-14	3	4	7
2012-13	5	2	9
2011-12	10	8	13
2010-11	7	6	10
2009-10	6	6	15
2008-09	5	5	13
2007-08	6	5	13
2006-07	7	5	13
2005-06	2	4	6
2004-05	2	3	7
2003-04	2	6	4
2002-03	4	6	8
2001-02	7	9	10
2000-01	8	10	12

Penn State's Rank among  
Big Ten Public Institutions

Year	Professor	Associate Professor	Assistant Professor
2019-20	3	4	7
2018-19	3	3	9
2017-18	3	3	8
2016-17	3	3	6
2015-16	2	3	4
2014-15	3	3	5
2013-14	2	3	5
2012-13	3	2	5
2011-12	5	3	6
2010-11	3	2	5
2009-10	3	3	8
2008-09	2	2	7
2007-08	3	2	7
2006-07	4	2	6
2005-06	2	2	3
2004-05	2	2	3
2003-04	2	4	3
2002-03	3	5	4
2001-02	4	6	5
2000-01	5	6	7

*Source:* Association of American Universities Data Exchange (AAUDE)

*Notes:* The data for 2018-2019 are limited to Tenure-Line Faculty.

Unless indicated otherwise, the "**AAU Public**" Institutions include the University of Colorado, Boulder; the University of Illinois; the University of Indiana; the University of Iowa; Iowa State University; the University of Kansas; the University of Maryland; the University of Michigan; Michigan State University; the University of Minnesota, Twin Cities; the University of Missouri, Columbia; the University of Nebraska-Lincoln; the University of North Carolina at Chapel Hill; The Ohio State University; The Pennsylvania State University; the University of Pittsburgh; Purdue University; the University of Texas at Austin; the University of Virginia; the University of Washington; the University of Wisconsin-Madison.

Unless indicated otherwise, the "**Big Ten Public**" institutions include the University of Illinois, the University of Indiana, the University of Iowa, the University of Michigan, Michigan State University, the University of Minnesota, The Ohio State University, The Pennsylvania State University, Purdue University, and the University of Wisconsin-Madison.

## **TAB C**

### **TUITION COMPARISONS**

## Announced Resident Undergraduate Tuition Increases 2021-22

	<b>Tuition % Increase</b>
University of Missouri, Columbia	5.00%
University of Connecticut, Storrs (a)	4.30%
Ohio State University, Columbus (a)	3.80%
University of Iowa, Iowa City	3.50%
University of Colorado, Boulder (a) (b)	3.00%
Virginia Tech, Blacksburg (b)	3.00%
Cornell University, Contract Colleges	2.90%
University of Texas, Austin	2.60%
University of Utah, Salt Lake City	2.50%
University of Temple, Philadelphia	2.50%
University of California - System	2.00%
Michigan State University, East Lansing	1.95%
West Virginia University, Morgantown (b)	1.80%
University of Minnesota, Twin Cities	1.50%
University of Michigan, Ann Arbor	1.40%
Indiana University, Bloomington	1.00%
University of Kentucky, Lexington	1.00%
University of Virginia, Charlottesville	0.00%
University of Nebraska, Lincoln	0.00%
University of Illinois, Urbana-Champaign	0.00%
University of Massachusetts, Amherst	0.00%
University of Tennessee, Knoxville	0.00%
University of Arizona, Tucson	0.00%
University of North Carolina, Chapel Hill (a)	0.00%
Purdue University, West Lafayette	0.00%
University of Wisconsin, Madison	0.00%

(a) Incoming Freshman Only

(b) Tuition and Fees

Gathered from legislative, university and news web sources as of July 9, 2021.

**2020-21 Undergraduate Tuition and Mandatory Fees  
at Big Ten and Other Regional Universities - Main Campuses**

	<u>Resident</u>	<u>Non-Resident</u>
Pittsburgh	\$19,678	\$33,706
Virginia	18,968	52,945
<b>Penn State</b>	<b>18,450</b>	<b>34,858</b>
Illinois	16,862	34,312
Michigan	15,948	52,266
Rutgers	15,205	31,987
Minnesota	15,027	33,325
Michigan State	14,460	39,766
Ohio State	11,518	33,502
Indiana	11,221	37,601
Maryland	10,779	36,891
Wisconsin	10,742	38,630
Purdue	9,992	28,794
Iowa	9,606	31,569
Nebraska	9,562	26,692

**2020-21 Undergraduate Tuition and Mandatory Fees  
at Selected Private Universities**

**National (AAUDE\*):**

Columbia	62,880
Brown	60,584
Southern California	60,275
Pennsylvania	60,042
Dartmouth	59,458
Cornell	59,316
Tulane	58,852
Northwestern	58,701
Duke	57,931
Carnegie-Mellon	57,560
Washington University	56,893
California Institute of Technology	56,862
Princeton	56,470
Stanford	56,169
Johns Hopkins	54,160
Vanderbilt	54,158
Harvard	54,002
Massachusetts Institute of Technology	53,450

**Other Pennsylvania Universities:**

Gettysburg	59,960
Bucknell	58,202
Villanova	57,460
Lehigh	56,980

\*Association of American University Data Exchange

Source: University of Virginia Survey/Websites

**TAB D**

**THE PENNSYLVANIA STATE UNIVERSITY  
MEETING OF THE BOARD OF TRUSTEES**

**THURSDAY, JULY 15, 2021  
FINANCE, BUSINESS AND CAPITAL PLANNING  
AGENDA ITEM 3.D**

**Proposed Operating Budget for Fiscal Year Beginning July 1, 2021 with  
Corresponding Tuition and Fees Effective for 2021 Fall Semester**

Will the Board of Trustees adopt the following resolution:

RESOLVED, that the proposed Operating Budget for the University for the fiscal year beginning July 1, 2021, as shown in the 2021-22 Proposed Operating Budget with corresponding Tuition and Fees Schedules, is approved.

(The 2021-22 Proposed Operating Budget and Tuition and Fees Schedules will be distributed to Trustees under separate cover.)



**2021-22 PROPOSED OPERATING BUDGET**

**THE PENNSYLVANIA STATE UNIVERSITY  
2021-22 TOTAL OPERATING BUDGET  
SCHEDULE I  
SUMMARY SCHEDULE FOR TOTAL UNIVERSITY**

	(1) Initial Budget 2020-21	(2) 2020-21 Projected Year End	(3)  Changes	(4) 2021-22 Budget
<b>General Funds (a):</b>				
Revenue	\$ 2,717,688,000	\$ 2,797,379,000	\$ 57,408,000	\$ 2,775,096,000
Expenditures	2,906,591,000	2,831,334,000	34,889,000	2,941,480,000
<b>Surplus/(Deficit)</b>	<b>(188,903,000)</b>	<b>(33,955,000)</b>	<b>22,519,000</b>	<b>(166,384,000)</b>
<b>Federal Funds - Agriculture:</b>				
Revenue	35,124,000	22,888,000	(12,248,000)	22,876,000
Expenditures	35,124,000	22,888,000	(12,248,000)	22,876,000
<b>Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Restricted Funds (b):</b>				
Revenue:				
Penn State (c)	724,638,000	865,403,000	115,480,000	840,118,000
Agric. Research & Cooperative Ext.	55,506,000	56,294,000	3,381,000	58,887,000
Pennsylvania College of Technology	14,819,000	17,174,000	4,700,000	19,519,000
Total - Revenue	794,963,000	938,871,000	123,561,000	918,524,000
Expenditures:				
Penn State (c)	724,638,000	847,403,000	108,280,000	832,918,000
Agric. Research & Cooperative Ext.	55,506,000	56,294,000	3,381,000	58,887,000
Pennsylvania College of Technology	14,819,000	17,174,000	4,700,000	19,519,000
Total - Expenditures	794,963,000	920,871,000	116,361,000	911,324,000
<b>Surplus/(Deficit)</b>	<b>0</b>	<b>18,000,000</b>	<b>7,200,000</b>	<b>7,200,000</b>
<b>Auxiliary Enterprises (d):</b>				
Revenue:				
Penn State	436,501,000	259,736,000	41,743,000	478,244,000
Pennsylvania College of Technology	29,786,000	28,186,000	(3,412,000)	26,374,000
Total - Revenue	466,287,000	287,922,000	38,331,000	504,618,000
Expenditures:				
Penn State	432,288,000	324,155,000	23,702,000	455,990,000
Pennsylvania College of Technology	29,786,000	28,186,000	(3,412,000)	26,374,000
Total - Expenditures	462,074,000	352,341,000	20,290,000	482,364,000
<b>Surplus/(Deficit)</b>	<b>4,213,000</b>	<b>(64,419,000)</b>	<b>18,041,000</b>	<b>22,254,000</b>
<b>TOTAL REVENUE</b>	<b>4,014,062,000</b>	<b>4,047,060,000</b>	<b>207,052,000</b>	<b>4,221,114,000</b>
<b>TOTAL EXPENDITURES</b>	<b>4,198,752,000</b>	<b>4,127,434,000</b>	<b>159,292,000</b>	<b>4,358,044,000</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(184,690,000)</b>	<b>(80,374,000)</b>	<b>47,760,000</b>	<b>(136,930,000)</b>
<b>Penn State Health System</b>				
Revenue	2,951,000,000	3,342,061,000	483,918,000	3,434,918,000
Expenditures	2,892,000,000	3,231,702,000	475,935,000	3,367,935,000
<b>Surplus/(Deficit)</b>	<b>59,000,000</b>	<b>110,359,000</b>	<b>7,983,000</b>	<b>66,983,000</b>
<b>TOTAL UNIVERSITY REVENUE</b>	<b>6,965,062,000</b>	<b>7,389,121,000</b>	<b>690,970,000</b>	<b>7,656,032,000</b>
<b>EXPENDITURES</b>	<b>7,090,752,000</b>	<b>7,359,136,000</b>	<b>635,227,000</b>	<b>7,725,979,000</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$ (125,690,000)</b>	<b>\$ 29,985,000</b>	<b>\$ 55,743,000</b>	<b>\$ (69,947,000)</b>

Note: Footnotes follow Schedule III.

**THE PENNSYLVANIA STATE UNIVERSITY  
2021-22 TOTAL OPERATING BUDGET  
SCHEDULE II  
SUMMARY OF GENERAL FUNDS REVENUE**

	(1) Initial Budget 2020-21	(2) 2020-21 Projected Year End	(3) Changes	(4) 2021-22 Budget	
<b>GENERAL FUNDS:</b>					
<b>EDUCATIONAL &amp; GENERAL (e):</b>					
State Appropriation:					
Educational & General	\$ 242,096,000	\$ 242,096,000	\$ 0	(f) \$ 242,096,000	
Transfers	(5,032,000)	(5,032,000)	1,516,000	(3,516,000)	(g)
Sub-Total - State Appropriation	237,064,000	237,064,000	1,516,000	238,580,000	
Tuition and Fees	1,872,072,000	1,939,252,000	116,647,000	1,988,719,000	
Facilities & Administration	112,963,000	106,556,000	847,000	113,810,000	
Investment Income	22,445,000	22,594,000	0	22,445,000	
Academic Support from PSH (h)	73,700,000	71,700,000	(20,500,000)	53,200,000	
Other Income	228,371,000	250,833,000	(39,984,000)	188,387,000	
<b>Total Educational &amp; General</b>	<b>2,546,615,000</b>	<b>2,627,999,000</b>	<b>58,526,000</b>	<b>2,605,141,000</b>	
<b>AGRICULTURAL RESEARCH &amp; COOPERATIVE EXTENSION:</b>					
State Appropriation & E&G Transfers	57,541,000	57,541,000	(516,000)	(f) 57,025,000	(i)
Sales and Services Income	1,500,000	1,385,000	15,000	1,515,000	
<b>Total Agricultural Research &amp; Cooperative Extension</b>	<b>59,041,000</b>	<b>58,926,000</b>	<b>(501,000)</b>	<b>58,540,000</b>	
<b>Sub-Total University</b>	<b>2,605,656,000</b>	<b>2,686,925,000</b>	<b>58,025,000</b>	<b>2,663,681,000</b>	
<b>PA COLLEGE OF TECHNOLOGY (j):</b>					
State Appropriation:					
PA College of Technology & Transfers	27,132,000	27,132,000	0	(f) 27,132,000	(k)
Tuition and Fees	81,828,000	77,988,000	(8,257,000)	73,571,000	
Other Income	3,072,000	5,334,000	7,640,000	10,712,000	
<b>Total PA College of Technology</b>	<b>112,032,000</b>	<b>110,454,000</b>	<b>(617,000)</b>	<b>111,415,000</b>	
<b>TOTAL GENERAL FUNDS</b>	<b>\$ 2,717,688,000</b>	<b>\$ 2,797,379,000</b>	<b>\$ 57,408,000</b>	<b>\$ 2,775,096,000</b>	

Note: Footnotes follow Schedule III.

**THE PENNSYLVANIA STATE UNIVERSITY  
2021-22 TOTAL OPERATING BUDGET  
SCHEDULE III  
SUMMARY OF GENERAL FUNDS EXPENSE**

	(1) Initial Budget 2020-21	(2) 2020-21 Projected Year End	(3) Changes	(4) 2021-22 Budget
<b>GENERAL FUNDS:</b>				
<b>EDUCATIONAL &amp; GENERAL (l):</b>				
Instruction	\$ 831,778,000	\$ 804,985,000	\$ 10,405,000	\$ 842,183,000
Research	158,765,000	155,749,000	2,151,000	160,916,000
Other Public Service	40,099,000	38,146,000	663,000	40,762,000
Academic Support	433,762,000	424,860,000	3,131,000	436,893,000
Institutional Support	564,529,000	543,296,000	(16,098,000)	548,431,000
Student Services	200,294,000	178,992,000	(7,842,000)	192,452,000
Student Aid	169,584,000	163,983,000	3,601,000	173,185,000
Physical Plant Operations	355,978,000	351,943,000	3,067,000	359,045,000
Compensation & Employee Benefits Adj (m):				
Merit & Other Inflationary Salary Increases	1,689,000	0	741,000	2,430,000
Merit & Other Inflationary Related Benefits	270,000	0	119,000	389,000
Benefits Cost Increases	(21,230,000)	0	36,069,000	14,839,000
<b>Total Educational &amp; General (n)</b>	<b>2,735,518,000</b>	<b>2,661,954,000</b>	<b>36,007,000</b>	<b>2,771,525,000</b>
<b>AGRICULTURAL RESEARCH &amp; COOPERATIVE EXTENSION (o):</b>				
Compensation & Employee Benefits Adj.:				
Merit & Other Inflationary Salary Increases	0		612,000	612,000
Merit & Other Inflationary Related Benefits	0		98,000	98,000
Benefits Cost Increases	1,086,000		(367,000)	719,000
Program Changes	57,955,000	58,926,000	(844,000)	57,111,000
<b>Total Agricultural Research &amp; Cooperative Extension (p)</b>	<b>59,041,000</b>	<b>58,926,000</b>	<b>(501,000)</b>	<b>58,540,000</b>
<b>Sub-Total</b>	<b>2,794,559,000</b>	<b>2,720,880,000</b>	<b>35,506,000</b>	<b>2,830,065,000</b>
<b>PA COLLEGE OF TECHNOLOGY (q)</b>	<b>112,032,000</b>	<b>110,454,000</b>	<b>(617,000)</b>	<b>111,415,000</b>
<b>TOTAL GENERAL FUNDS</b>	<b>\$ 2,906,591,000</b>	<b>\$ 2,831,334,000</b>	<b>\$ 34,889,000</b>	<b>\$ 2,941,480,000</b>

Note: Footnotes follow Schedule III.

## Footnotes for Schedules I - III

### Schedule I:

- (a) Detailed schedules of General Funds revenue and expenditures are in Schedule II and III.
- (b) Includes Grants, Contracts, Restricted Gifts and Restricted Endowment Income. The 2021-22 Budget is based on preliminary 2020-21 actual and 2021-22 estimated income.
- (c) Includes College of Medicine, excludes Agricultural Research & Cooperative Extension and Penn College.
- (d) Self-supporting budgets representing sales and services, primarily to individuals. Educational and General Auxiliary Enterprises include Housing and Food Services, Intercollegiate Athletics, Commons Operations, Penn State Hospitality Services, Bryce Jordan Center, and Airport Operations.

### Schedule II:

- (e) Includes College of Medicine, excludes Agricultural Research & Cooperative Extension and Penn College.
- (f) Includes flat funding in state support from the 2020-21 level.
- (g) Represents a transfer to other line items for redistribution of 2005-06 and 2004-05 increases; and for a proportionate share of the 1997-98 Special Projects appropriation.
- (h) Reflects funding received by the College of Medicine from Penn State Health (PSH).
- (i) Represents the following transfers: \$720,000 redistribution of 2005-06 increase, \$918,000 redistribution of 2004-05 increase and \$427,000 for a proportionate share of the 1997-98 Special Projects appropriation.
- (j) Penn College is a separate but wholly owned subsidiary of the University administered through the Corporation for Penn State.
- (k) Represents the following transfers: \$293,000 redistribution of 2004-05 increase and \$103,000 for a proportionate share of the 1997-98 Special Projects appropriation.

**Schedule III:**

- (l) Includes College of Medicine, excludes Agricultural Research & Cooperative Extension and Penn College.
- (m) A salary pool to satisfy contractual obligations and faculty promotions.
- (n) Employee benefits and Merit GSI expense distributed by function.
- (o) Includes expenditures offset by funding allocated by the Commonwealth and by sales and services income.
- (p) Includes allocated employee benefits for Agricultural Research and Cooperative Extension personnel paid on Federal Funds-Agriculture.
- (q) The Pennsylvania College of Technology (Penn College) is a separate but wholly owned subsidiary of the University administered through the Corporation for Penn State.

**2021-22 TUITION AND FEES SCHEDULES**

**TO CORRESPOND WITH**

**2021-22 PROPOSED OPERATING BUDGET**

**Schedule 1  
University Park Tuition  
Projected 2021-22 Tuition \*\***

	Per Academic Year			Full-Time Per Semester			Part-Time Per Credit		
	2020-21	Increase	2021-22	2020-21	Increase	2021-22	2020-21	Increase	2021-22
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	17,920	448	<b>18,368</b>	8,960	224	<b>9,184</b>	747	18	<b>765</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (b)	21,284	532	<b>21,816</b>	10,642	266	<b>10,908</b>	887	22	<b>909</b>
Nursing	22,988	574	<b>23,562</b>	11,494	287	<b>11,781</b>	958	24	<b>982</b>
All Other Programs	19,332	484	<b>19,816</b>	9,666	242	<b>9,908</b>	806	20	<b>826</b>
<b><i>Graduate:</i></b>									
MBA	27,442	754	<b>28,196</b>	13,721	377	<b>14,098</b>	1,143	32	<b>1,175</b>
Business, Science, IST, EMS, & Engineering (b)	23,928	658	<b>24,586</b>	11,964	329	<b>12,293</b>	997	27	<b>1,024</b>
All Other Programs	22,464	618	<b>23,082</b>	11,232	309	<b>11,541</b>	936	26	<b>962</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	34,984	962	<b>35,946</b>	17,492	481	<b>17,973</b>	1,458	40	<b>1,498</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (b)	38,944	1,070	<b>40,014</b>	19,472	535	<b>20,007</b>	1,623	44	<b>1,667</b>
Nursing	41,326	1,136	<b>42,462</b>	20,663	568	<b>21,231</b>	1,722	47	<b>1,769</b>
All Other Programs	36,740	1,010	<b>37,750</b>	18,370	505	<b>18,875</b>	1,531	42	<b>1,573</b>
<b><i>Graduate:</i></b>									
MBA	43,800	1,204	<b>45,004</b>	21,900	602	<b>22,502</b>	1,825	50	<b>1,875</b>
Business, Science, IST, EMS, & Engineering (b)	39,720	1,092	<b>40,812</b>	19,860	546	<b>20,406</b>	1,655	46	<b>1,701</b>
All Other Programs	38,198	1,050	<b>39,248</b>	19,099	525	<b>19,624</b>	1,592	43	<b>1,635</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.



**Schedule 1**  
**Medicine, Law, and Great Valley School of Graduate Professional Studies**  
**Projected 2021-22 Tuition \*\***

	<u>Per Academic Year</u>			<u>Full-Time Per Semester</u>			<u>Part-Time Per Credit</u>		
	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>
<b><u>Pennsylvania Residents</u></b>									
<b>College of Medicine at Hershey:</b>									
Medical	50,960	1,402	<b>52,362</b>	25,480	701	<b>26,181</b>	-	-	-
Graduate	23,928	658	<b>24,586</b>	11,964	329	<b>12,293</b>	997	27	<b>1,024</b>
Master of Physician Assistant Program	-	-	-	13,011	358	<b>13,369</b>	-	-	-
<b>Great Valley Graduate Center:</b>									
MBA	25,558	702	<b>26,260</b>	12,779	351	<b>13,130</b>	1,065	29	<b>1,094</b>
All Other Programs	25,558	702	<b>26,260</b>	12,779	351	<b>13,130</b>	1,065	29	<b>1,094</b>
<b>Dickinson Law</b>	52,344	1,032	<b>53,376</b>	26,172	516	<b>26,688</b>	2,181	43	<b>2,224</b>
<b>Penn State Law</b>	50,400	1,248	<b>51,648</b>	25,200	624	<b>25,824</b>	2,100	52	<b>2,152</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-
<b><u>Non-Pennsylvania Residents</u></b>									
<b>College of Medicine at Hershey:</b>									
Medical	50,960	1,402	<b>52,362</b>	25,480	701	<b>26,181</b>	-	-	-
Graduate	39,720	1,092	<b>40,812</b>	19,860	546	<b>20,406</b>	1,655	46	<b>1,701</b>
Master of Physician Assistant Program	-	-	-	13,011	358	<b>13,369</b>	-	-	-
<b>Great Valley Graduate Center:</b>									
MBA	41,360	1,138	<b>42,498</b>	20,680	569	<b>21,249</b>	1,723	48	<b>1,771</b>
All Other Programs	41,360	1,138	<b>42,498</b>	20,680	569	<b>21,249</b>	1,723	48	<b>1,771</b>
<b>Dickinson Law</b>	52,344	1,032	<b>53,376</b>	26,172	516	<b>26,688</b>	2,181	43	<b>2,224</b>
<b>Penn State Law</b>	50,400	1,248	<b>51,648</b>	25,200	624	<b>25,824</b>	2,100	52	<b>2,152</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 1**  
**Altoona, Berks, Behrend, and Harrisburg**  
**Projected 2021-22 Tuition \*\***

	Per Academic Year			Full-Time Per Semester			Part-Time Per Credit		
	2020-21	Increase	2021-22	2020-21	Increase	2021-22	2020-21	Increase	2021-22
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	14,718	368	<b>15,086</b>	7,359	184	<b>7,543</b>	613	16	<b>629</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (c)	17,794	444	<b>18,238</b>	8,897	222	<b>9,119</b>	741	19	<b>760</b>
All Other Programs	15,974	400	<b>16,374</b>	7,987	200	<b>8,187</b>	666	16	<b>682</b>
<b><i>Graduate:</i></b>									
MBA	-	-	-	-	-	-	947	26	<b>973</b>
Business, Science, IST, EMS, & Engineering (c)	23,750	654	<b>24,404</b>	11,875	327	<b>12,202</b>	990	27	<b>1,017</b>
All Other Programs	22,296	614	<b>22,910</b>	11,148	307	<b>11,455</b>	929	26	<b>955</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	24,428	672	<b>25,100</b>	12,214	336	<b>12,550</b>	1,018	28	<b>1,046</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (c)	27,976	770	<b>28,746</b>	13,988	385	<b>14,373</b>	1,166	32	<b>1,198</b>
<b>All Other Programs</b>	25,956	714	<b>26,670</b>	12,978	357	<b>13,335</b>	1,082	29	<b>1,111</b>
<b><i>Graduate:</i></b>									
MBA	-	-	-	-	-	-	1,468	40	<b>1,508</b>
Business, Science, IST, EMS, & Engineering (c)	30,662	844	<b>31,506</b>	15,331	422	<b>15,753</b>	1,278	35	<b>1,313</b>
All Other Programs	29,222	804	<b>30,026</b>	14,611	402	<b>15,013</b>	1,218	33	<b>1,251</b>
Graduate Assistantships, Fellowships	18,700	520	<b>19,220</b>	9,350	260	<b>9,610</b>	-	-	-

\*\*Tuition and fees for apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 1  
Abington  
Projected 2021-22 Tuition \*\***

	<u>Per Academic Year</u>			<u>Full-Time Per Semester</u>			<u>Part-Time Per Credit</u>		
	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	14,044	352	<b>14,396</b>	7,022	176	<b>7,198</b>	578	14	<b>592</b>
Upper Division (a):									
Junior & Senior:									
Business, Science, IST, Engineering	16,958	424	<b>17,382</b>	8,479	212	<b>8,691</b>	665	17	<b>682</b>
All other programs	15,158	378	<b>15,536</b>	7,579	189	<b>7,768</b>	624	16	<b>640</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	23,750	654	<b>24,404</b>	11,875	327	<b>12,202</b>	990	27	<b>1,017</b>
All Other Programs	22,296	614	<b>22,910</b>	11,148	307	<b>11,455</b>	929	26	<b>955</b>
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	23,232	638	<b>23,870</b>	11,616	319	<b>11,935</b>	968	27	<b>995</b>
Upper Division (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (d)	26,562	730	<b>27,292</b>	13,281	365	<b>13,646</b>	1,107	30	<b>1,137</b>
All Other Programs	24,566	676	<b>25,242</b>	12,283	338	<b>12,621</b>	1,024	28	<b>1,052</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	30,084	828	<b>30,912</b>	15,042	414	<b>15,456</b>	1,254	34	<b>1,288</b>
All Other Programs	28,640	788	<b>29,428</b>	14,320	394	<b>14,714</b>	1,193	33	<b>1,226</b>

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 1**  
**Brandywine, Hazleton, Lehigh Valley, Schuylkill, Scranton, York, and World Campus \***  
**Projected 2021-22 Tuition \*\***

	<u>Per Academic Year</u>			<u>Full-Time Per Semester</u>			<u>Part-Time Per Credit</u>		
	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	13,988	350	<b>14,338</b>	6,994	175	<b>7,169</b>	576	14	<b>590</b>
Upper Division: (a)									
Junior & Senior:	15,098	378	<b>15,476</b>	7,549	189	<b>7,738</b>	617	15	<b>632</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	23,416	644	<b>24,060</b>	11,708	322	<b>12,030</b>	976	27	<b>1,003</b>
All Other Programs	22,186	610	<b>22,796</b>	11,093	305	<b>11,398</b>	924	26	<b>950</b>
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	22,978	632	<b>23,610</b>	11,489	316	<b>11,805</b>	957	27	<b>984</b>
Upper Division: (a)									
Junior & Senior	24,030	660	<b>24,690</b>	12,015	330	<b>12,345</b>	1,001	28	<b>1,029</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	29,722	818	<b>30,540</b>	14,861	409	<b>15,270</b>	1,238	35	<b>1,273</b>
All Other Programs	28,406	782	<b>29,188</b>	14,203	391	<b>14,594</b>	1,184	32	<b>1,216</b>

\* World Campus - applicable rates are PA Resident, Lower Division, Upper Division and Graduate All Other Programs (other program-based rates may apply).

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 1**  
**Beaver, DuBois, Fayette, Greater Allegheny, Mont Alto, New Kensington, and Wilkes-Barre**  
**Projected 2021-22 Tuition \*\***

	Per Academic Year			Full-Time Per Semester			Part-Time Per Credit		
	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	13,222	330	<b>13,552</b>	6,611	165	<b>6,776</b>	545	14	<b>559</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, Engineering (c)	14,900	372	<b>15,272</b>	7,450	186	<b>7,636</b>	600	15	<b>615</b>
All other programs	14,272	356	<b>14,628</b>	7,136	178	<b>7,314</b>	588	15	<b>603</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	22,376	616	<b>22,992</b>	11,188	308	<b>11,496</b>	932	26	<b>958</b>
All Other Programs	21,202	584	<b>21,786</b>	10,601	292	<b>10,893</b>	883	25	<b>908</b>
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	21,814	600	<b>22,414</b>	10,907	300	<b>11,207</b>	909	25	<b>934</b>
Upper Division: (a)									
Junior & Senior	23,066	634	<b>23,700</b>	11,533	317	<b>11,850</b>	961	27	<b>988</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	28,292	778	<b>29,070</b>	14,146	389	<b>14,535</b>	1,179	32	<b>1,211</b>
All Other Programs	27,038	744	<b>27,782</b>	13,519	372	<b>13,891</b>	1,127	31	<b>1,158</b>

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 1  
Shenango  
Projected 2021-22 Tuition \*\***

	<u>Per Academic Year</u>			<u>Full-Time Per Semester</u>			<u>Part-Time Per Credit</u>		
	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>	<u>2020-21</u>	<u>Increase</u>	<u>2021-22</u>
<b><u>Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	12,978	324	<b>13,302</b>	6,489	162	<b>6,651</b>	525	13	<b>538</b>
Upper Division: (a)									
Junior & Senior:									
Business, Science, IST, EMS, & Engineering (d)	14,900	372	<b>15,272</b>	7,450	186	<b>7,636</b>	600	15	<b>615</b>
All Other Programs	14,006	350	<b>14,356</b>	7,003	175	<b>7,178</b>	563	14	<b>577</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	21,042	578	<b>21,620</b>	10,521	289	<b>10,810</b>	877	24	<b>901</b>
All Other Programs	19,942	548	<b>20,490</b>	9,971	274	<b>10,245</b>	831	23	<b>854</b>
<b><u>Non-Pennsylvania Residents</u></b>									
<b><i>Undergraduate:</i></b>									
Lower Division including Associate:									
Freshmen & Sophomore	21,402	588	<b>21,990</b>	10,701	294	<b>10,995</b>	892	24	<b>916</b>
Upper Division: (a)									
Junior & Senior	22,632	622	<b>23,254</b>	11,316	311	<b>11,627</b>	943	26	<b>969</b>
<b><i>Graduate:</i></b>									
Business, Science, IST, EMS, & Engineering (d)	27,760	764	<b>28,524</b>	13,880	382	<b>14,262</b>	1,157	32	<b>1,189</b>
All Other Programs	26,528	730	<b>27,258</b>	13,264	365	<b>13,629</b>	1,105	31	<b>1,136</b>

\*\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

### Footnotes for 2021-22 Tuition Rate Schedules

- (a) The upper division rate will apply to undergraduate students with a minimum of 59.1 credits, regardless of how earned.
- (b) Includes upper division and graduate programs at University Park in the Smeal College of Business (excluding MBA), the College of Engineering, the College of Earth and Mineral Sciences, the Eberly College of Science, and the College of Information Sciences and Technology. Also includes the intercollege programs of Acoustics, Bioengineering, Ecology, Genetics, Integrative Biosciences, Materials, Neuroscience, Operations Research, Physiology, and Plant Biology. Upper division students enrolled in the Economics program in the College of Liberal Arts are also included in these rates.
- (c) Includes upper division and graduate programs in the following Erie and Harrisburg departments/schools: School of Science (Erie), School of Business (Erie), School of Engineering and Engineering Technology (Erie), Science/Engineering (Harrisburg), and Business Administration (Harrisburg). Also includes upper division programs in the Altoona and Berks departments of Business and Science. Also includes upper division and graduate programs at Altoona, Berks, Erie, and Harrisburg in the Smeal College of Business, the College of Engineering, the College of Earth and Mineral Sciences, the Eberly College of Science, and the School of Information Sciences and Technology.
- (d) Includes upper division and graduate programs in the following: Abington, Beaver, Brandywine, DuBois, Fayette, Greater Allegheny, Hazleton, Lehigh Valley, Mont Alto, New Kensington, Schuylkill, Shenango, Wilkes-Barre, Scranton, and York departments of Business and Science. Also includes upper division and graduate programs at Abington, Beaver, Brandywine, DuBois, Fayette, Greater Allegheny, Hazleton, Lehigh Valley, Mont Alto, New Kensington, Schuylkill, Shenango, Wilkes-Barre, Scranton, and York in the Smeal College of Business, the College of Engineering, the College of Earth and Mineral Sciences, the Eberly College of Science, and the School of Information Sciences and Technology.

**NOTE: Specific tuition rates for each student by campus, level and program can be accessed at the following web site: <http://tuition.psu.edu>.**

\*Tuition and fees rates apply regardless of the method of instruction (that is, whether in-person or otherwise) and will not be refunded in the event instruction occurs remotely for any part of the Academic Year.

**Schedule 2  
2021-22 Student Initiated Fee  
Per Semester**

**Fall and Spring 2021-22**

	<b>9 or More Credits</b>	<b>5 to Less Than 9 Credits</b>	<b>Less Than 5 Credits</b>
Abington	\$250.00	\$188.00	\$78.00
Altoona	250.00	188.00	78.00
Beaver	250.00	188.00	78.00
Berks	250.00	188.00	78.00
Brandywine	250.00	188.00	78.00
DuBois	250.00	188.00	78.00
Erie	250.00	188.00	78.00
Fayette	250.00	188.00	78.00
Great Valley	128.00	96.00	40.00
Greater Allegheny	250.00	188.00	78.00
Harrisburg	250.00	188.00	78.00
Hazleton	250.00	188.00	78.00
Lehigh Valley	250.00	188.00	78.00
Mont Alto	250.00	188.00	78.00
New Kensington	250.00	188.00	78.00
Schuylkill	250.00	188.00	78.00
Scranton	250.00	188.00	78.00
Shenango	192.00	144.00	60.00
University Park	265.00	199.00	82.00
Wilkes-Barre	192.00	144.00	60.00
York	250.00	188.00	78.00
Dickinson Law	91.00	68.00	28.00
Penn State Law	290.00	218.00	90.00
Hershey (non-medical)	36.00	27.00	11.00
Hershey (medical)	72.00	charge per academic year	



**Proposed Amendment to Section 2.2(d) of the Bylaws of Penn State Health**

*Text to be stricken is shown below in blue. Text to be added is shown below in red.*

Section 2.2 Reserved Powers of PSU. In addition to and in furtherance of those powers held by a member of a nonprofit corporation under the NPCL, PSU shall have the following rights and powers with respect to the Corporation:

\*

(d) subject to Section 2.3 hereof, to approve any indebtedness of the Corporation or its controlled affiliates that would cause the debt to capitalization ratio of the Corporation on a consolidated basis to be at ~~35%~~ **42.5%** or higher;

\*

*\* Subsections (a) through (c), and (e) through (i) of Section 2.2 remain unchanged and are omitted here.*