<table>
<thead>
<tr>
<th>Board of Trustees</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>President's Report</td>
<td>1-2</td>
</tr>
<tr>
<td>Reports of the Standing Committees</td>
<td></td>
</tr>
<tr>
<td>A. Committee on Academic Affairs and Student Life</td>
<td>2-3</td>
</tr>
<tr>
<td>B. Committee on Audit and Risk</td>
<td>3</td>
</tr>
<tr>
<td>D. Committee on Compensation</td>
<td>3</td>
</tr>
<tr>
<td>B. Committee on Finance, Business and Capital Planning</td>
<td>3-6</td>
</tr>
<tr>
<td>E. Committee on Governance and Long-Range Planning</td>
<td>6-7</td>
</tr>
<tr>
<td>F. Committee on Legal and Compliance</td>
<td>7</td>
</tr>
<tr>
<td>G. Committee on Outreach, Development and Community Relations</td>
<td>8</td>
</tr>
<tr>
<td>Appendix I</td>
<td>11-49</td>
</tr>
</tbody>
</table>
A meeting of the Board of Trustees was held in Dean’s Hall of the Penn Stater Conference Center Hotel, University Park, PA, at 1:00 p.m. on May 5, 2017.

The following Trustees were present: Lubert (chairman), Dambly (vice chairman), Barron, Brown, Capretto, Casey, Cotner, Dandrea, Detwiler, Doran, Dunn, Fenza, Goldstein, Han, Harpster, Hartzler, Hoffman, Huber, Jubelirer, Kleppinger, Lord, Lubrano, Masser, McCombie, Mead, Metaxas, Oldsey, Pope, Potts, Rakowich, Redding, Rivera, Salvino, Schneider, Schuyler, Tribeck, and Weinstein. The Governor’s non-voting representative, Mr. Shipley, was also in attendance. Emeriti Trustees Eckel, Jones, Riley, and Shaffer were also present.

Present by invitation were Faculty Senate officers Bérubé, Taylor, and Woessner; Academic Leadership Council Chair Bechtel-Wherry; student representatives DeBellis, Jordan, Krott, Pragg, Shockley, and Taylor; representatives Blew, Ille, and Pauley; and staff members Andrews, Basso, Bowen, Gray, Guadagnino, Hanes, Hillemeier, Huston, Jones, Kubit, Lokman, Moore, Mulroy-Degenhart, Poole, Sharkey, Sims, and Whitehurst.

Chairman Lubert called the meeting to order, and noted that the Board met in Executive Session earlier in the day to discuss various privileged matters. He welcomed new University Faculty Senate Chair Matthew Woessner, and Chair-Elect Michael Bérubé, and returning Secretary, Ann Taylor. He then welcomed new Student Government leaders, Katie Jordan, University Park Undergraduate Association (UPUA) President; Alex Shockley, UPUA Vice President; Zachary Taylor, Council of Commonwealth Student Governments (CCSG) President; Hunter DeBellis, CCSG Vice President; Matt Krott, Graduate and Professional Students Association President (GPSA); and Brianne Pragg, GPSA Vice President. Chair Lubert then thanked administrative colleagues who would retire June 30: Dan Hagen, Executive Director of the University Faculty Senate; Blannie Bowen, Vice Provost for Academic Affairs; Ford Stryker, Associate Vice President for the Office of Physical Plant; and Gail Hurley, Associate Vice President of Auxiliary and Business Services. Finally, he recognized Jenny Blew for her service as a representative to the Board from the Staff Advisory Council.

Chair Lubert called on Andrew Belser, Professor in the College of Arts and Architecture, who will serve as the 2017-2018 Penn State Laureate. Belser provided highlights of his FaceAge multimedia video exhibition, which he plans to share during his travels across the Commonwealth during the next academic year. Lubert then called on Sylvia Biscoveanu, a 2017 Schreyer Honors Scholar who will graduate with degrees in Physics and Spanish, and will serve as the Student Marshal for the Eberly College of Science. Sylvia, who spoke about her scholarship and sense of community at Penn State, will attend MIT for her graduate studies in physics following the completion of her Fulbright Fellowship, which will be spent next year in Australia and will continue her research that involves the analysis of data from the largest cosmic ray experiment in the world. Finally, Chair Lubert recognized the Penn State Wrestling team’s NCAA championship, and acknowledged those who were in attendance.

Recorded remarks are available at https://youtu.be/d4V3UlgyFVc

The roll was called by Janine Andrews, Associate Secretary of the Board. Following the roll call, the Board voted to approve the Minutes of the meetings of the Board held on February 24, 2017; and the revised Minutes of the telephonic meeting of the Board held on April 21, 2017.

President’s Report

Dr. Barron began his remarks by introducing three students who were involved in Penn State’s Lion Pantry, and gave them an opportunity to share some of their experiences with that project. His President’s Report
provided a summary of progress on seven goals set for 2016-17 that he developed in collaboration with the Board of Trustees. The goals he covered are: 1. Expand access and affordability initiatives; 2. Continue cost cutting and efficiency measures; 3. Expand Invent Penn State and economic development and student career success initiatives; 4. Prepare to launch philanthropic campaign; 5. Address major issues of campus and public concern; 6. Create a strategic framework for the future of online learning and the World Campus; and 7. Strategic plan implementation. After each goal Dr. Barron described the programs and progress that are underway, and added some thoughts on their future direction. He concluded the report with a recap of the seven goals.

Dr. Barron responded to comments and questions about the following:
- Monetizing Penn State’s intellectual property
- Metrics tracking for Penn State’s LaunchBox program
- Voluntary retirement savings plan

Recorded remarks are available at https://youtu.be/d4V3UtgyFVc. For companion slides, reference Appendix I.

Reports from Standing Committees

Chairman Lubert advised that Standing Committees met in public session on Thursday, May 4, 2017, to consider any information or action items to come before the Board at the May 5, 2017 public meeting. Any action item considered and voted on in the Committee was included in reports by the respective Committee chairs. The full Board was asked to consider Committee recommendations at the conclusion of each report.

A. Committee on Academic Affairs and Student Life

Vice Chair Allie Goldstein reported that the Committee on Academic Affairs and Student Life met on Thursday, May 4, with a quorum of the Committee present.

The Committee received the following items for information:

1. Information on Undergraduate Programs
   a) Bachelor of Fine Arts in Acting in the College of Arts and Architecture: New Program
   b) Bachelor of Science in Dance in the College of Arts and Architecture: New Program
   c) Landscape Architecture in the College of Arts and Architecture: New Minor
   d) Photography in the College of Arts and Architecture: New Minor
   e) Bachelor of Science in Meteorology to Bachelor of Science in Meteorology and Atmospheric Science; Atmospheric Sciences option to Atmospheric Science option in the College of Earth and Mineral Sciences: Name Changes
   f) Creative Writing in the College of the Liberal Arts: New Minor
   g) Materials Science and Engineering at Penn State Harrisburg: New Minor

2. Information on Graduate Programs
   a) Computational Materials in the College of Engineering: New Minor

The Committee received an update from Hunter DeBellis, Vice President of the Council of Commonwealth Student Governments, on behalf of all student government organizations; her report included updates on the results and turnout of the elections, civic engagement; diversity-related initiatives; and goals for the coming year. Administrative liaisons Damon Sims, Vice President for Student Affairs; and Nick Jones shared updates on LionPath and Canvas; the Strategic Plan; administrative and Dean searches; the student fee board process; counseling and psychological services; and fraternity and sorority life.
Jean Vasilatos-Younken, Vice Provost for Graduate Education and Dean of the Graduate School, introduced and moderated a panel discussion for Trustees, graduate students and faculty on a variety of topics related to their University experiences.

Finally, in Committee, Trustee Alice Pope reported on the outcomes of the Committee’s annual self-assessment survey.

The Committee on Academic Affairs unanimously recommended that the Board of Trustees approve the following resolution:

RESOLVED, That the Board of Trustees hereby approves President Eric J. Barron’s appointment of Dr. Peggy A Johnson to the position of Dean of the Schreyer Honors College, effective July 1, 2017, or a mutually agreed-upon date.

Following remarks from Provost Nick Jones, a motion to approve the foregoing resolution as recommended by the Committee on Academic Affairs and Student Life was made and seconded and approved by the Board.

B. Committee on Audit and Risk

Chair Walt Rakowich reported that the Committee on Audit and Risk met on Thursday, May 4, with a quorum of the Committee present. Prior to the public meeting, the Committee met in Executive Session to meet with external auditors.

The Committee reviewed the Committee roles and responsibilities matrix, and operating guidelines. Joe Doncsecz, University Controller, reviewed the Office of Management and Budget Uniform Guidance Audit Reports, followed by Don Welch, Chief Information Security Officer, who shared an update on information security operations. Dan Heist, Director of Internal Audit, provided an internal audit follow-up report, and reviewed the department’s customer satisfaction surveys.

Finally, the Committee received updates from Trustee Don Cotner and University Risk Officer, Gary Langsdale, on the Subcommittee on Risk. Trustee Ted Brown was recognized for awards he recently received from the Disaster Recovery Institute for his work in disaster recovery, business continuity, and crisis management.

There were no action items presented to the Board.

C. Committee on Compensation

There was no meeting of the Committee on Compensation.

D. Committee on Finance, Business and Capital Planning

Chair Dan Mead reported that the Committee on Finance, Business, and Capital Planning met on Thursday, May 4, with a quorum of the Committee present.

The Committee received the following items for information:

1. Information Items
   a) Eisenhower Auditorium Stage Abatement, University Park
   b) University Drive Extension Reconstruction, University Park
   c) Nittany Parking Deck Rehabilitation, University Park
   d) Nittany Apartments Renovation – Phase IV, University Park
   e) First Floor Observation Unit Fitout, Penn State Health Milton S. Hershey Medical Center
   f) Renovation of Radiology 3D Imaging and Offices, Penn State Health Milton S. Hershey Medical Center
   g) Replacement of Air Handling Units, Penn State Health Milton S. Hershey Medical Center
h) Hospital North Hallway West Reconfiguration and Second Floor Addition, Penn State Health Milton S. Hershey Medical Center
i) Change the Name of the Recreation & Convocation Center to the “Athletic & Recreation Center,” Penn State Fayette
j) Naming of Rooms, Portions of Buildings, and Plazas
k) Status of Major Construction Programs and Borrowing
l) Long-Term Investment Pool Report for Calendar Year 2016

2. Action Items
   m) Summary of Revised Funds
   n) Summary and Acknowledgement of New Funds and Major Commitments

Chair Mead noted that the Committee received reports on the upcoming five-year capital initiatives and spending plans; the status of the Commonwealth appropriations; and the risks related to rising healthcare costs.

Chair Mead reported that the Committee reviewed and approved the recommendation of Items M and N of the Finance, Business, and Capital Planning Committee Consent Agenda by unanimous vote. He then continued with his introductions of Agenda Items for consideration and approval. Agenda Item 2 proposed the naming of the Lacrosse Stadium to “Panzer Stadium,” at University Park. Agenda Item 3 proposed the appointment of an Architect for Children’s Hospital Overbuild, at Penn State Health Milton S. Hershey Medical Center. Agenda Item 4 proposed the of an Architect, Final Plan Approval and Authorization to Expend Funds, for the Applied Research Laboratory Energy Science and Power Systems Test Facility, Benner Township. The Committee approved the recommendation of resolutions for Agenda Items 2, 3 and 4 by unanimous vote.

Agenda Item 5 proposed the Final Plan Approval and Authorization to Expend Funds, for the Recital Hall Addition and Music I Renovations at University Park. David Gray, Senior Vice President for Finance and Business/Treasurer, presented the plan for this item. The Committee approved the recommendation of the resolutions for Agenda Item 5 by unanimous vote.

Agenda Item 6 proposed the Final Plan Approval and Authorization to Expend Funds, for the Parking Garage Expansion at Penn State Behrend. Agenda Item 7 requests the Consideration of Proposed Interim Maintenance and Operating Budget for the University, for the Fiscal Year beginning July 1, 2017. The Committee approved the recommendation of the resolutions for Agenda Items 6 and 7 by unanimous vote.

Chair Mead then introduced an additional item that was tabled during the February meeting of the Board. This item proposed a land exchange between Penn State and the Mount Nittany Medical Center in Centre County, College Township, Pennsylvania. David Gray presented the plan for this item. The Committee approved the recommendation of the additional resolutions by unanimous vote.

The Committee on Finance, Business and Capital Planning recommended that the Board of Trustees approve the following resolutions:

1. RESOLVED, That the conditions governing certain existing scholarships, fellowships, awards, and similar funds previously established at the University, identified in the Summary of Revised Funds for the period January 30, 2017 to April 7, 2017, be revoked and that the Officers of the University are authorized to put into effect the revised regulations as requested by the donors.
2. RESOLVED, That the Board of Trustees gratefully acknowledges the generous contributions of the many friends of the University identified in the Summary and Acknowledgement of New Funds and Major Commitments, in support of endowments, funds, and other major commitments as reported to the Committee on Finance, Business and Capital Planning at its meeting of May 4, 2017.

FURTHER BE IT RESOLVED, That the Officers of the University are authorized to convey the Board's appreciation to these generous benefactors who provide opportunities for many students to receive a quality education.

3. RESOLVED, That the Lacrosse Stadium at University Park is named “Panzer Stadium.”

4. RESOLVED, That Payette Associates of Boston, Massachusetts, is the architect of record for the design of the Children’s Hospital Overbuild at Penn State Health Milton S. Hershey Medical Center.

5. RESOLVED, That the Officers of the University are authorized to employ the firm of Hoffman Leakey Architects, of Boalsburg, Pennsylvania, to design the Applied Research Laboratory Energy Science and Power Systems Test Facility.

RESOLVED, That the final plans for the Applied Research Laboratory Energy Science and Power Systems Test Facility, as designed by Hoffman Leakey Architects, of Boalsburg, 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 $6,000,000.

6. RESOLVED, That the final plans for the Recital Hall Addition and Music I Renovations at University Park, as designed by Bostwick Design Partnership of Cleveland, Ohio, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of $25,500,000.

7. RESOLVED, That the final plans for the Parking Garage Expansion at Penn State Behrend, as designed by Weber Murphy Fox of Erie, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of $7,500,000.

8. RESOLVED, That pending adoption of a new budget to reflect clarification of the amount and form of the State appropriation, and subsequent decisions regarding the amount of tuition charges, adjustments to salaries, wages, and employee benefits, and provisions for fuel and utilities and other cost increases, the Board of Trustees approves continuation for the interim period beginning July 1, 2017, total budget amounts at the level of the adjusted 2016-17 budget as follows:
Additional Resolution:

RESOLVED, That the Board of Trustees hereby approves the exchange of 0.52 acres of University-owned land for a 2.60 acre Mount Nittany Medical Center-owned parcel, both located within the designated medical campus zoning district in College Township, Centre County, Pennsylvania.

FURTHER BE IT RESOLVED, That the Officers of the University are authorized and directed to take such steps as are necessary to make effective this resolution.

Following discussion, a motion to approve the foregoing resolutions as recommended by the Committee on Finance, Business and Capital Planning was made and seconded and approved by the Board.

E. Committee on Governance and Long-Range Planning

Chair Betsy Huber reported that the Committee on Governance and Long-Range Planning met Thursday, May 4, with a quorum of the Committee present.

The Committee unanimously recommended the proposed reappointment of members of the Board of Directors of The Milton S. Hershey Medical Center, and the appointment of directors to the Penn State Health Board. The Committee considered the proposed election of the Student Trustee, and unanimously recommended the appointment of Michael Hoeschele for a two-year term, beginning July 1, 2017.

Associate General Counsel, Frank Guadagnino, led the Committee through discussions of proposed amendments to Section 5.09(a) and 5.09(b) of the Bylaws. The Committee unanimously recommended the proposed amendments for the Board’s consideration and approval at its July meeting. The Committee also discussed a Trustee Professional Development proposal, and by unanimous vote, will recommended the proposal to the Chair. Finally, the Committee reviewed and discussed amendments to the Expectations of Membership included in Section XI(1)(a) of the Standing Orders; the Committee unanimously recommended the amendments to the Board for consideration and approval at its July meeting.

The Committee on Governance and Long-Range Planning recommended that the Board of Trustees approve the following resolutions:
1. RESOLVED, that the appointments of Dennis Brenckle and Thomas Lenkovitz to the Board of Directors of Penn State Health Milton S. Hershey Medical Center for a term commencing July 1, 2017 and expiring June 30, 2020 are hereby confirmed; and

   FURTHER BE IT RESOLVED, that Clifford Benson and Peter Tombros are hereby appointed to the Board of Directors of Penn State Health for a term commencing as of the date of this resolution and expiring on March 14, 2018.

2. RESOLVED, that the Standing Orders be amended by deleting Section 9(a) of Order VII in its entirety and replacing it with the following language:

   (a) The Chair of the Board of Trustees shall invite a faculty representative and a student representative to serve as non-voting members of each standing committee (other than the Committee on Compensation). The Chair of the Board of Trustees may invite other individuals to serve as non-voting members of standing committees (other than the Committee on Compensation), as determined in his or her discretion to be appropriate or advisable. The Chair of the Board of Trustees may invite individuals to serve as non-voting members of subcommittees or special committees, as determined in his or her discretion to be appropriate or advisable. A non-voting member of any standing committee, subcommittee or special committee may attend executive sessions of such standing committee, subcommittee or special committee at the discretion of the Chair of such standing committee, subcommittee or special committee. Representatives of student and faculty groups shall be selected in consultation with each respective group.

A motion to approve the foregoing resolutions as recommended by the Committee on Governance and Long-Range Planning was made and seconded and approved by the Board.

F. Committee on Legal and Compliance

Rick Dandrea, Chair of the Committee on Legal and Compliance, reported that the Committee met Thursday, May 4, with a quorum of the Committee present.

The Legal and Compliance Committee received a report from Regis Becker, University Ethics and Compliance Director, who provided updates about the University Compliance Plan, including its scope, purpose, and upcoming changes to the plan. Becker also discussed the plan to convert the Athletics Integrity Agreement into and Athletics Integrity Program, coincident with the Agreement’s expiration in August 2017. Frank Guadagnino led a discussion on the Office of General Counsel’s role in advising on business, financial, operational, and other issues that do not involve litigation or regulatory compliance; they addressed their counseling work in governance, bond offerings, licensing and IP transactions, development and gift agreements, and major contracts. Jennifer Eck, Michael Brignati, and Jen Jacobs, also from the Office of General Counsel joined the Committee for this discussion.

Chair Dandrea noted that following the public portion of the meeting, the Committee received a privileged legal update in Executive Session.

There were no action items presented to the Board.
G. Committee on Outreach, Development and Community Relations

Ryan McCombie, Chair of the Committee on Outreach, Development and Community Relations, reported that the Committee met Thursday, May 4, with a quorum of the Committee present.

The Committee received a report from Rich Bundy, Vice President for Development and Alumni Relations Strategic Communications, which provided an update on the progress of A Greater Penn State for 21st Century, which has already exceeded $300,000 mark in total contributions against a five-year, $1.6 billion goal. Marie Hardin, Dean of the Donald P. Bellisario College of Communications, shared detailed information about the Bellisario gift and its impact across the University. Paul Clifford, Chief Executive of the Penn State Alumni Association reported on the Young Alumni Ambassador Program, an initiative that immerses recent graduates in volunteer and leadership opportunities with the goal of preparing them for life-long University advocacy. Tracey Huston, Interim Vice President for Outreach, showed a short video segment from the taping of the WPSU show, The Investment Student Company Pitch Competition, in which student entrepreneurs competed for a part of a $30,000 prize pool to fund their start-up companies. The show is part of the Inc. U competition which is managed by the Pennsylvania Technical Assistance program in partnership with Invent Penn State. Zack Moore, Vice President for Government and Community Relations, spoke to the Committee about the success of Capital Day in March, a state budget update, and introduced Charima Young, the incoming Director of Local Government and Community Relations. Lawrence Lokman, Vice President for Strategic Communications, spoke to the Committee about message testing and proactive media placement.

Finally, the Committee discussed the Public Comment portion of the board meeting cycle. Committee members feel that this is an important mechanism for members of the community, and most members feel that more should be done to make it more accessible to speakers and members of the media and public who wish to view it. A Subcommittee has been formed to make recommendations for the Committee’s discussion and review.

There were no action items presented to the Board.

Informational Report on the University Faculty Senate

A report of this year’s activities of the University Faculty Senate was provided by Jim Strauss, Immediate Past Chair of the University Faculty Senate and Senior Lecturer II of the Department of Biology.

Report on the Election of Trustees by Alumni

Chairman Lubert called on Trustee Barbara Doran for a report on the tabulation of ballots for the Election of Trustees by Alumni, which concluded at 9:00 a.m. (EST) on May 4.

Trustee Doran reported that she and Trustee Rob Tribeck served as Trustee Tellers for the election and were present for the counting of ballots, which was observed by KPMG. Doran reported that five individuals met the threshold of receiving 250 nominations and expressed a desire to serve Penn State as alumni elected Trustees, and met the criteria to run for election. One individual subsequently withdrew prior to distribution of the balloting.

A total of 21,233 ballots were received. The total number of votes for the three candidates receiving the highest number of votes were:

- Jay Paterno, 16,322 votes
- Alice Pope, 14,744 votes
- Bob Jubelirer, 13,173 votes

A motion to accept the report of the results of the election of Alumni Trustees was made and seconded and approved by the Board.
Report on Election of Trustees by Agricultural Delegates

Chairman Lubert called on Trustee Chris Hoffman for a report on the election of Trustees by delegates from agricultural societies, which was held on May 4.

Trustee Hoffman reported that he and Trustee Abe Harpster served as Trustee Tellers for the election of delegates from agricultural societies. Hoffman reported that three candidates indicated their willingness to serve if elected, and that they were appropriately nominated; they were Lynn Dietrich; J.V. Lamb; and Keith Masser.

Following the submission of ballots by duly authorized representatives, Lynn Dietrich and Keith Masser were elected by the delegation.

A motion to accept the report of the results of the election of Agricultural Trustees was made and seconded and approved by the Board.

Election of Trustees Representing Business and Industry Endeavors

The Board of Trustees received the recommendation from the Selection Group on Business and Industry Trustees providing for the election of the following as members of the Board of Trustees representing business and industry endeavors for a three-year term beginning July 1, 2017:

- Mark H. Dambly
- Walter C. Rakowich

Following discussion, a motion to accept the report of the results of the selection of Business and Industry Trustees was made and seconded and approved by the Board.

Election of At-Large Trustees

The Board of Trustees received the recommendation from the Selection Group on Board Membership for At-Large Trustees, providing for the selection of the following as a member of the Board of Trustees for three-year term beginning July 1, 2017:

- Matthew W. Schuyler

A motion to accept the report of the results of the selection of an At-Large Trustees was made and seconded and approved by the Board.

Special Consideration of a Bylaws Exception

Chair Lubert reported that Trustee Allie Goldstein requested an exception to Section 8.12 of the University Bylaws, which states that “no person may be employed by the University in any capacity before the fifth anniversary of the date on which such person has last served as Trustee.”

Trustee Goldstein will complete her Ph.D. dissertation this summer, and has been offered an academic position in the Department of Education Policy Studies at a salary that is both commensurate with the position, and at a level that other similarly-situated individuals would be offered. The exception will allow Trustee Goldstein to begin this opportunity before the end of the five-year period specified in the Bylaws. Additionally, in the event that Trustee Goldstein is not replaced as a Trustee by the Governor prior to her commencement of employment with Penn State, she has indicated her intention to resign as a member of the Board.

A motion to grant this exception to Section 8.12 of the Bylaws for Trustee Goldstein was made and seconded and approved by the Board. It is noted that Trustee Goldstein was not present for the discussion or vote on this item.
**Announcements by the Chairman of the Board of Trustees**

In closing, Chair Lubert thanked outgoing Trustees Betsy Huber, Al Lord, Dan Mead, Luke Metaxas, and Kay Salvino for their service. Chair Lubert then called for other matters to come before the Board. There being no additional business, the public meeting was adjourned at 3:10 p.m.

The meeting is available in its entirety at [https://youtu.be/d4V3ULgyFVc](https://youtu.be/d4V3ULgyFVc).

Respectfully submitted,

Janine S. Andrews  
Associate Secretary,  
Board of Trustees
Summary: Progress on 2016-17 Goals

President’s Report to the Board of Trustees
May 5, 2017
President’s Annual Goals

• 7 goals set at the start of fiscal year by BOT and President
• Opportunity for Assessment and Reflection
• Objective - Update on Progress
1. Expand Access and Affordability Initiatives

• Focus: total cost of a degree, student borrowing, and success of need-based students
Access and Affordability Pilot Programs

- Pathway to Success Summer Start (PaSSS) - PaSS for World Campus
- Financial Literacy Center
- Digital Learning Initiative
- Education at Work (EAW)
- Advising Enhancements (Starfish)
- Student Transition Experiences Program (STEP)
- Raise.me Micro-scholarship Program
- ALEKS Initiative
Pathway to Success Summer Start (PaSSS)

- An intensive program to help students graduate on time using summer courses and guaranteed employment.
- Initial assessment results suggest gains in: retention, math proficiency, GPAs, and credit accumulation; Assessment will continue once spring 2017 grades are submitted.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td># of students</td>
<td>135</td>
<td>274</td>
<td>375</td>
<td>1,000</td>
</tr>
<tr>
<td># of participating campuses</td>
<td>7</td>
<td>9</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>
World Campus PaSS

• Focused on first time college/online students who are first generation, adult leaners or have high financial need.

• Target Launch: Fall ‘17 for 30 students; second cohort in spring ‘18.

• Program highlights include:
  – non-credit courses that address study skills, technology, financial literacy, career planning and student engagement
  – personalized student mentoring and faculty/staff coaching
  – $1,500 scholarship for each of the two semesters
Penn State Financial Literacy Center

- Provides students with access to financial security information and tools.
- Unifies existing programming.
- [https://financialliteracy.psu.edu/](https://financialliteracy.psu.edu/)
- Website is a portal to make appointments and request advice.
- Director Daad Rizk received the Institute for Financial Literacy’s 2017 Educator of the Year Award.
- Currently seeking an endowment for Center.
Digital Learning Initiative

• Uses online/video classes and resources to help students make academic progress and provides supplementary materials for classes with high repeat rates.

• Increases sharing of entrance-to-major and upper level/major courses among campuses.

• Reduces number of under-enrolled courses/sections.

• Develops a sustainable model to expand courses.

• Fall ’17 courses include: MATH 34: The Mathematics of Money and STAT 200: Elementary Statistics.

• Collaboration among Office of the Vice President for the Commonwealth Campuses, Eberly College of Science and World Campus.
Education at Work (EAW)

• A non-profit organization that helps college students graduate with less debt through industry partnerships.

• The partners provide wages and tuition assistance to students while developing workplace skills.

• Working with EAW and an interested corporate partner to establish this initiative at Penn State (UP).
Advising Enhancements

• Rolled out in May 2016, Starfish is a new suite of academic and early progress reporting tools.

• Designed to facilitate communication among academic advisors, instructors and students.

• Through Starfish, in fall ‘16, 60,000 unique students received an early alert about their performance in classes; and 6,000 advising appointments were scheduled.
Student Transitional Experiences Program (STEP)

- Summer program for juniors transitioning to UP from a Commonwealth Campus.
- Previously STEP was limited to students in Smeal, Engineering and HHD, but now it includes all colleges.
- Students take two courses during summer session II, partner with a student mentor, receive a $1,500 Provost Award, and participate in STEP Connect Workshop Series.
Raise.me Micro-Scholarship Program

- Students earn tuition $$ through academic and co-curricular requirements to max $4,000/year for 4 years.
- Office of Undergraduate Education provides wraparound programming for participants.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015-16</th>
<th>2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Schools (Phila./Pitt.)</td>
<td>5</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>Rural Schools</td>
<td></td>
<td>6</td>
<td>8</td>
</tr>
</tbody>
</table>

- This year’s program includes every PA high school student in the free/reduced lunch program.
## Raise.me Micro-Scholarship Outcomes

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Applied</th>
<th>Offered</th>
<th>Accepted</th>
<th>First Generation</th>
<th>Financial Need</th>
<th>Ave. Award Per Student Per Semester</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td></td>
<td>77</td>
<td>55</td>
<td>37</td>
<td>42</td>
<td>$1,053</td>
</tr>
<tr>
<td>2016-17</td>
<td>214</td>
<td>135</td>
<td>121</td>
<td>69</td>
<td>71</td>
<td>$1,060</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Asian American</th>
<th>African American</th>
<th>Hispanic/Latino</th>
<th>White</th>
<th>Other/Did not Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>40%</td>
<td>24%</td>
<td>13%</td>
<td>20%</td>
<td>3%</td>
</tr>
<tr>
<td>2016-17</td>
<td>33%</td>
<td>18%</td>
<td>12%</td>
<td>17%</td>
<td>20%</td>
</tr>
</tbody>
</table>
Assessment and Learning in Knowledge (ALEKS)

• Allows for adaptive math placement and provides modules to strengthen math skills.

• One third of students in calculus sequence used the online modules; 90% placed into a course higher than original placement level.

• Refined to increase online prep time, resulting in a 94% success rate for students who re-test, and eliminated most 5- and 6-credit courses that were stumbling blocks for students.

• Working to expand courses and offer to multiple campuses.

• Helps adult learners relearn/refresh math skills.
2. Continue Cost Cutting and Efficiency Measures

• Voluntary Retirement Plan Savings: $12-16M from 587 faculty and staff retirements.

• New initiatives in energy ($1.5M savings) and strategic procurement ($3.5M savings).

• Cost savings/budget reductions in ‘16-'17: $19.8M includes restructuring post-retirement health care liability, capping/reducing subsidy to World Campus and Outreach, administrative overhead, and other tactical savings.

• Anticipated savings in ‘17-'18: $27M includes health care savings, released debt service, administrative overhead, general funds subsidy reductions for Campus Rec and UHS, World Campus subsidy reductions, and HR Transformation.
Increased Revenue Initiatives Being Explored

• Creation of new Professional Masters programs.
• Provide multiple seamless points of access through World Campus.
• Cultivate lifelong learning through refresher courses and a subscription to professional content modules.
• Program investments/targeted advertising to increase enrollment at Commonwealth Campuses.
• New residence halls at Abington and Brandywine have increased enrollments.
• Monetize IP.
Total Office of Tech Management Revenues
Fees, royalties, equity liquidation (yellow) and patent expense reimbursements (blue)

NOTE: 1989-1995 Revenue = $1,429,916
3. Expand Invent Penn State and Economic Development/Career Success Initiatives

- Assess outcomes of initial 7 Launchboxes/Innovation Hubs.
- Opened 6 new Launchboxes in 2016.
- Assess outcome of 4 planning grants; award 2 additional planning grants in 2017.
- Measure growth in startup licenses, companies in acceleration mode, new corporate partners, IP Fair participation, investor interactions and more.
Example: Morgan Advanced Materials

- Partnering with Penn State to establish R&D facility at Innovation Park
- First U.S.-based center of excellence
- First global industrial partnership formed through Invent Penn State
- Will drive global developments in the field of carbon research
Invent Penn State Outcomes: Year Two

- 400+ industry research contracts
- 5,000 Penn State researchers involved
- 91 patents issued/51 licenses & options executed
- 48 Startups formed with support for 1000s of entrepreneurs
- 90 student internships
- $900,000 invested and 50+ community partnerships
Example: Penn State New Kensington

- Awarded one of the first SEED grants
- Worked with New Kensington mayor to build an entrepreneurial center and co-working space downtown.
- The county and Penn State have raised $800,000+ for the project.
- Led to establishment of new arts center, loft apartments, small business association, 14 new businesses, downtown revitalization.
Venture & IP Conference (Oct. 6-7, 2016)

• 585 Conference Attendees
• 95 Capital Seeking Ventures
• 69 Venture Capitalists
Two Years of Accelerated Entrepreneurship & Innovation

- 230 students in Entrepreneurship and Innovation minor
- $2M invested in emerging PSU technologies
- 40 technology projects funded
- 29 EdTech student startups formed
4. Prepare to Launch Philanthropic Campaign

• Conducted 22 Case Statement Sessions with donors (14 Barron/8 Jones); completed case statement for *A Greater Penn State for 21st Century Excellence*

• Our strategy:

  **Open Doors** – Transform the financial equation for students

  **Create Transformative Experiences** – We must do much more than deliver content.

  **Impact the World** – Focus on the most compelling issues of our time.
Preparation and Progress

- Strategic Hires: Rich Bundy, VP for Development and Alumni Relations plus personnel to address campaign needs.
- $30M gift created the Donald P. Bellisario College of Communications.
- 50 presidential one-on-one visits to donors.
- 53 development events with nearly 6,000 donors/friends.
- 120+ formal speeches to university stakeholders.
- Delivered *A Greater Penn State* speech at Duquesne Club; sharing widely with printed/electronic copies.
A Greater Penn State

Time Elapsed: 16.7% (as of April 30, 2017)

**Open Doors** – Goal: $500M
Current Progress: $112.5M (23%)

**Create Transformative Experiences** – Goal: $225M
Current Progress: $55.6M (25%)

**Impact the World** – Goal: $475M
Current Progress: $102.5M (22%)

**TOTAL FUNDRAISING PROGRESS** – Goal: $1.6B
Current Progress: $315.3M (20%)
5. Address Major Issues of Campus and Public Concern

- Promote diversity and inclusion with All In Initiative.
- Taking unprecedented action to curb sexual assault, hazing and excessive drinking.
- $7.7M National Institutes of Health grant creates first national center for child maltreatment studies at Penn State.
- Title IX Office making progress on 18 task force recommendations.
Initiatives in 2016-17

Five main areas

• Service & Support
• Education
• Recruitment & Training
• Dialogue
• Awareness
Service & Support...Examples

• New dining options to meet the standards of Halal and Kashrut for observant Muslim and Jewish faith students.
• OPP is analyzing disability access in sports venues.
• Law Minority Mentor Program enters second year.
• Military Appreciation Week
• Hired Col. Eugene McFeely as University’s first senior director for Veterans Affairs and Services.
Education...Examples

• First Amendment Panel Discussion

• Faculty Senate’s Joint Diversity Awareness Task Force recommended enhancements to diversity related courses.

• New Student Orientation We Are Project

• First All In Conference attracted 400 people from 20 PSU campuses.
Recruitment and Training...Examples

• Partnering with Student Minority Advisory Recruitment Team.

• Hired Sara Oliver-Carter as Senior Director of Talent, Diversity and Inclusion.

• Equity Action Resource Team has 100+ volunteers available for search committees.

• Daylong training for PSU police on “enhancing relations in a diverse community” at UP, New Kensington and Schuylkill.

• Mentoring program for newly hired diverse employees.
Dialogue...Examples

• Inclusive Language Campaign for RAs.
• Facilitated Dialogues. President’s Council and the Student Leadership Roundtable held the first All In dialogue.
• Outreach and Online Education planning quarterly internal diversity and inclusion events.
• Commonwealth Campuses are hosting discussions and faculty/staff retreats.
Awareness...Examples

• Inaugural All In Award given to one faculty member and one student.

• All In videos have been featured at athletic events and on social media.

• World Campus is promoting All In events on its digital calendar.

• CCSG launching PA Patch Works to celebrate diversity and inclusion.

• All In Capstone will be a permanent tribute.
6. Create a strategic framework for future of online learning and the World Campus

- Transforming Education Task Force met with 25+ groups of stakeholders and is preparing report.
- The vision extends what it means to be One Penn State in 2025.
- By leveraging digital assets, Penn State can be more integrated, flexible and responsive in support of access, student learning, engagement and success.
Guiding Principles for Strategic Framework

- Supporting student mobility in accessing education with multiple entry points.
- Establishing curricular paths for individualization while reducing complexity of academic choices.
- Pursuing efficient scalability using innovative technologies.
- Addressing affordability as a key element of the curricular design and delivery.
7. Strategic Plan Implementation

• Based on five Thematic Priorities
  – Transforming Education
  – Enhancing Health
  – Stewarding Our Planet’s Resources
  – Advancing the Arts and Humanities
  – Driving Digital Innovation
Progress

• Committees actively overseeing implementation.
• Developing specific goals and initiatives.
• Forums held at Commonwealth Campuses to share ideas and receive feedback.
• Looking to leverage philanthropy and direct investment to fund new initiatives.
Recap of Goals

1. Expand access and affordability initiative.
2. Continue cost cutting and efficiency measures.
3. Expand Invent Penn State and economic development and career success initiatives.
4. Prepare to launch philanthropic campaign.
5. Address major issues of campus and public concern.
6. Create a strategic framework for the future of online learning and the World Campus.
7. Implement the strategic plan.
Thank you