

1:30 p.m. -

1. **Roll Call**

1:45 p.m. -

2. **Public Comment**

2:15 p.m. -

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

Will the Board of Trustees approve the minutes of the meeting of the Board held on May 3, 2013?

4. **President's Report**

3:00 p.m. -

5. **Informational Report on Penn State Fayette, The Eberly Campus**

Dr. Francis Achampong, Chancellor, will discuss the activities and achievements of Penn State Fayette, The Eberly Campus, as well as the vision for future directions of the campus.

6. **Operating Budget for the University for the Fiscal Year Beginning July 1, 2013**

Dr. Rodney A. Erickson, President of the University, will provide a report on the 2013-2014 Operating Budget.

7. **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** - James S. Broadhurst, Chair

1) **Discussion of Consent Agenda Items Provided for Information or Approval of the Committee on Academic Affairs and Student Life:**

Information Items -

- a) Information on Undergraduate Programs
- b) Information on Graduate Programs

(See Appendix I)

B. **Committee on Audit and Risk** - Karen B. Peetz, Chair

7. Reports from Standing Committees (Continued)C. **Committee on Finance, Business and Capital Planning** - Mark H. Dambly, Chair1) **Discussion of Consent Agenda Items Provided for Information or Approval of the Committee on Finance, Business and Capital Planning:**

Information Items -

- a) North Henderson Utility Upgrades, University Park
- b) Recreation Hall Perimeter Security Implementation, University Park
- c) Naming of Two Buildings at The Navy Yard, Philadelphia, PA
- d) Naming of Rooms, Portions of Buildings, and Plazas
- e) Purchase of Property at 4813 Jordan Road, Penn State Erie, The Behrend College
- f) Status of Major Construction Programs and Borrowing

Action Items -

- g) Summary of Revisions to Existing Scholarships, Fellowships, Etc.
- h) Acknowledgments of Endowments and Other Major Commitments

(See Appendix II)

2) **Proposed Temporary Extension of Borrowing Authority for The Pennsylvania State University**

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

WHEREAS, by resolutions adopted on May 18, 2007, the Board of Trustees authorized borrowing of up to Six Hundred Million (\$600,000,000) Dollars for capital projects approved by the University's Board of Trustees to award construction contracts prior to June 30, 2013 (the "2007 Resolution"); and

WHEREAS, approximately Three Hundred Fifty Million (\$350,000,000) Dollars of the funds authorized to be borrowed under the 2007 Resolution have been borrowed; and

WHEREAS, it is in the financial interests of the University to extend the date for the Board of Trustees' approval to award construction contracts under the 2007 Resolution from June 30, 2013 to September 30, 2013; and

NOW, THEREFORE, BE IT RESOLVED, That the authority to borrow the remaining funds not yet borrowed under the 2007 Resolution shall be extended to capital projects approved by the University's Board of Trustees to award construction contracts prior to September 30, 2013.

FURTHER RESOLVED, That the Board of Trustees of the University acknowledges that decisions regarding the form of University obligations and borrowing of the University and as to the other aspects of such obligations and borrowing described in the recitals to 2007 Resolution may be most effectively made from time to time by officers of the University as hereafter described and that, for purposes of these resolutions, the term "officers of the University" shall mean the persons holding the positions of the President, the

7. **Reports from Standing Committees** (Continued)C. **Committee on Finance, Business and Capital Planning** (Continued)2) **Proposed Temporary Extension of Borrowing Authority for The Pennsylvania State University** (Continued)

Senior Vice President for Finance and Business/Treasurer, and the Associate Vice President for Finance and Corporate Controller, or any two of them, acting from time to time pursuant to the authority granted by these resolutions.

FURTHER RESOLVED, That Officers of the University are authorized to cause the University to issue, within the extended borrowing authority under the 2007 Resolution: 1. Bonds of The Pennsylvania State University and 2. Guarantees of indebtedness of The Milton S. Hershey Medical Center (collectively, the "Obligations") to be issued at any time or from time to time in one or more series, bearing such fixed or variable rate or rates of interest, having such other terms and provisions, including, without limitation, original issue discount or premium, and secured by such security, including, without limitation, trust indentures, mortgages, security agreements, pledges of revenue or of the general credit of the University, as the officers of the University shall deem to be necessary or appropriate to the University.

FURTHER RESOLVED, That the Officers of the University are authorized to execute, in the name and on behalf of the University, such agreements, contracts, bonds, official statements, trust indentures, mortgages, deeds of trust, security and pledge agreements, guarantees, loan agreements, bond purchase agreements, interest rate management agreements, investment contracts and other agreements and documents of every nature and description which are necessary or appropriate to accomplish the foregoing or in connection with the issuance of the Obligations.

FURTHER RESOLVED, That the Officers of the University are authorized to cause such Obligations to be issued directly by the University and also by and through public authorities of the Commonwealth of Pennsylvania, including, without limitation, The Pennsylvania Higher Educational Facilities Authority, or the Centre County Higher Education Authority, with the proceeds of such indebtedness of such public authorities being loaned to the University, or to the Medical Center, as the case may be.

FURTHER RESOLVED, That the Officers of the University are authorized to refund or otherwise refinance the Obligations and other outstanding indebtedness of the University from time to time and, prior to, concurrently with or subsequent to the issuance of indebtedness of the University, to execute any agreements (including any amendments or supplements thereto or thereof) which are required in connection with Credit Enhancement or Hedge Agreements, all on such terms and conditions as the officers of the University shall deem necessary or appropriate.

7. Reports from Standing Committees (Continued)C. **Committee on Finance, Business and Capital Planning** (Continued)2) **Proposed Temporary Extension of Borrowing Authority for The Pennsylvania State University** (Continued)

FURTHER RESOLVED, That this resolution is intended to be a reimbursement resolution within the meaning of Treasury Regulation Section 1.150-2 and, in implementation hereof, the officers of the University may approve specific capital expenditures to be reimbursed from the proceeds of obligations later to be issued, and the funds from which such capital expenditures shall be paid, as required by the said Regulation.

FURTHER RESOLVED, That the borrowing of the University or guarantees of indebtedness of the Medical Center under these resolutions shall be limited to capital projects approved by the University's Board of Trustees to award construction contracts prior to September 30, 2013.

FURTHER RESOLVED, That the Officers of the University are hereby authorized and directed to execute and deliver such other agreements and documents and to take such other action as may be necessary or appropriate in order to effectuate the foregoing resolutions.

3) **Conflict of Interest - Approval of Leases with PSRP Developers, Inc., Innovation Park**

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 is valued at \$10,000 or more must be approved by the Board of Trustees in accordance with this Section." Further, "The interested Trustee shall leave the meeting during discussion and voting. The 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, who joined the Board of Trustees in September 2007, has a beneficial ownership of more than 10 percent of PSRP Developers, Inc. which owns 101 Innovation Boulevard (Lubert Building) and 103 Innovation Boulevard at Innovation Park. It is proposed that the University enter into a lease agreement for office space in 101 Innovation Boulevard with PSRP Developers, Inc. The proposal is that the University leases 3,575 square feet with base rent and common area maintenance fees totaling \$90,806 per year, beginning in September 2013 and continuing for 5 years, with three 5-year renewal options.

By way of background, the University currently has five leases with PSRP Developers, Inc. for space in 101 and 103 Innovation Boulevard. Four of these leases were executed prior to September 2007, but were renewed in August 2008 and March, November and December of 2012. The fifth lease was executed in December 2007 and renewed in June 2012. In aggregate, the five current leases are for 31,891 square feet with base rent and common area maintenance fees of

7. Reports from Standing Committees (Continued)C. **Committee on Finance, Business and Capital Planning** (Continued)3) **Conflict of Interest - Approval of Leases with PSRP Developers, Inc., Innovation Park** (Continued)

\$787,338 per year. The terms of each of the existing leases and the proposed lease, are within a reasonable price range, considering the quality of the space and the amenities provided at Innovation Park.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the current leases in 101 and 103 Innovation Boulevard with PSRP Developers, Inc., totaling 31,891 square feet at a current annual cost of \$787,338 are hereby ratified.

FURTHER BE IT RESOLVED, that the proposed lease in 101 Innovation Boulevard with PSRP Developers, Inc. for 3,575 square feet at an initial annual cost of \$90,806 is hereby approved.

4) **Consideration of Proposed Operating Budget for the University for the Fiscal Year Beginning July 1, 2013**

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That the proposed Operating Budget for the University for the fiscal year beginning July 1, 2013, as shown in Attachment I and Schedules I - V which are attached hereto and made a part hereof, is approved.

(Operating Budget attachment and schedules will be distributed to Trustees under separate cover.)

5) **Proposed Tuition and Fees Effective 2013 Fall Semester, The Pennsylvania State University**

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That tuition and fees at all locations are, effective 2013-2014 school year, as shown on the statements attached hereto and which are a part of this resolution.

(Tuition statement attachment will be distributed to Trustees under separate cover.)

6) **Final Plans and Authorization to Award Contracts, Beaver Stadium Videoboards and Sound System, University Park**

Beaver Stadium, home of Penn State football, is one of the largest and most recognizable sport venues in the country. The existing scoreboards were installed prior to the 2001 football season. Operational maintenance has become increasingly challenging and costly. Many components of the existing scoreboards are obsolete and must be custom manufactured if replacement is necessary.

7. **Reports from Standing Committees** (Continued)C. **Committee on Finance, Business and Capital Planning** (Continued)6) **Final Plans and Authorization to Award Contracts, Beaver Stadium Videoboards and Sound System, University Park** (Continued)

There have been dramatic advances in audio and video technology since that time. Replacement of the existing scoreboards with state-of-the-art high definition videoboards and an upgrade of the bowl sound system will enhance the game day spectator experience and complement the character of the stadium. The project includes installation of stand-alone closed captioning boards.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the final plans for Beaver Stadium Videoboards and Sound System at University Park, as designed by the firm of Populous of Kansas City, Missouri, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$10,000,000.

7) **Proposed Authorization to Perform a Residence Hall Wireless (WiFi) Coverage Upgrade, The Pennsylvania State University**

There are currently 23,000 wireless devices connected to Penn State wireless networks at peak periods. This is more than double the number connected just 15 months ago. The residence halls currently have wi-fi coverage in very limited common areas and study lounges. Wireless availability in student rooms is frequently reported by students as a highly desired amenity. A pilot installation in two East Halls residence halls has confirmed that this service will be highly utilized.

The residence hall wireless network will complement the same infrastructure that is planned for the University-wide wireless network in academic and administrative buildings, providing consistent service across the University landscape. The project scope includes infrastructure installation to serve 8,228 rooms at University Park and 2,860 rooms at University-owned commonwealth campus residence halls.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the approval is given to perform a wireless upgrade at all residence halls at The Pennsylvania State University.

FURTHER BE IT RESOLVED, That authorization to award contracts to complete the project be approved at a cost of \$6,500,000.

8) **Proposed Sale of Property to Noise Solutions (USA) Inc., Penn State Shenango**

In 1971 and 1982, the University acquired what currently comprises 1.57 acres of undeveloped land along Alexander Place, Sharon, Mercer County, Pennsylvania, from Glenn Lumber Company and The Advisory Board of the Shenango Valley Campus. The University has been approached by the City of Sharon requesting the

7. Reports from Standing Committees (Continued)C. **Committee on Finance, Business and Capital Planning** (Continued)8) **Proposed Sale of Property to Noise Solutions (USA) Inc., Penn State Shenango**
(Continued)

University sell this land to Noise Solutions (USA) Inc., as part of new business expansion to the City of Sharon and the Shenango Valley.

The property, which includes unused tennis courts and open space, does not adjoin the campus. The University is not obligated to retain this property.

The University has received a purchase offer from Noise Solutions (USA) Inc. in the amount of \$18,400.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees approves the sale of 1.57 acres along Alexander Place, Sharon, Mercer County, Pennsylvania, to Noise Solutions (USA) Inc., in the amount of \$18,400.

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

9) **Proposed Purchase of Science Park Road Property, University Park**

The University has the opportunity to acquire property located at 300 Science Park Road, Ferguson Township, Centre County, from Inland Western State College Science Park DST, a Delaware Statutory Trust. The acquisition provides the University with strategic expansion opportunities for its "Lion Path" System as well as to consolidate numerous ITS locations.

The 8.54 acre property includes a 108,280 square foot, 3-story office building and a 415-space paved parking lot. The property has been offered to the University for \$11,500,000. The acquisition is contingent upon the property being determined to be in acceptable condition by campus representatives and the Office of Physical Plant.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees approves the acquisition of the property containing 8.54 acres located at 300 Science Park Road, Ferguson Township, Centre County, Pennsylvania, from Inland Western State College Science Park DST, a Delaware Statutory Trust for \$11,500,000.

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

7. Reports from Standing Committees (Continued)**C. Committee on Finance, Business and Capital Planning** (Continued)**10) Proposed Purchase of 437 Old Forge Road, Penn State Brandywine**

The University has the opportunity to acquire property from the Estate of Mary S. Davis, located 437 Old Forge Road, Middletown Township, Delaware County. The acquisition provides the University with strategic expansion opportunities and eliminates the possibility of adverse ownership.

The 21.4 acre property adjoins the campus, and includes a bank barn, a portion of which has been converted to a living quarters, and is otherwise undeveloped. The property has been offered to the University for \$2,100,000. The acquisition is contingent upon the property being determined to be in acceptable condition by campus representatives and the Office of Physical Plant.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees approves the acquisition of the property containing 21.4 acres located at 437 Old Forge Road, Middletown Township, Delaware County, Pennsylvania, from the Estate of Mary S. Davis for \$2,100,000.

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

11) Photo Report on Selected Construction Projects

A photo report on the progress of selected construction projects will be presented at the meeting.

D. Committee on Governance and Long-Range Planning - Keith W. Eckel, Chair**1) Recommendation for Approval of Emeriti Status**

The Committee on Governance and Long-Range Planning will review the records of service of those former trustees who are eligible for consideration of emerita/us status: David R. Jones and Anne Riley.

Will the Committee on Governance and Long-Range Planning recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That in recognition of loyal and meritorious service to the Board of Trustees, the members of the Board encourage David R. Jones to serve as Trustee Emeritus and Anne Riley to serve as Trustee Emerita of The Pennsylvania State University, effective July 12, 2013.

7. **Reports from Standing Committees** (Continued)D. **Committee on Governance and Long-Range Planning** (Continued)2) **Election of Officers of the Board of Trustees**a) **Vice Chairman**

The Committee on Governance and Long-Range Planning distributed the *Process and Timeline for Announcing Candidates for Officers of the Board of Trustees* as well as a list of *Desirable Attributes of Board Chair* as, effective July 1, 2013, a vacancy exists in the office of Vice Chairman of the Board. Expressions of interest in candidacy for the office of Vice Chairman were solicited from the membership of the Board of Trustees. An election will be conducted to fill the position of Vice Chairman effective July 12, 2013.

b) **Assistant Secretary**

The *Bylaws*, Article V, "Officers and Employees," Section 5.01, (d) provides that the secretary of the corporation shall perform the corporate duties which pertain to that office, be custodian of the corporate seal, conduct the ordinary correspondence of the Board of Trustees and maintain an accurate record of all proceedings of the Board of Trustees and of the executive committee. Section 5.01, (e) provides that the secretary can be assisted by an associate secretary and three assistant secretaries.

Will the Committee on Governance and Long-Range Planning recommend to the Board of Trustees election of the following as an officer of the University: Donna J. Newburg as Assistant Secretary, effective July 12, 2013.

E. **Committee on Legal and Compliance** - Ira M. Lubert, Chair1) **Proposed Renewal of The Nittany Lion Inn Liquor License, Liquor Permit for Sunday Sales and Amusement Permit**

Will the Committee on Legal and Compliance recommend to the Board of Trustees adoption of the following resolution:

WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal Hotel Liquor License, and

WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal of Sunday Sales Permit for the sale of alcoholic beverages at The Nittany Lion Inn, and

WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal of Amusement Permit,

THEREFORE BE IT RESOLVED, That applications of License and Permits to expire January 31, 2015, be filed with The Pennsylvania Liquor Control Board and that Joseph J. Doncsecz, Associate Vice President for Finance and Corporate Controller, and David J. Gray, Senior Vice President for Finance and Business/Treasurer, be authorized and any and all are authorized to execute the necessary applications and bond, and any other papers required by the Pennsylvania Liquor Control Board.

7. **Reports from Standing Committees** (Continued)

E. **Committee on Legal and Compliance** (Continued)

2) **Proposed Application for a Wine Auction Permit for WPSU**

Will the Committee on Legal and Compliance recommend to the Board of Trustees adoption of the following resolutions:

WHEREAS The Pennsylvania Liquor Code authorizes the Pennsylvania Liquor Control Board to issue various permits related to liquor sales, subject to a well-defined set of regulations; and

WHEREAS The Pennsylvania State University desires to file an application for a Wine Auction Permit issued by the Pennsylvania Liquor Control Board, on behalf of WPSU as part of its fund raising efforts;

BE IT HEREBY RESOLVED, That an application for a Wine Auction Permit be submitted to the Pennsylvania Liquor Control Board as part of WPSU's fund raising efforts.

BE IT FURTHER RESOLVED, That David J. Gray, Senior Vice President for Finance and Business/Treasurer, and/or Joseph J. Doncsecz, Associate Vice President for Finance and Corporate Controller, is/are authorized to execute the applications and any other papers required by the Pennsylvania Liquor Control Board, and to take such other actions as may be required in connection with the application.

F. **Committee on Outreach, Development and Community Relations** - Joel N. Myers, Chair

8. **Election of Members to the Board of Directors: Agricultural Law Resource and Reference Center, The Dickinson School of Law of The Pennsylvania State University**

The Agricultural Law Resource and Reference Center was established in 1998, following the July 1, 1997, affiliation of The Dickinson School of Law with The Pennsylvania State University. The Center is a collaboration between Penn State's Dickinson School of Law and the College of Election of Members to the Board of Directors: Agricultural Law Resource and Reference Center, The Dickinson School of Law of The Pennsylvania State University Agricultural Sciences and is funded, in part, by the Pennsylvania Department of Agriculture. The Center is designed to provide the highest-quality educational programs, information, and materials to those involved or interested in the agricultural industry.

The Board of Directors of the Center is comprised of: the Secretary of the Pennsylvania Department of Agriculture; the Dean of the Dickinson School of Law; the Dean of the College of Agricultural Sciences; the chairman and the minority chairman of the Agriculture and Rural Affairs Committee of the Senate (or their designees); the chairman and the minority chairman of the Agriculture and Rural Affairs Committee of the House of Representatives (or their designees); two members of the Board of Trustees of The Pennsylvania State University who serve by virtue of election; and the vice president who serves as director for cooperative extension at The Pennsylvania State University. In addition, the Board includes the following members appointed by the Secretary of Agriculture: three representatives of production agriculture, one of whom must be a direct marketer; one agricultural processor; one representative of an agribusiness who must have experience with producer contracts; and one attorney with expertise in agricultural law.

8. **Election of Members to the Board of Directors: Agricultural Law Resource and Reference Center, The Dickinson School of Law of The Pennsylvania State University** (Continued)

In 2012, the Board of Trustees elected Trustees Samuel E. Hayes, Jr. and Betsy E. Huber to serve as directors for one-year terms. As their terms have expired, it is desirable to elect M. Abraham Harpster and Betsy E. Huber as directors for one-year terms.

Will the Board of Trustees of The Pennsylvania State University adopt the following resolution:

RESOLVED, That the Board of Trustees elects Trustee M. Abraham Harpster and Trustee Betsy E. Huber to serve on the Board of Directors of the Agricultural Law Resource and Reference Center of The Dickinson School of Law of The Pennsylvania State University.

9. **Update on Presidential Search Process**

Karen B. Peetz, Chairman of the Trustee Presidential Selection Council, will provide an update on the Presidential Search process.

10. **Informational Report on *For the Future: The Campaign for Penn State Students***

Mr. Peter G. Tombros, Chair of *For the Future: The Campaign for Penn State Students*, will present an informational report on the Campaign and University Development.

11. **Informational Report on the Penn State Alumni Association Activities by the President of the Alumni Association**

A report on the activities of the Penn State Alumni Association will be presented by Kathleen Arnold Smarilli, President of the Penn State Alumni Association for 2012-13.

12. **Announcements by the Chairman of the Board of Trustees**

1. Information on Undergraduate Programs

A. College of Agricultural Sciences

1) Bachelor of Science in Agricultural Systems Management: Phase-Out of Major

This major will become an option within the new Bachelor of Science in BioRenewable Systems. Students enrolled will be able to complete their degree. No faculty will be affected. The phase out will be effective Fall Semester 2013.

2) Animal Sciences Minor to the Animal Science Minor: Change in Name

The name change is being made to align the name of the minor with the newly created academic unit. The name change will be effective Fall Semester 2013.

3) Bachelor of Science in BioRenewable Systems and Agricultural Systems Management Option and BioProducts Option: New Major and New Options

The new major is an applied major that intertwines the study of engineering technology, natural resources, and agriculture with the fundamentals of business, entrepreneurship, and management. Graduates are typically employed as sales and field representatives, financial and technical consultants, and technical service or quality assurance personnel in renewable bioproducts or related agricultural sectors. This new major represents complementary synergic merging of the discontinued Agricultural Systems Management and Wood Products majors. The new major will become effective Fall Semester 2013.

4) Bachelor of Science in Forest Science to Bachelor of Science in Forest Ecosystem Management: Change in Name; Urban Forestry Option in the Bachelor of Science in Forest Science to the Community and Urban Forest Management Option in the Bachelor of Science in Forest Ecosystem Management: Change in Name

The new names more accurately communicate what professional foresters do today and also reflect the ecosystem management focus of the newly organized Department of Ecosystem Science and Management. The name changes will be effective Fall Semester 2013.

5) Bachelor of Science in Wood Products: Phase-Out of Major

The Wood Products major will be incorporated into the BioProducts option within the new Bachelor of Science in BioRenewable Systems. Students enrolled will be able to complete their degree. No faculty will be affected. The phase out will be effective Fall Semester 2013.

B. College of Earth and Mineral Sciences

1) Energy Land Management Option in the Bachelor of Science in Energy Business and Finance: New Option

The new option will focus on issues in the acquisition of sub-surface exploration rights and is designed to prepare students for a career as a landman in an energy exploration company. The curriculum, designed in consultation with the American Association of Professional Landmen, requires courses in real estate fundamentals, energy law, geographic information sciences, petroleum engineering and petroleum geology. The new option will become effective Fall Semester 2013.

C. College of the Liberal Arts

1) Integrated Undergraduate/Graduate Program with Bachelor of Arts in English and Master of Arts in English: New Program

This program is designed for highly qualified and motivated students seeking to improve their writing skills significantly. The IUG offers talented undergraduates a chance to acquire both a B.A. in English

and an M.A. in English in five years of study, which would be beneficial in applications to highly competitive Ph.D. programs in English or entering job markets where writing skills are at a premium. The new IUG will be effective Fall Semester 2013.

2) Integrated Undergraduate/Graduate Program with Bachelor of Arts in History and Master of Arts in History: New Program

This program will help the student more clearly define her/his area of interest among the four primary areas of focus in the History Department's graduate program. With this IUG, students would be highly qualified to enter directly into careers in secondary education and other government positions that require graduate degrees. Those who wish to continue on to a Ph.D. will be more competitive in applying for admission to Ph.D. programs in History and Area Studies and also well placed to apply to other professional programs including library science, law, and museum studies. The new IUG will be effective Fall Semester 2013.

3) Integrated Bachelor of Science in Labor Studies and Employment Relations and Master of Professional Studies in Human Resources and Employment Relations: New Program

The integrated undergraduate/graduate curriculum is based upon an accelerated, rigorous program of research and practice. The integrated B.S./M.P.S. degree meets the needs of a highly skilled segment of our undergraduate major population. Most of our incoming graduate students come from other universities and in the vast majority of cases have majored in subject areas other than labor, employment relations, and human resources. In contrast, our highest-caliber baccalaureate students, with an extensive background in the interdisciplinary field of Labor and Employment Relations, are in a position to accelerate their program of study to obtain the B.S./M.P.S. in a shortened amount of time. The students benefit from a challenging curriculum, and, as has been evidenced by our existing integrated LER B.S./HRER M.S. degree students, they will be most favorably recruited for employment in the HRER field in their final year of the integrated degree. The new IUG will be effective Fall Semester 2013.

4) Bachelor of Arts in Organizational Leadership: New Major

The degree draws on many of the disciplines of the liberal arts, as well as business and science, to illuminate the issues that all leaders face regarding work and employment issues, as well as in other aspects of organizational life more generally. The goal is to provide a broad education that introduces methods of analysis used in the disciplines of the liberal arts and prepares students to understand the complex social, cultural, and organizational issues that they will confront in leadership positions in the modern world. The new major will become effective Fall Semester 2013.

5) Minor in Organizational Leadership: New Minor

This interdisciplinary online minor is designed for World Campus students in any major who wish to supplement their knowledge in the areas related to leadership in organizations. It is of value to anyone pursuing a baccalaureate degree who envisions being, or is, in a position of authority in an organization. The new minor will become effective Fall Semester 2013.

D. Eberly College of Science

1) Bachelor of Science in Planetary Science and Astronomy: New Major

Students in this new major will study the Earth system in the context of the solar system and the universe as a whole. Upon degree completion, they will be prepared to enter a graduate program in education to obtain teaching certification, to work in an informal science venue or planetarium, or to enter a variety of industry, environmental, or defense professions. The new major will become effective Fall Semester 2013.

2) Minor in Planetary Science and Astronomy: New Minor

Students in this new minor will study the solar system, stars, galaxies and universe as a whole. This minor will serve students who want to acquire a significant knowledge of the universe as they pursue majors in unrelated fields of study. The new minor will become effective Fall Semester 2013.

E. Intercollege Programs1) Minor in Entrepreneurship and Innovation: New Minor

The new interdisciplinary minor will use problem-based learning pedagogy to prepare students to create value and be agents of positive change in their discipline and their careers. The courses will develop skills in problem solving, opportunity recognition, self-efficacy, leadership, communications, and learning from failure. Students completing this minor will be better prepared to be innovation leaders in their chosen career path.

F. Penn State Berks1) Bachelor of Arts in American Studies: Phase-Out of Major

This program is being phased out due to modest enrollment and conferred degrees. The phase out will be effective Fall Semester 2013.

G. Penn State Altoona1) Bachelor of Science in Environmental Studies: New Major

This interdisciplinary major is designed to provide students with an integrated and critical knowledge of the natural environment and human interactions with it. Students will receive a strong foundation in the natural and physical sciences, and will extend their studies across several disciplines, emphasizing both public policy issues and the role of the natural environment in literature, history and culture. The goal of the program is "ecological literacy," with students developing a broad-based understanding and awareness of environments and environmental issues, and will develop the problem-solving and technical skills to address those issues. The new major will become effective Fall Semester 2013.

H. Penn State Erie, The Behrend College1) Bachelor of Science in Management to Bachelor of Science in Project and Supply Chain Management: Change in Name

This change is intended to strengthen the major's emphasis on project and supply chain management.

I. Penn State Harrisburg1) Bachelor of Science in Environmental Engineering: Phase-Out of Major

The Civil Engineering program at Penn State Harrisburg, which is accredited by ABET, includes an option for an environmental concentration area. Students enrolled will be able to complete their degree. No faculty will be affected. The phase out will be effective Fall Semester 2013.

2. Information on Graduate ProgramsA. Master of Professional Studies (M.P.S.) Program in Renewable Energy and Sustainability Systems in the College of Agricultural Sciences: New Program

The proposal to offer a new graduate program in Renewable Energy and Sustainability Systems (RESS), offering the Master of Professional Studies (M.P.S.) degree was approved by the Graduate Council at its meeting on May 8, 2013. RESS is an intercollege graduate

degree program academically housed in the College of Agricultural Sciences, and partnering colleges are the College of Earth and Mineral Sciences, the College of Engineering, and the College of the Liberal Arts.

The ambitious goal of expanding renewable energy production, improving energy security, and enhancing sustainability requires massive growth in the renewable energy and sustainability sectors. Already, worldwide growth in the renewable energy and sustainability industries has led to expanded need for products and services in this sector. This program addresses the unique and growing need within the U.S. and the world for advanced expertise in renewable energy and sustainability systems. Furthermore, Penn State's extensive expertise in this interdisciplinary area of study makes it ideally suited to host such a program.

B. Master of Science (M.S.) Degree in Educational Leadership in the College of Education: Discontinuation of Program

The proposal to discontinue the Master of Science (M.S.) Degree in Educational Leadership in the College of Education was approved by the Graduate Council at its meeting on April 17, 2013.

The degree option is quite small with readily straightforward alternatives for students.

C. Master of Professional Studies (M.P.S.) in Human Resources and Employment Relations with Bachelor of Science (B.S.) in Labor and Employment Relations in the College of the Liberal Arts: New Program

The proposal to create an integrated undergraduate-graduate degree program, Master of Professional Studies (M.P.S.) in Human Resources and Employment Relations with Bachelor of Science (B.S.) in Labor and Employment Relations in the College of the Liberal Arts was approved by the Graduate Council at its January 16, 2013 meeting.

The integrated B.S./M.P.S. degree meets the needs of a highly skilled segment of our undergraduate major population. Most of our incoming graduate students come from other universities and in the vast majority of cases have majored in subject areas other than labor, employment relations, and human resources. In contrast, our highest-caliber baccalaureate students, with an extensive background in the interdisciplinary field of Labor and Employment Relations, are in a position to accelerate their program of study to obtain the B.S./M.P.S. in a shortened amount of time. The students benefit from a challenging curriculum, and, as has been evidenced by our existing integrated LER B.S./HRER M.S. degree students, they will be most favorably recruited for employment in the HRER field in their final year of the integrated degree.

The integrated degree will strengthen the graduate program by enrolling our strongest undergraduates. The academic abilities of the integrated degree students will contribute to the rigor and quality of our existing program.

D. Master of Arts (M.A.) in English with Bachelor of Arts (B.A.) in English in the College of the Liberal Arts: New Program

The proposal to create an integrated undergraduate-graduate degree program, Master of Arts (M.A.) in English with Bachelor of Arts (B.A.) in English in the College of the Liberal Arts was approved by the Graduate Council at its January 16, 2013 meeting.

Acquiring an M.A. degree in conjunction with their B.A. provides students a significant edge to (1) seeking admission to selective, fully funded MFA programs, or (2) entering a difficult

job market where writing skills are at a premium. The B.A./M.A. program allows our most talented undergraduate student writers to acquire an advance degree that adds a unique element to their academic profiles and gives them advanced instruction and mentoring the areas that will most help them get into high profile M.F.A. programs. We also see this combination as an advantage for students who will not pursue an M.F.A. but wish to go straight into the work force as writers and editors. Our writing program will enhance the education and career-potential of the selected students.

E. Master of Arts (M.A.) in History and Bachelor of Arts (B.A.) in History in the College of Liberal Arts: Change in Degree Requirements and New Program

The proposal to change the degree requirements in the Master of Arts (M.A.) degree in History and to create an integrated undergraduate-graduate (IUG) degree program in the College of the Liberal Arts: Master of Arts (M.A. in History with a Bachelor of Arts (B.A.) in History, was approved by the Graduate Council at its January 16, 2013 meeting.

The integrated undergraduate-graduate degree program will encourage greater depth and focus for exceptional undergraduate History majors. This integrated degree program will help the student by their third undergraduate year begin to transition into the primary areas of focus in the department's graduate program. As a result, long-range academic planning for outstanding students pursuing doctoral degrees, or other professional goals, after leaving Penn State will be greatly enhanced and accelerated.

F. African American and Diaspora Studies Dual-Title Degree Program in the College of the Liberal Arts: New Program

The proposal to create a dual-title graduate degree program, African American and Diaspora Studies, in the College of the Liberal Arts was approved by the Graduate Council at its April 17, 2013 meeting.

It is no accident that African American Studies programs have moved from the margins of the academy to the center. It has become clear over the last forty years that successful African American Studies programs can enrich scholarship in the traditional disciplines and help sustain the kind of diverse campus environment that often appeals to students raised in a post-segregation world. The proposed dual-title program will be a valuable resource in the college's pursuit of national leadership.

The graduate program in History has been approved the adopt the dual-title graduate degree program in African American and Diaspora Studies for the Doctor of Philosophy (Ph.D.).

1. North Henderson Utility Upgrades, University Park

The University intends to improve utility efficiencies and replace outdated and deteriorated hot and chilled water piping in North Henderson. A hot water heat exchanger will be replaced and the building will be connected to the campus chilled water system. A new mechanical room will be installed within an existing exterior below-grade areaway on the north side of the building's ground floor.

The cost estimate for this project is \$1,300,000.

(See Appendix II.1)

2. Recreation Hall Perimeter Security Implementation, University Park

The University has established parameters for the use of athletic and recreational facilities at all University locations as outlined in Penn State University Policy AD73. Building security measures will be implemented in a multi-phased project beginning with perimeter security.

A comprehensive security assessment of Recreation Hall was completed and the University intends to secure seventy two doors in the facility with monitoring, alarm, or card reader systems. Cameras will be installed to improve visibility in the building and back of house areas will be fenced. The building electrical panels will be upgraded.

The cost estimate for this project is \$1,500,000.

(See Appendix II.2)

3. Naming of Buildings at The Navy Yard, Philadelphia, PA

The Facilities Naming Committee has made certain recommendations to the President on the naming of buildings. In accordance with the Policy on Naming University Facilities, the Board of Trustees is hereby informed that the President has approved the following naming actions:

- A. Name two buildings at The Navy Yard, Philadelphia which will serve as the Energy Efficient Buildings HUB (EEB Hub) headquarters beginning in 2014--the building located at 4960 S. 12th Street, the "Center for Building Energy Science and Engineering" and the building located at 1101 Kitty Hawk Avenue, the "Center for Building Energy Education and Innovation."

(See Appendix II.3)

4) Naming of Rooms, Portions of Buildings and Plazas

The Facilities Naming Committee has made certain recommendations to the President on the naming of rooms, portions of buildings and plazas. In accordance with the Policy on Naming University Facilities, the Board of Trustees is hereby informed that the President has approved the following naming actions:

- A. Name the Men's Basketball Office (Assistant Coach's Office, Room 113F) in the Bryce Jordan Center in recognition of a commitment from Guy and Blake Murray. The recognition plaque should read:
*"Guy and Blake Murray
Assistant Coach's Office"*
- B. Name an Exam Room in the Pegula Ice Arena in recognition of a commitment from Robert and Kim Nielsen. The recognition plaque should read:
*"Dr. Robert and Kim Nielsen
Exam Room"*
- C. Name the Skating Director's Office, Pegula Ice Arena, in recognition of a commitment from Tim Bhanubandh. The recognition plaque should read:
*"Skating Director's Office
in Honor of Dena Yeagley"*

(Appendix II)

4. **Naming of Rooms, Portions of Buildings and Plazas** (Continued)

- D. Change the Broadcast Booth, Pegula Ice Arena, named by Edward and Kathy Sobota to the Home Team Coaches Booth .The revised recognition plaque should read:

*"The Edward Sobota Family
Penn State Coaches Booth"*

5. **Purchase of Property at 4813 Jordan Road, Penn State Erie, The Behrend College**

Bylaws, Article V, Section 5.09, entitled "Delegation of Duties", (b) (iv) (3) provides for such purchases to be presented to the Board of Trustees for information. The Board of Trustees is advised of the following property transaction:

In April, 2013, the University purchased a .9 acre property including a 2-story 1,646 square foot residence adjoining Penn State Erie, located at 4813 Jordan Road, Erie, Erie County, from the Audrey A. Menges estate for \$162,000. The purchase provides strategic campus expansion opportunities and eliminates the possibility of adverse ownership.

(See Appendix II.4)

6. **Status of Major Construction Programs and Borrowing**

(See Appendix II.5)

7. **Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 8, 2013 through June 14, 2013)**

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That the conditions governing certain existing scholarships, fellowships, awards, and similar funds previously established at the University be revoked and that the Officers of the University are authorized to put into effect the revised regulations as requested by the donors.

8. **Acknowledgments of Endowments and Other Major Commitments**

The Committee on Finance, Business and Capital Planning is advised that for the period April 8, 2013, through June 14, 2013, 65 new funds totaling approximately \$8,974,318 were accepted by the University, including scholarships, fellowships, etc. All of these items conform to established University policies and regulations.

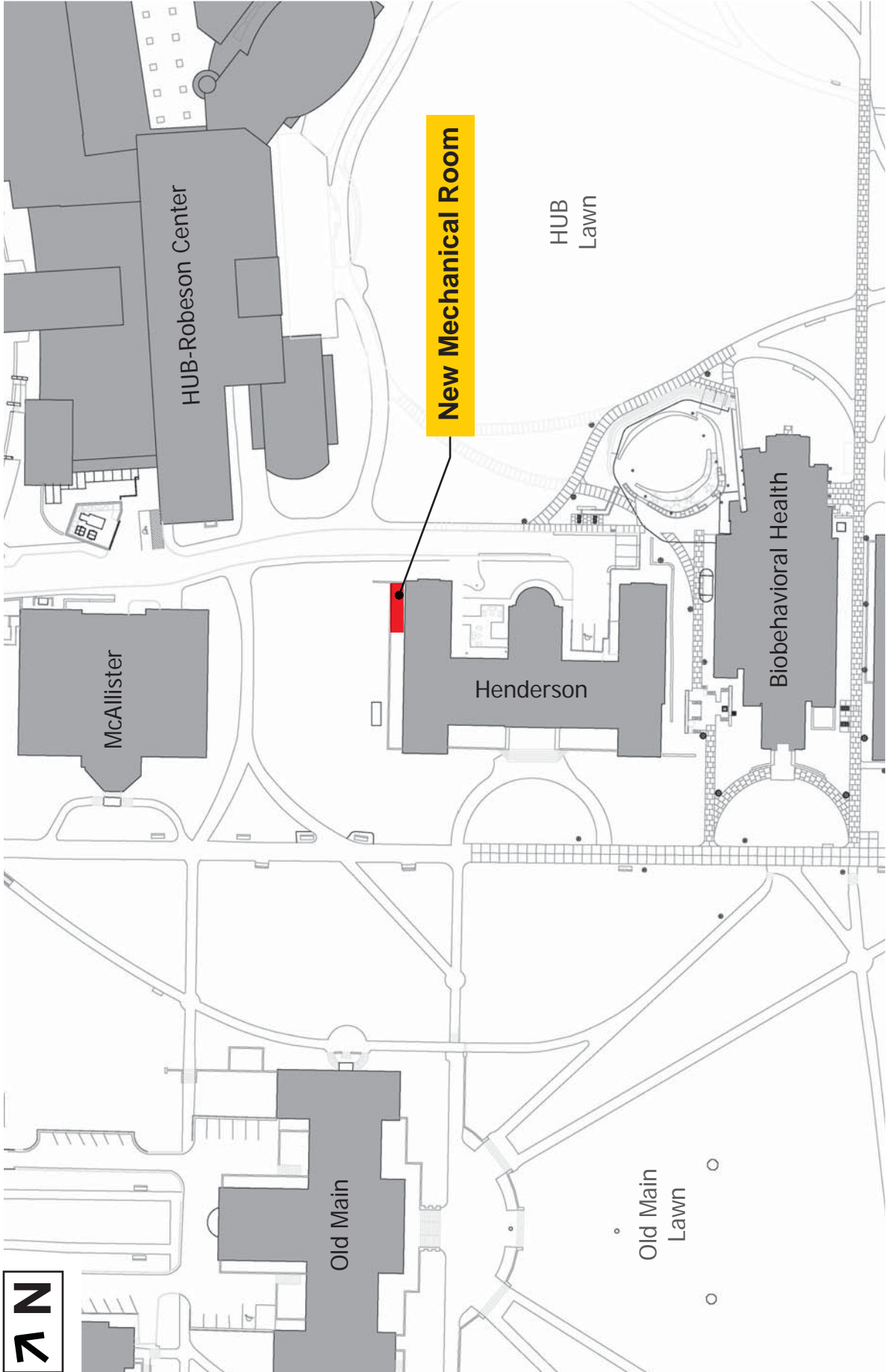
For the period March 1, 2013 through April 30, 2013, 43 major commitments were accepted by the University totaling approximately \$22,126,406.

Will the Committee on Finance, Business and Capital Planning recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees gratefully acknowledges the generous contributions of the many friends of the University in support of endowments, funds, and other major commitments as reported to the Committee on Finance, Business and Capital Planning at its meeting of July 12, 2013.

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.

University Park



University Park

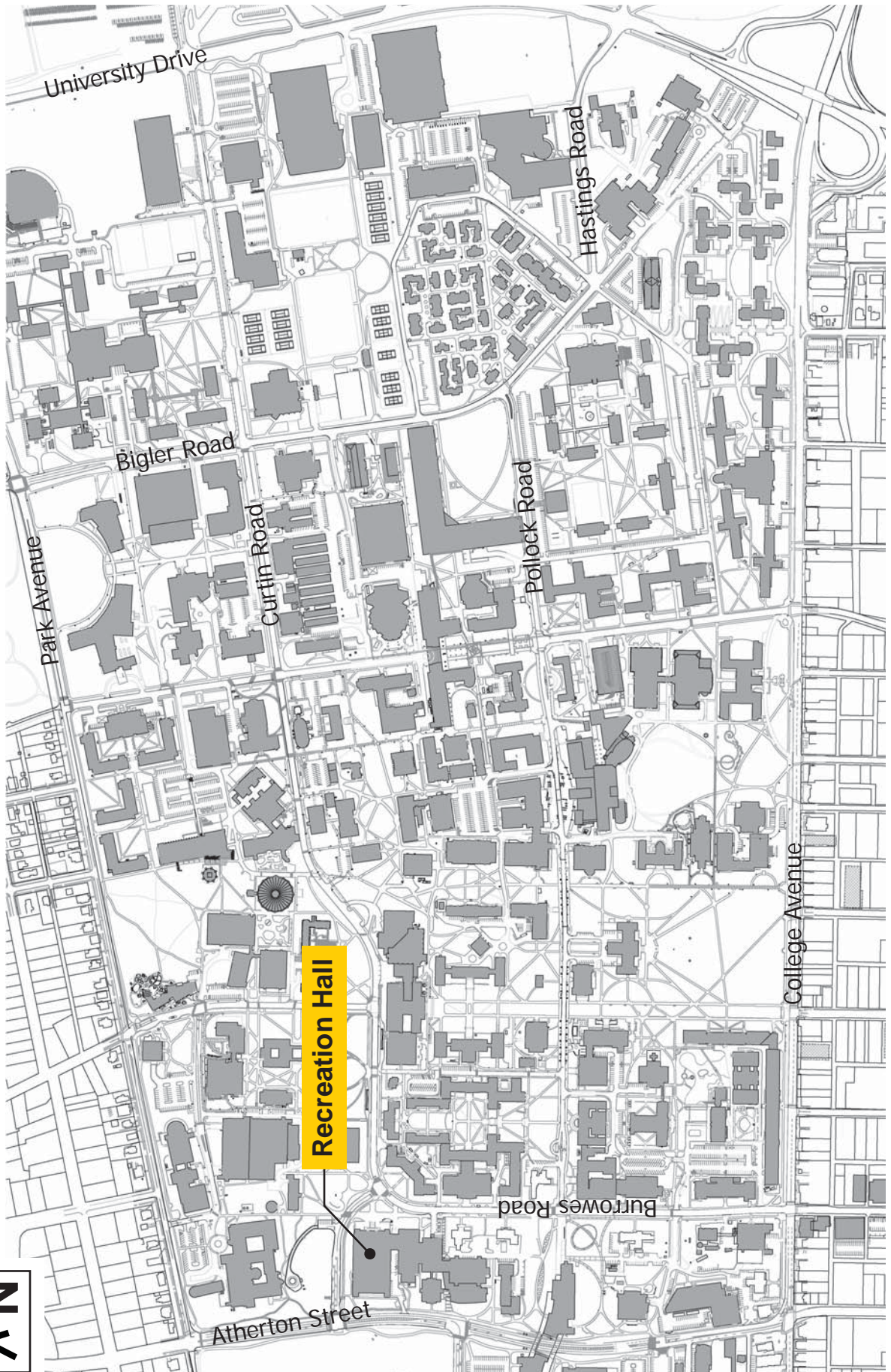
7/12/2013

FB&CP

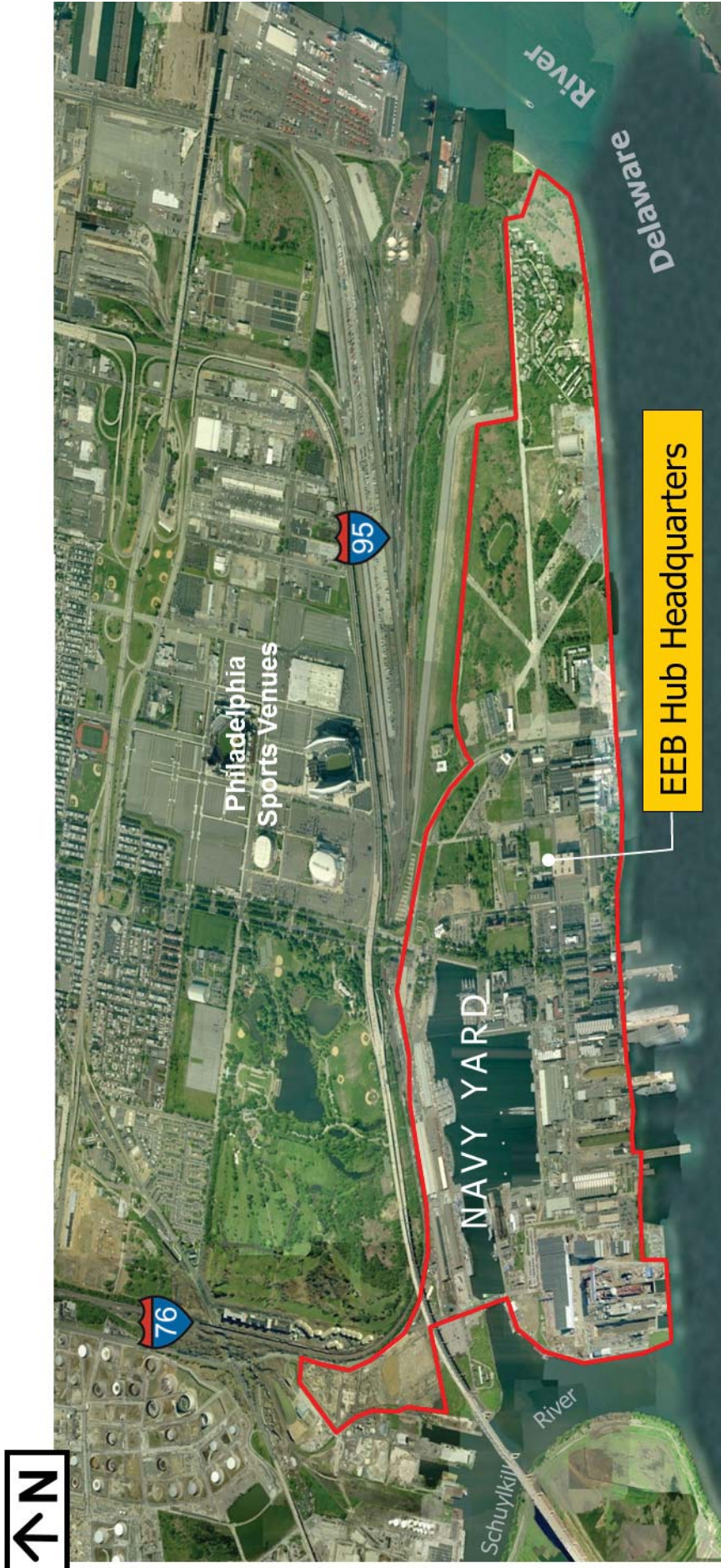


NORTH SIDE OF HENDERSON BUILDING

University Park

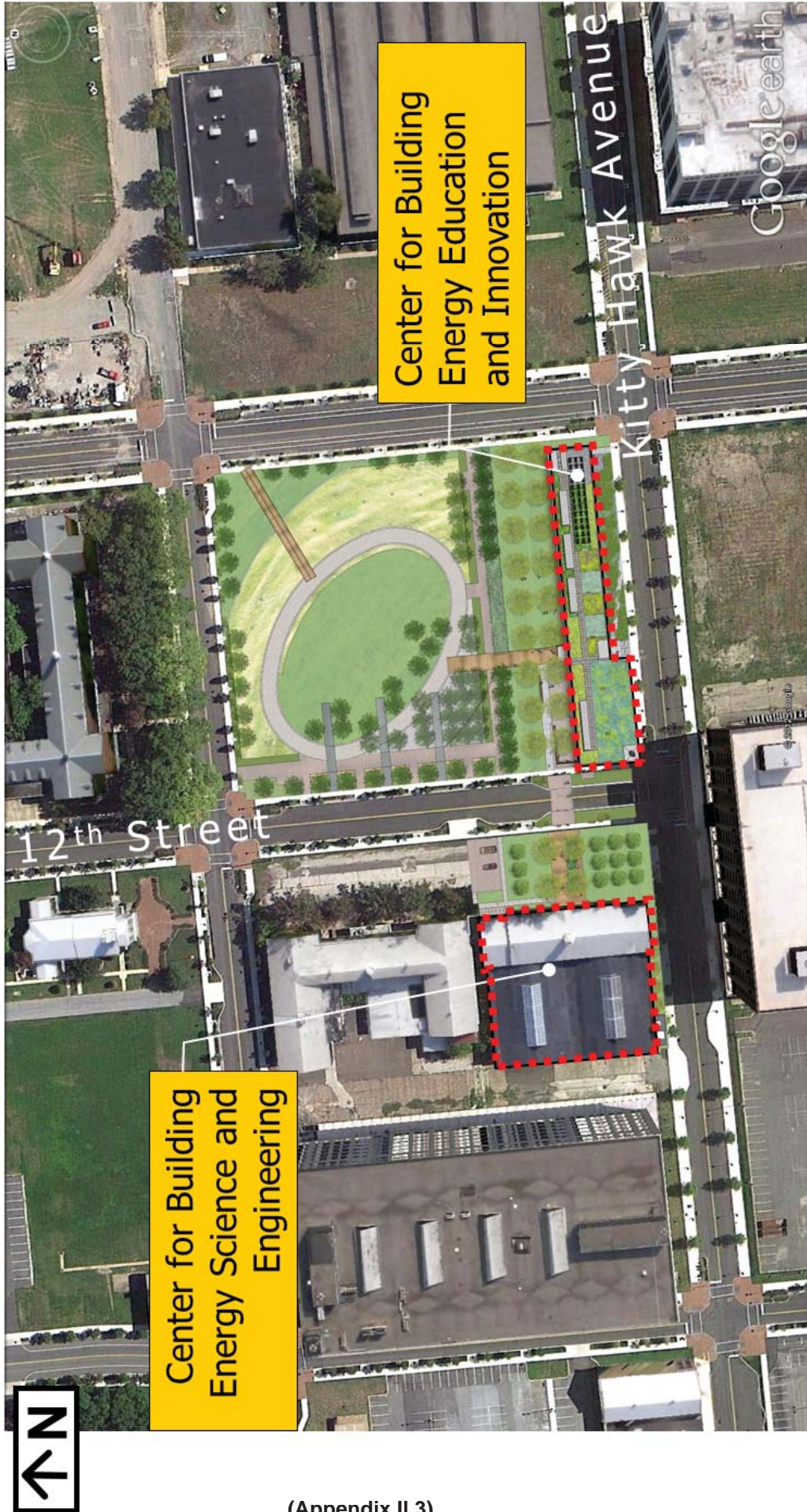


Philadelphia Navy Yard



(Appendix II.3)

Philadelphia Navy Yard



Penn State Erie, The Behrend College



Penn State Erie, The Behrend College



STATUS OF MAJOR CONSTRUCTION PROGRAMS AND BORROWING (> \$5 Million)
June 30, 2013

Campus	Project Data			BOT Milestones			Construction		Notes
	Project Name	Budget Amount	Commonwealth Funding	Gift Amount	Arch/Eng Selection	Final Plan Approval	Start Date	Completion Date	
Abington	Woodland Building Renovation	\$7,000,000	\$0	\$0	01/13	11/13	01/14	12/14	Project in design.
Berks	Luerssen Building Renovation	\$13,000,000	\$11,800,000	\$0	03/13	01/14	01/14	05/15	Project in design
Brandywine	Brandywine Main Building Renovation	\$9,500,000	\$0	\$0	01/12	05/12	05/12	08/13	Construction is approximately 85% complete.
Harrisburg	Educational Activities Building	\$19,500,000	\$0	\$0	11/11	01/13	02/13	05/14	Construction is approximately 15% complete.
Philadelphia	EEB Hub, Building 661 and 7R, Philadelphia Navy Yard	\$39,000,000	\$30,000,000	\$0	09/11	01/13	02/13	02/14, 05/14 *	Construction is approximately 10% complete.
	Beaver Stadium Video Boards / Sound System	\$10,000,000	\$0	\$0	07/11	07/13	11/13	08/14	Work to be completed for 2014 Season.
	Burrows Building Renovation	\$37,800,000	\$0	\$0	05/12	01/14	01/14	12/15	Project in design.
	East Campus Steam Line	\$13,500,000	\$11,000,000	\$0	N/A	03/11	06/11	TBD	Construction is approximately 90% complete with pending quality / performance issues
	Environmental Improvements BFP Installations	\$10,500,000	\$7,000,000	\$0	N/A	N/A	06/08	08/14	Project program is approximately 70% complete.
	Essential Services Program	\$11,950,000	\$3,000,000	\$0	N/A	N/A	12/05	12/14	Project program is approximately 70% complete.
	Eva J. Pell Laboratory for Advanced Biological Research	\$23,000,000	\$0	\$0	11/07	11/10	09/11	07/13	Construction is complete. Certification of lab spaces to occur summer / fall 2013
	Health and Human Development Building	\$68,500,000	\$52,300,000	\$0	01/08	11/12	03/13	05/15	Construction is approximately 6% complete.
	HUB Addition	\$44,600,000	\$0	\$0	03/11	05/13	05/13	05/15	Construction is 2% complete.
	IM Building Addition	\$26,110,000	\$0	\$0	01/11	01/13	02/13	04/14	Construction is approximately 20% complete.
	IM Building Addition Phase II	\$31,250,000	\$0	\$0	03/13	01/14	02/14	06/15	Project budget increase to add basement shell space and renovate ground floor locker rooms
	Moore Building Renovation	\$21,900,000	\$18,900,000	\$1,200,000	07/08	01/12	03/12	08/13	Construction is approximately 95% complete.
	MRL Renovations	\$11,000,000	\$8,200,000	\$0	N/A	11/13	11/13	07/15	Project in design.
University Park	Mueller Laboratory Renovations	\$18,000,000	\$0	\$0	03/12	01/14	05/14	07/15	Project in design.
	Old Main Building Systems Renovation Phase I	\$11,000,000	\$0	\$1,500,000	09/11	11/12	01/13	10/13	Construction is approximately 50% complete.
	Pegula Ice Arena	\$89,000,000	\$0	\$89,000,000	11/10	01/12	01/12	09/13	Construction is approximately 90% complete.
	Recreation Hall Air Conditioning	\$5,500,000	\$0	\$0	01/12	11/12	02/13	08/13	Construction is approximately 50% complete.
	South Frear Phase II Renovations	\$18,100,000	\$0	\$0	01/12	01/13	02/13	07/14	Construction is approximately 20% complete.
	South Halls Renovations and New Building	\$94,100,000	\$0	\$0	3/11, 11/11	03/12	05/12	12/14	Construction is approximately 40% complete.
	Sleidle Renovation	\$52,000,000	\$0	\$0	03/12	03/14	03/14	11/15	Project in design.
	Transformer Replacement Program	\$8,600,000	\$1,000,000	\$0	N/A	N/A	06/07	12/13	Project program is approximately 75% complete.
	Water Treatment Plant and Distribution System Upgrades	TBD	TBD	\$0	01/11	03/14	TBD	TBD	Project in design.
	WCSP Steam Turbine Replacement	\$8,600,000	\$0	\$0	01/11	01/13	TBD	TBD	Project on HOLD pending resolution of gas line routing.
	WCSP Steam Production Modifications	\$48,300,000	\$0	\$0	01/11	11/12	TBD	TBD	Project on HOLD pending resolution of gas line routing.
	West Campus Chilled Water Plant 3000 Ton Chiller	\$16,200,000	\$0	\$0	01/12	09/12	11/12	08/14	Construction is approximately 10% complete.
	Whimore Laboratory Renovations	\$32,900,000	\$0	\$0	03/12	09/14	01/15	12/16	Project in design.

* 02/14 completion for Building 661 and a 05/14 completion for Building 7R (EEB Hub)

Summary of University Long-Term Debt - \$(000) (excluding PCT)

Total Bonds, Notes and Capital Leases as of June 30, 2012	\$1,011,857
Bonds, Notes, and Capital Leases Issued Year to Date Fiscal Year 2012/13	\$16,500
Year to Date Principal Payments and Premium Amortizations	(\$160,516)
Estimated Bonds, Notes and Capital Leases as of June 30, 2013 (unaudited)	\$867,841
* Related Interest Expense Totals Approximately	\$34,851

Authorized Borrowing Status - \$(000) (excluding PCT)

Borrowing Authority per May 2007 Board of Trustees	\$600,000
Capital Leases, Bonds, & Notes Issued	(\$337,805)
Future Capitalized Leases & Other Anticipated Commitments	(\$5,100)
Estimated Authority Remaining	\$257,095