

1. **Roll Call**

2. **Approval of the Minutes of Previous Meetings**

Will the Board of Trustees approve the minutes of the meeting of the Board held on May 4, 2018?

3. **Election of Officers of the Board of Trustees** – Janine S. Andrews, Associate Secretary

Will the Board of Trustees elect officers to the following Board positions for the current year?

President

Vice President

- 1) Secretary
- 2) Associate Secretary
- 3) Assistant Secretaries
- 4) Treasurer
- 5) Assistant Treasurers

- 1) Secretary: Frank T. Guadagnino
- 2) Associate Secretary: Incumbent, Janine S. Andrews
- 3) Assistant Secretary: Incumbent, Carmella Mulroy-Degenhart
- Assistant Secretary: Incumbent, Crystal K. Straw
- Assistant Secretary: Incumbent, Kim I. Wright
- 4) Treasurer: Incumbent, David J. Gray
- 5) Assistant Treasurer: Incumbent, Patricia B. Battaglia
- Assistant Treasurer: Incumbent, Kimberly J. Fisher
- Assistant Treasurer: Incumbent, Susan J. Wiedemer

4. **President's Report**

5. **Informational Report on Penn State Berks**

Dr. R. Keith Hillkirk, Chancellor, Penn State Berks, will provide an informational report to the Board.

6. Reports from Standing Committees

Discussion of action and/or information items by the Standing Committees for consideration by the Board of Trustees:

- A. **Committee on Academic Affairs and Student Life** – William F. Oldsey, Chair
- B. **Committee on Audit and Risk** – Walter C. Rakowich, Chair
- C. **Committee on Compensation** – Keith E. Masser, Chair
- D. **Committee on Finance, Business and Capital Planning** – Mary Lee Schneider, Vice-Chair

1) **Proposed Operating Budget for Fiscal Year Beginning July 1, 2018 with Corresponding Tuition and Fees Effective for 2018 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, 2018, as shown in the 2018-2019 Proposed Operating Budget with corresponding Tuition and Fees Schedules, is approved.

(The 2018-2019 Proposed Operating Budget and Tuition and Fees Schedules will be distributed to Trustees under separate cover.)

2) **Proposed Appointment of a Design Build Team, West Campus Parking Garage and Roadway Connections, University Park**

The Subcommittee on Architect/Engineer Selection will make a report and recommendation on the appointment of a design build team for the West Campus Parking Garage and Roadway Connections, University Park.

3) **Proposed Final Plan Approval and Authorization to Expend Funds, Hershey Parking Garage and Loop Road, Penn State Health Milton S. Hershey Medical Center**

Currently, the Hershey campus has approximately 6,400 surface parking spots and approximately 2,700 parking spots within two parking structures. Planned clinical, academic and research space construction, such as the College of Medicine's Innovation Pavilion, will increase the demand for vehicle parking. A new parking structure on the west side of campus will accommodate the pending growth, as well as replace existing parking lost to new building construction. A new loop road will provide access to the garage, while redirecting vehicular traffic to the campus periphery to enhance pedestrian safety.

The proposed parking structure has been designed to provide 1,287 parking spaces now with engineering to support a future two-level expansion, should the need arise. The materials will be glass and pre-cast concrete.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Hershey Parking Garage and Loop Road at Penn State Health Milton S. Hershey Medical Center, as designed by Clayco, Inc., of St. Louis, Missouri, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project in the amount of \$35,000,000 is approved.

4) **Conflict of Interest – Approval of Lease Renewal with PSRP Developers, Inc.**

Article VIII, Section 8.05 (a) of the *Bylaws* of the University, provides that, "A contract or transaction between the University and a Trustee, family member or an entity in which the Trustee or family member has a beneficial interest of ten percent (10%) or more and the contract or transaction is valued at \$10,000 or more must be approved by the Board of Trustees in accordance with this Section." Further, the Section provides that "the University official responsible for the matter must first conclude it is in the best interests of the University to consider entering into such a contract or transaction" and that "the officer must first explore alternatives that do not involve an interest of the Trustee, family member or entity in which the Trustee or family member owns a beneficial interest of ten percent (10%) or more." The interested Trustee shall leave the meeting during discussion and voting. Finally, Section 8.05(a) provides that "[t]he Board shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the University's best interests, the price and value provided are fair and reasonable to the University and whether to approve the transaction or arrangement."

Trustee Ira Lubert has a beneficial ownership of more than ten percent of PSRP Developers, Inc., which owns 101 Innovation Boulevard (the "Lubert Building"). The University currently leases 4,196 square feet of office space for the Office of Global Programs at Suite 201 of the Lubert Building at a current annual base rent of \$79,304 with an expiration date of December 31, 2018. The Office of Global Programs has continuing office space needs beyond December 31, 2018.

Will the Board of Trustees adopt the following resolutions:

WHEREAS, Kurt A. Kissinger, associate vice president for finance and business, serves as the responsible official for exercising due diligence in exploring alternatives in real estate matters in accordance with Article VIII, Section 8.05 (a) of the *Bylaws* of the University; and

WHEREAS, The responsible official has evaluated both on and off-campus office space alternatives for the above described lease in consideration of price, quality, amenities, accessibility and timing of availability, among others; and

WHEREAS, The responsible official has concluded that 101 Innovation Boulevard, Suite 201 presents the best alternative to meet the Office of Global Programs' ongoing office space needs and that it is in the best interests of the University to enter into the lease renewal on the terms proposed;

THEREFORE BE IT RESOLVED, That the proposal to exercise the first of two five-year options to extend the current lease at 101 Innovation Boulevard, Suite 201 with PSRP Developers, Inc., totaling 4,196 square feet at the annual base rent of \$82,367 plus annual CPI escalation until December 31, 2023, is hereby approved.

E. Committee on Governance and Long-Range Planning – David C. Han, Chair

F. Committee on Legal and Compliance – Richard K. Dandrea, Chair

1) Proposed Annual Applications, Renewals, and other Filings Required by the Pennsylvania Liquor Control Board

The Pennsylvania State University holds, or intends to obtain, licenses and permits through the Pennsylvania Liquor Control Board (PLCB) for the following purposes, venues, and properties, as previously approved by the Board of Trustees:

- The Nittany Lion Inn – Liquor License, Off-Premises Catering Permit, Wine Bottle Sales, Liquor Permit for Sunday Sales and Amusement Permit
- Wine Auction Permits in connection with fundraising activities of WPSU, the Palmer Museum of Art, and such other academic or administrative units as may be approved by the Senior Vice President for Finance and Business/Treasurer, in consultation with the Vice President for Development and Alumni Relations
- Bryce Jordan Center – Public Venue Liquor License
- Beaver Stadium – Public Venue Liquor License
- Recreation Hall – Public Venue Liquor License
- Pegula Ice Arena – Public Venue Liquor License
- Medlar Field at Lubrano Park – Public Venue Liquor License
- Penn State Golf Courses – Public Venue Liquor License

Each license or permit requires either an application process, a biennial application renewal process, or an annual validation process.

Will the Board of Trustees adopt the following resolutions:

WHEREAS, The Pennsylvania Liquor Code authorizes the Pennsylvania Liquor Control Board to issue various licenses and permits related to the sale and service of alcoholic beverages, subject to a well-defined set of regulations; and

WHEREAS, It is the desire of The Pennsylvania State University to sell and serve alcoholic beverages under the conditions previously approved by the Board of Trustees; and

WHEREAS, It is the desire of The Pennsylvania State University to file appropriate applications for licensures and permits either through an application processes, biennial application renewal processes, or a validation process, as applicable; and

THEREFORE BE IT RESOLVED, That David J. Gray, Senior Vice President for Finance and Business/Treasurer and/or Joseph J. Doncsecz, Corporate Controller, or any appropriate designee(s), is/are authorized to execute applications, renewal forms, and any other documents or instruments required by the Pennsylvania Liquor Control Board, and to take such other actions as may be required in connection with any such applications, renewals or validations; and

RESOLVED FURTHER, That material changes to the terms and conditions previously approved by the Board of Trustees with respect to such licenses and permits shall be submitted to the Board of Trustees for its consideration and approval.

G. Committee on Outreach, Development and Community Relations – M. Abraham Harpster, Chair

7. Announcements by the Chairman of the Board of Trustees