

MINUTES OF MEETING

BOARD OF TRUSTEES

VOLUME 255

March 18, 2011

A meeting of the Board of Trustees was held in the Knickerbocker Suite, Salon D of the New York Helmsley Hotel, New York, New York, at 8:30 a.m. on March 18, 2011.

The following Trustees were present: Garban (chairman), Surma (vice chairman), Alexander, Arnelle, Broadhurst, Clemens, Dambly, Deviney, DiBerardinis, Eckel, Frazier, Hayes, Hintz, Huber, Hughes, Jones, Masser, Riley, Shaffer, Silvis, Spanier, Strumpf, and Suhey; Trustees Emeriti Junker and Wood.

Present by invitation were faculty representatives Landa Pytel, and Hagen; student representatives Raouda, Ragland, and Lozano; staff members Ammerman, Baldwin, DiEugenio, Erickson, Foley, Hanes, Horvath, Kirsch, Mahon, Mulroy-Degenhart, Pangborn, Paz, Poole, and Sims.

Chairman Garban noted the loss of two very important members of the Board. Trustee Emeritus Bill Schreyer passed away on January 22 and Trustee Emeritus Stan Schaffer on January 28. A moment of silence was observed to recognize their passing. Chairman Garban welcomed the University Faculty Senate Officers Jean Landa Pytel, and Daniel Hagen; and student representatives Mohamed Raouda, Christian Ragland, and Jonathan Lozano. Chairman Garban noted receipt of a summary of the organizations represented by these students, and commented on their remarkable energy and enthusiasm. He also noted that this would be their last meeting as representatives to the Board.

It was voted to approve the minutes of the meeting of the Board held on January 21, 2011.

President's Report

Dr. Spanier's report is included in its entirety:

"Thank you Steve for comments on Bill Schreyer and Stan Schaffer. Before I get into other news, I want to mention another individual who had a fleeting, yet profound impact on the Penn State community.

"That is Christina-Taylor Green, the little girl who was a victim of the shooting during Rep. Gabrielle Giffords' political event in Tucson, Arizona. Christina-Taylor dreamed of coming to Penn State and was deeply connected to our state through her grandfather, Dallas Green, a former pitcher and manager for the Philadelphia Phillies. We wanted to honor Christina-Taylor's wish, so in her name we dedicated a brick on the Alumni Walk at the Hintz Family Alumni Center. We also issued the Green family a diploma-like certificate that reads: The Pennsylvania State University recognizes Christina-Taylor Green for her embodiment of Penn State ideals: academic excellence, athletic success with honor and compassionate civic leadership. I'd like to read the note we received from her family.

'Dear Graham Spanier,

We cried when we heard you were honoring our daughter, Christina-Taylor Green, at Penn State University with a recognition certificate and a brick bearing her name on campus. She talked often about attending Penn State. I'm still not sure how a nine year old gets these ideas but growing up in Pennsylvania, it stuck with her. We are proud our little girl struck a chord with many people around the country, we hope this is her way of making a difference.

Thank you and Penn State University for honoring her; will visit one day as I scout your team!

Sincerely, The Greens -- John, Roxanna and Dallas'

"Now I'll move on to the potential appropriation cut that has been recommended for Penn State. I appeared before the Senate Appropriation Committee on Wednesday, and the House Appropriation hearing is a week from Monday. We're hopeful that there will be a better understanding of the implications of the current budget proposal. Although I know that you are familiar with the numbers, I do want to recap a few of the key points.

"Governor Corbett's budget proposal calls for a 52.4 percent reduction in Penn State's appropriation. It represents a decrease of \$182 million.

"If approved, this budget could fundamentally change Penn State and our sister institutions in the state and have major negative impacts for the citizens of Pennsylvania and their families.

"Penn State's appropriation is mostly used to offset the cost of education for Pennsylvania residents, and the direct impact of these cuts would be to undermine the support of in-state tuition for Pennsylvania resident-students.

"The College of Agricultural Sciences would experience a decrease of \$29 million of support that enables the network of county extension services in all Pennsylvania counties. This would be particularly unfortunate given Penn State's role in helping Pennsylvanians. In addition, these proposed cuts will be a significant blow to the support of agricultural research, which serves Pennsylvania's largest industry. I want to emphasize that this would be in addition to the college's share of cuts in the academic operating budget.

"The Penn State Hershey Medical Center will lose \$13.1 million through the elimination of state medical assistance funding and the related loss of Federal matching funds.

"Penn College of Technology in Williamsport will see a reduction of \$1.4 million.

"This budget proposal will force the university to 'put everything on the table'.

"We are working very hard on all fronts to help the legislature understand the catastrophic nature of this appropriation cut, and we are considering the hard choices we hope we won't have to make. Penn State touches one in two households in Pennsylvania - this cut will have repercussions in every county.

"We know that the state is faced with budgetary problems, and we're willing to do our fair share. However, for every dollar invested by the Commonwealth to support operations of Penn State, the University returns \$25 in total economic impact to Pennsylvania. I can't think of any other investment that has a comparable return. We will continue to push for a fair appropriation and will keep you informed of any developments.

"All of this comes at a time when Penn State is more popular than ever among prospective students. We are seeing another record year in the number of admissions applications received by the University. Total applications for all campuses are ahead by six percent compared to last year, graduate applications are up eight percent, and we have received more undergraduate applications to date than in any prior year. This week we passed 105,000 applications and expect to see a record 120,000 applications.

"First-choice freshman baccalaureate applications for summer/fall at the Commonwealth Campuses are up 16 percent over last year for out of state students, about even for Pennsylvania students, and up 66 percent for international students. Overall, applications are up six percent for the Commonwealth Campuses, and direct offers to the Commonwealth Campuses are up at 10 of the 19 campuses.

"Summer and fall paid acceptances at University Park and the Commonwealth Campuses are about even with last year, and we are closely monitoring the numbers given the current budget situation. Students and families are concerned about the impact of the proposed appropriation.

"In February, President Obama visited University Park. He toured our facilities and spoke to an attentive crowd of students, faculty, staff and invited guests, including Joel Myers' son Lachlan, who is eight.

"President Obama unveiled the Better Buildings Initiative, a plan to improve energy efficiency of commercial building space in the U.S. This visit underscored Penn State's efforts in energy and the environment.

"President Obama said, 'Right here at Penn State, a university whose motto is 'Making Life Better,' you've answered the call. You're preparing to lead the way on a hub that will make America home to the most energy-efficient buildings in the world.'

"We look forward to realizing that promise through work on our campuses and in the Energy Innovation Hub at the Philadelphia Navy Yard.

"Penn State is contributing to the economy in others ways as well through partnerships with corporations. Last year Penn State engaged in research partnerships with 750 companies and generated \$99 million in industry-financed R&D. Lockheed Martin is one of our long standing partners, and just last month that partnership yielded a breakthrough discovery for space exploration.

"The Lockheed Martin-Penn State collaboration discovered a new metamaterial that can be used to improve the performance of spacecraft antennas. This is the first commercially viable product of its kind, and it has the potential to radically improve space-based performance. As research continues we can expect to see more developments from the promising field of metamaterials.

"Another partnership between industry and Penn State received \$1 million in support from the National Science Foundation. This award will be used to create the new Center for Health Organization Transformation, and it will be housed in Penn State's Center for Integrated Healthcare Delivery Systems. Founded with industry partners Siemens Medical Solutions, Lockheed Martin and Verizon, the Center's research agenda will address quality, management, and clinical information technology in health care.

"Harriet Black Nembhard, associate professor of industrial engineering, will serve as the principal investigator and site director.

"The National Science Foundation awarded a \$3.7 million grant to John Carlson, a plant geneticist in Penn State's College of Agricultural Sciences. Dr. Carlson received the grant to develop genomics resources to address forest health issues affecting hardwood trees. The research will be applied to forest health, tree improvement and breeding, forest management and science education.

"At lunch, you will hear from a panel that will describe some of the reasons the *Wall Street Journal* named Penn State the No. 1 overall institution in the nation for producing the best prepared, most well-rounded graduates who are able to succeed once hired. One of the ways we're helping Penn State students get hired is through Career Days, which are held twice a year at the Bryce Jordan Center.

"This spring more than 300 companies and organizations and 2,000 students attended the event; we are looking forward to even greater attendance in the fall.

"On Friday, February 25, students from Penn State's School of Music performed in the fifth annual President's Concert at the Strathmore Music Center near Washington D.C. About 150 students from the Concert Choir, Jazz Band and Wind Ensemble performed for an enthusiastic audience. It was a phenomenal experience made possible as the result of

a collaboration among the School of Music, the Alumni Association and the President's Office.

"We have some great news from athletics. The wrestling team brought home Penn State's first Big Ten Wrestling Championship. Penn State went 5-0 in the finals to win the championship in a one-point victory over defending champion Iowa. Coach Cael Sanderson also came home a winner, being named the 2011 Big Ten Coach of the Year. David Taylor was named both Freshman of the Year and Wrestler of the Year, and Quentin Wright was named Wrestler of the Championship. Penn State's Wrestling Team will be competing through Saturday at the 2011 NCAA Championships in Philadelphia.

"Last weekend Penn State's men's Track and Field team competed in the 2011 Big Ten Indoor Track and Field NCAA Championships.

"The men had their strongest showing since 1975, and the second-highest indoor effort in the men's record books.

"Our Track and Field program has a winning future ahead with runners like freshman Brady Gehret from Altoona, whose finish in the 400 meters puts him in the Penn State record books and earned him a bronze medal.

"Penn State also enjoyed an All-America effort on the women's side. After taking home three Big Ten individual titles, the team raced to a top finish in the women's 4 by 400 relay.

"This was also a great season for our basketball teams. Shown here are the men when they learned they were selected for the NCAA tournament.

"It was an especially good year for senior Talor Battle who broke Jesse Arnelle's longstanding Penn State career scoring record. However, I must note that it took 57 years, longer seasons, the automatic two shots at 10 fouls rule and 3-point shooting to break Jesse's record. Jesse is still my hero.

"The Lady Lions were also in the spotlight, earning a No. 6 seed in the 2011 NCAA Women's Basketball Tournament. They will face No. 11 seed Dayton this Saturday in the Bryce Jordan Center.

"Guard Maggie Lucas, shown here, was selected as the Big Ten Freshman of the Year.

"All in all, it has been a fantastic winter season for Nittany Lion and Lady Lion fans.

"Each year, I am overwhelmed by the collective efforts of the entire Penn State family during THON weekend. More than 15,000 students participate directly, while tens of thousands supported the dancers through their contributions and spirit, which filled the Bryce Jordan Center.

"Once again our students went beyond all expectations to raise a record total of more than \$9.5 million. This brings the total THON has raised to fight pediatric cancer to about \$78 million.

"This total has funded research and covered the expenses for about 2,000 families with children being treated at Penn State Hershey Children's Hospital. Thank you to everyone who has generously supported this extraordinary philanthropic event.

"The Penn State Ice Campaign took another step forward recently as Paul and Nancy Silvis pledged \$1 million to the project. The contribution was the first major gift on the heels of the contribution from Terry and Kim Pegula.

"The main lobby of the Pegula Ice Arena will be named after the Silvis family. The couple also will co-chair the Penn State Ice Campaign Committee, which will help to raise

additional gifts for ice hockey program endowments. Shown here are Joe Battista, current Icer Kurt Collins, Michael Silvis, Paul, his wife Nancy and former Icer Ben Bouma. Thank you Paul and Nancy for this very significant gift.

"In recognition of strong innovative leadership in the College of the Liberal Arts and the Rock Ethics Institute, Doug and Julie Rock of The Woodlands, Texas, have made two gifts totaling \$10 million in honor of Dean Susan Welch and the current and founding Rock Ethics Institute director, Nancy Tuana. The first \$5 million gift will create an endowed dean's chair in the college and a second \$5 million gift supports an endowed directorship in the Institute, which was created by the Rocks with an earlier \$5 million gift a decade ago.

"Doug is a 1968 psychology graduate of Penn State. For more than 20 years, he served as president, chief executive officer, and chairman of Smith International, a global provider of oil and natural gas exploration and development products and services, which is now part of Schlumberger Limited. Julie is a former human resources and management training manager at Smith International.

"Finally, the Nittany Lion football team will culminate spring practice with one of the highlights of the Penn State sports calendar, Blue-White Weekend, which is set for April 15-17.

"This year's Blue-White Weekend will launch the celebration of 125 years of Penn State Football. I hope you'll be able to join us.

"That concludes my report, and now I would be happy to take your questions."

President Spanier received questions concerning:

- Broad base of alumni, corporate relationships and internships, and donors in the New York area.
- The outreach methods we are utilizing to reach legislators to help to insure that Penn State's message and special mission is understood.
- University recycling efforts to reduce costs and achieve savings in order to minimize tuition increases.

Educational Presentation

Richard B. Hoey, chief economist of BNY Mellon and The Dreyfus Corporation, is responsible for monitoring all aspects of the economic environment for BNY Mellon and Dreyfus including the U.S. economy, the global economic trends and currency impacts. His Economic Forecast shared a glimpse into the future with respect to the global and U.S. economic outlook as we continue to navigate uncertain times.

Reports from Standing Committees

A. Committee on Campus Environment

There was no report from the Committee on Campus Environment.

B. Committee on Educational Policy

Vice Chair Kenneth C. Frazier reported that a quorum of the Committee on Educational Policy was present with the following members in attendance: Frazier (vice-chair), Garban and Spanier (ex officio), Arnelle, Hayes, Jones, Riley, and Silvis.

The Committee on Educational Policy recommended that the Board of Trustees approve the following resolution:

1. RESOLVED, That the Board of Trustees approves the reorganization and renaming of the Insurance and Real Estate Department in The Mary Jean and Frank P. Smeal College of Business to the Department of Risk Management effective July 1, 2011.

The Board voted to approve the action item as recommended by the Committee on Educational Policy.

The Committee received the following items for information:

1. Information on Undergraduate Programs
 - a) Bachelor of Science in Rail Transportation Engineering, Penn State Altoona: New Program
 - b) Research Intensive Option in the Bachelor of Science in Chemical Engineering, College of Engineering: New Option
 - c) Therapeutic Recreation Option in the Bachelor of Science in Recreation, Park, and Tourism Management, College of Health and Human Development: Drop of Option
 - d) Global and International Studies, College of the Liberal Arts: Change in Name from International Studies
2. Information on Graduate Programs
 - a) Graduate Programs in Pharmacology; Biochemistry and Molecular Biology; Microbiology and Immunology; and Cell and Molecular Biology in the College of Medicine: Drop of Programs

C. Committee on Finance and Physical Plant

Chair Strumpf reported that a quorum of the Committee on Finance and Physical Plant was present with the following members in attendance: Strumpf (chair), Masser (vice chair), Garban and Spanier (ex officio), Broadhurst, Clemens, Eckel, Shaffer, and Surma.

The Committee on Finance and Physical Plant 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 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 in support of endowments, funds, and other major commitments as reported to the Committee on Finance and Physical Plant at its meeting of March 18, 2011.

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 final plans for the Pattee Library Renovation as designed by the firm of WTW Architects of Pittsburgh, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$7,000,000.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

4. RESOLVED, That the final plans for the South Frear HVAC Upgrade and Renovations as designed by the firm of Stantec, Inc. of Endicott, New York, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$6,110,000.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

5. RESOLVED, That the final plans for the East Campus Steam Line as designed by the firm of Woolpert, Inc. of Cincinnati, Ohio, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$13,500,000.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

6. RESOLVED, That the final plans for the West Campus Chilled Water Upgrades as designed by the firm of Trefz Engineering, Inc. of Horsham, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$11,900,000.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

7. RESOLVED, That the final plans for the Port Sky Café Renovations as designed by the firm of WTW Architects of Pittsburgh, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$5,400,000.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

8. RESOLVED, That the Board of Trustees approves the sale of 25 acres in Ferguson Township, Centre County, Pennsylvania, to the Centre Region Council of Governments and Ferguson Township in the amount of \$375,000, subject to a deed restriction defining its public use.

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

9. RESOLVED, That the transaction whereby the University, through the Office of the Senior Vice President for Finance & Business, contract with Occupational Athletics, Inc. (OAI), for continuation of the program utilizing OAI's Human Maintenance System for the period of March 21, 2011 through December 31, 2011 at a cost-not-to-exceed \$60,000 is approved.

10. RESOLVED, That the Officers of the University are authorized to employ the firm of Kling Stubbins of Philadelphia, Pennsylvania as architects for the Cedar Building Renovation at University Park.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project design, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

11. RESOLVED, That the Officers of the University are authorized to appoint the firm of GUND Partnership of Cambridge, Massachusetts as architects for the Hetzel Union Building Addition and Renovation at University Park.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project design, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured.

12. RESOLVED, That in view of the special nature of this project, the interview process has been conducted by the University's Office of Physical Plant.

FURTHER BE IT RESOLVED, That the Officers of the University are authorized to appoint Barton Malow of Baltimore, Maryland to design and build the South Halls Renovation at University Park.

FURTHER BE IT RESOLVED, That due to the uncertainty of the appropriation of the Commonwealth of Pennsylvania at this time, the Board of Trustees approves the project and authorizes the President of the University to move forward with the project design, with the understanding that such authorization will only occur when the financial environment is clarified, and all funding is fully secured; individual phases of the project will be brought to the Board of Trustees for approval when designed and costs have been established.

[Action Item C.9 was presented to the Trustees as a White Sheet item at the meeting. The approvals of action items 3., 4., 5., 6., 7., and 8., reflect editorial amendments at the meeting delegating authority to the President of the University to move forward with the projects at such time as the financial environment is clarified.]

The Committee received the following items for information:

1. Intramural Fields, University Park
2. Shortlidge Road Reconstruction, University Park
3. Track and Field Facility, Penn State Erie, The Behrend College
4. Soccer/Lacrosse Facility, Penn State Erie, The Behrend College
5. Convenience Store, Penn State Erie, The Behrend College
6. Mont Alto Hall Renovation and Window Replacement, Penn State Mont Alto

7. University Physician Center Suite 700/800 Renovation, The Milton S. Hershey Medical Center
8. Naming of Rooms, Portions of Buildings and Plazas
 - a) The Division of Undergraduate Studies (DUS) Advising Center Suite, C112 Smith Building at Penn State Altoona, for a commitment from Christopher Gable. The recognition plaque should read: *Wilbur K. Kraybill Academic Advising Center*
 - b) The Strength Staff Office, 110B Lasch Football Building, for a commitment from Paul and Lynne Anderson. The recognition plaque should read: *Paul and Lynne Anderson Strength Staff Office*
 - c) Several spaces in the Nittany Lion Softball Park as follows:
 - 1) Head Coach's Office in the Nittany Lion Softball Park, for a commitment from Peter and Ann Tombros. The recognition plaque should read: *Peter and Ann Tombros Head Coach's Office*
 - 2) Softball Office Complex in the Nittany Lion Softball Park, for a commitment from the James M. and Margaret V. Stine Foundation. The recognition plaque should read: *Stine Family Softball Office Complex*
 - 3) Media Center in the Nittany Lion Softball Park, for a commitment from James M. and Margaret V. Stine Foundation. The recognition plaque should read: *Stine Family Media Center*
 - 4) Player's Lounge and Locker Room in the Nittany Lion Softball Park, for a gift annuity from George and Frances Vanden. The recognition plaque should read: *Fran Vanden Penn State Player's Lounge and Locker Room*
9. Status of Major Construction Programs and Borrowing
10. Investment Review of Endowment and Similar Funds
11. Summary and Designation of Gifts Received by the University

The Board voted to approve the action items as recommended by the Committee on Finance and Physical Plant.

Legal Matters

Vice President and General Counsel Cynthia A. Baldwin presented information on a proposed rule being considered by the Securities and Exchange Commission (SEC) that would expand the definition of a municipal advisor under the recently approved Dodd-Frank Wall Street Reform Act in proposed rule 15a1-1(d). The proposed definition would impact those trustees who are appointed to the Board of Trustees and require that they register as municipal advisors with the SEC; it would not impact those trustees who are elected or ex officio members. It would also impact trustees and employees of private non-profit and institutionally related foundations as they discuss municipal financial products at board meetings and authorize institutional participation in municipal securities offerings. The proposed definition is clearly inconsistent with the historic definition of a municipal advisor and, if the rule is advanced as currently framed, it would have a detrimental effect on the ability to recruit and appoint board members of public and private institutions and institution-related foundations. Penn State joined with the other state-related universities in Pennsylvania-Temple, Pitt, and Lincoln-in submitting comments to the proposed rules. The Association of Governing Boards of Universities and Colleges and the American Council on Education also provided comment. Copies of the comments were distributed for the information of the Board of Trustees. Additional information will be shared when available.

Informational Report on The Corporation for Penn State

A report on the activities of The Corporation for Penn State was presented by Dr. Graham B. Spanier, President and Chief Executive Officer of the Corporation.

Election of Directors of The Corporation for Penn State

The Board of Trustees voted to adopt the following resolution:

RESOLVED, That the following persons be elected to the Board of Directors of the Corporation for Penn State.

Rodney A. Erickson
Steve A. Garban
Edward R. Hintz, Jr.
Albert G. Horvath
Rodney P. Hughes

David M. Joyner
Harold L. Paz
Graham B. Spanier
Linda B. Strumpf
John P. Surma

Resolutions in Recognition of Stanley G. Schaffer

The Board of Trustees adopted the following resolutions:

RESOLVED, That the Board of Trustees of The Pennsylvania State University expresses deepest regret and sympathy to the family of Stanley G. Schaffer on the passing of Mr. Schaffer on January 28, 2011; and

BE IT RESOLVED, That the Board of Trustees recognizes Mr. Schaffer's loyalty and dedication to The Pennsylvania State University in having served as a member of its Board for twelve years, with the status of Trustee Emeritus being conferred upon Mr. Schaffer in January 1992; and

BE IT RESOLVED, That the official and permanent minutes of the Board of Trustees record for all time the Board's sincere respect and deep appreciation of Trustee Emeritus Stanley G. Schaffer for his wisdom and steadfast commitment to the betterment of The Pennsylvania State University; and

BE IT FURTHER RESOLVED, That, in addition to the permanent recording, a copy of this resolution be appropriately transmitted to the family on behalf of the members of the Board of Trustees.

Resolutions in Recognition of William A. Schreyer

The Board of Trustees adopted the following resolutions:

RESOLVED, That the Board of Trustees of The Pennsylvania State University expresses deepest regret and sympathy to the family of William A. Schreyer on the passing of Mr. Schreyer on January 22, 2011; and

BE IT RESOLVED, That the Board of Trustees recognizes Mr. Schreyer's loyalty and dedication to The Pennsylvania State University in having served as a member of its Board for twelve years, with the status of Trustee Emeritus being conferred upon Mr. Schreyer in September 1998; and

BE IT RESOLVED, That the official and permanent minutes of the Board of Trustees record for all time the Board's sincere respect and deep appreciation of Trustee Emeritus William A. Schreyer for his wisdom and steadfast commitment to the betterment of The Pennsylvania State University; and

BE IT FURTHER RESOLVED, That, in addition to the permanent recording, a copy of this resolution be appropriately transmitted to the family on behalf of the members of the Board of Trustees.

Announcements by the Chairman of the Board of Trustees

Chairman Garban, in his remarks, reported the results of the drawing to establish the position of candidates on the voting ballot for the 2011 Alumni Trustee election held on Wednesday, March 2, 2011 at 1:30 p.m. The results were as follows:

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| Position Nos. | 1. Joel N. Myers, '61, '63g, '71g, State College, PA |
| | 2. Marianne Ellis Alexander, '62, Ellicott City, MD |
| | 3. Elizabeth A. Fetter, '80, San Francisco, CA and PA |
| | 4. H. Jesse Arnelle, '55, '62JD, San Francisco, CA |
| | 5. George T. Henning, Jr., '63, State College, PA |
| | 6. Ralph E. Simpson, Jr., '79, Millersville, PA |

Chairman Garban noted that election materials will be available on April 10 and election balloting will close on May 12 at 9:00 a.m. It was also noted that this year we will be using a totally on-line election process to conduct the Alumni Trustee election. This permits us to be good stewards of the limited financial resources of the University as we will move away from printing and postage. There will however be telephonic voting options for those individuals without email.

The meeting adjourned at 11:15 a.m.

Respectfully,

Paula R. Ammerman
Associate Secretary
Board of Trustees