

**THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES**

**COMMITTEE ON FINANCE, BUSINESS AND CAPITAL PLANNING
MINUTES OF MEETING
VOLUME FBCP 13**

February 23, 2017

A meeting of the Committee on Finance, Business & Capital Planning was held in Room 206 of the Penn Stater Conference Center Hotel in State College, Pennsylvania, beginning at 10:00 a.m.

The following committee members, constituting a quorum, were present: Mark Dambly, Robert Fenza, Alex Hartzler, Ira Lubert, Daniel Mead, William Oldsey, and Mary Lee Schneider (via phone).

Emeriti Trustee Alvin Clemens, Faculty Representative James Strauss, Student Representative Terry Ford, and the following administration members were also present: Susan Basso, Madeline Cantu, Joseph Doncsecz, Jennifer Eck, David Gindhart, David Gray, Frank Guadagnino, Gail Hurley, Nicholas Jones, Kurt Kissinger, Zack Moore, Andy Reisinger, Dave Rose, Crystal Straw, Eric Strucko, and Ford Stryker.

The meeting was called to order by Chairman Daniel Mead. Chairman Mead advised the Committee that actions and recommendations by the Committee would be reported to the full Board of Trustees for their consideration at the February 24, 2017 meeting.

The Committee unanimously approved the minutes of the November 3, 2016 meeting of the Committee.

The Committee reviewed the following consent agenda items and unanimously approved the two action items: Summary of Revised Funds and Summary and Acknowledgment of New Funds and Major Commitments.

Information Items –

- a) Old Main Chilled Water Upgrades, University Park
- b) Penn State Cancer Institute and University Physician Center Pharmacy Renovations, Penn State Health Milton S. Hershey Medical Center
- c) Penn State Heart and Vascular Institute Non-Invasive Relocation and Realignment, Penn State Health Milton S. Hershey Medical Center
- d) First Floor Observation Unit Fitout, Penn State Health Milton S. Hershey Medical Center
- e) Generator Replacements, Penn State Health Milton S. Hershey Medical Center
- f) Special Pathogens Training Room, Penn State Health Milton S. Hershey Medical Center
- g) Lease and Fitout at 1135 East Chocolate Avenue, Penn State Health Milton S. Hershey Medical Center
- h) Naming of Newly Purchased Building, “3058 Research Drive Building,” State College
- i) Naming of Rooms, Portions of Buildings, and Plazas
- j) Status of Major Construction Programs and Borrowing

Action Items –

- k) Summary of Revised Funds
- l) Summary and Acknowledgement of New Funds and Major Commitments

(See Appendix II)

The Committee unanimously approved the following resolutions for the Proposed Appointment of a Design Build Team, Emergency Department Expansion, Penn State Health Milton S. Hershey Medical Center:

RESOLVED, That the Officers of the University are authorized to employ Pyramid Construction of Harrisburg, Pennsylvania, to design and build the emergency department expansion at Penn State Health Milton S. Hershey Medical Center.

FURTHER BE IT RESOLVED, Final plans for the project will be brought to the Board of Trustees for approval when designed and costs have been established.

The Committee unanimously approved the following resolution for the Proposed Appointment of Designers, Energy Savings Projects at University Park and Commonwealth Campuses:

WHEREAS, The Office of Physical Plant employed an open and inclusive process to select the most qualified designers for Energy Savings Program projects.

RESOLVED, That the Officers of the University are authorized to employ McClure Company of Harrisburg, Pennsylvania; Mortenson, of Minneapolis, Minnesota; Precis Engineering, of Ambler, Pennsylvania; and, Wayne Crouse, Inc., of Pittsburgh, Pennsylvania, to design and build Energy Savings Program projects for the University.

The Committee unanimously approved the following resolutions for the Proposed Appointment of an Architect, Final Plan Approval and Authorization to Expend Funds, Shaver's Creek Environmental Center Renovation, Stone Valley Recreation Area:

RESOLVED, That the Officers of the University are authorized to employ the firm of Kimmel Bogrette, of Conshohocken, Pennsylvania, to design the Shaver's Creek Environmental Center Renovations at Stone Valley Recreation Area.

RESOLVED, That the final plans for Shaver's Creek Environmental Center Renovations at Stone Valley Recreation Area, as designed by Kimmel Bogrette, of Conshohocken, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds and award contracts to accomplish the project be approved at a cost of \$5,800,000.

The Committee unanimously approved the following resolutions for the Proposed Final Plan Approval and Authorization to Expend Funds, East Halls Renovation – Phase 1b, University Park:

RESOLVED, That the final plans for the East Halls Renovation – Phase 1b at University Park, as designed by Clayco of St. Louis, Missouri, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$106,000,000.

The Committee unanimously approved the following resolutions for the Proposed Final Plan Approval and Authorization to Expend Funds, Roofing Program, University Park:

RESOLVED, That the final plans for the Roofing Program at University Park, as designed by Office of Physical Plant Design Services, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$11,100,000.

The Committee unanimously approved the following resolutions for the Proposed Purchase of Cryo-Electron Microscope, Penn State Health Milton S. Hershey Medical Center / College of Medicine:

RESOLVED, That the purchase and installation of the Cryo-electron Microscope for the College of Medicine at Penn State Health Milton S. Hershey Medical Center is approved at a cost of \$9,100,000.

FURTHER BE IT RESOLVED, That the Officers of the University are authorized and directed to take steps to make effective these resolutions.

The Committee postponed consideration of the Proposed Land Exchange between Penn State University and Mount Nittany Medical Center until a later date.

The Committee unanimously approved the following resolution for the Proposed Changes in Room and Board Charges for 2017-18 Academic Year:

RESOLVED, That room and board charges at all locations be increased as shown on Schedules I through V attached hereto and which are a part of this resolution.

(See Appendix IV)

Informational reports on the following items were presented by those noted below.

- Report on Status of FY2017-18 Commonwealth Appropriation Request (Zack Moore and Andy Reisinger)
- University Creditworthiness (Joe Doncsecz)
- Discussion on University Capital Plan, FY2018-19 to FY2022-23 (Joe Doncsecz, Andy Reisinger, and Ford Stryker)

- Discussion on University Approval and Delegation Authority (Frank Guadagnino)
- Report on Human Resources Transformation Project (Susan Basso)
- Report on Finance & Business Information Technology Transformation Project (Dave Gindhart)

The Committee on Finance, Business & Capital Planning meeting was adjourned at 12:10 a.m.

The Committee then went into executive session to discuss privileged matters.

Respectfully submitted,

Crystal K. Straw
Assistant Secretary
Board of Trustees