

10:15 a.m. -

1. **Roll Call**
2. **Approval of the Minutes of Previous Meetings**

Will the Board of Trustees approve the minutes of the meeting of the Board held on March 18, 2011?

3. **Informational Report by the President of the University**

11:15 a.m. -

4. **Update on the Implementation of the "Priorities for Excellence: The Penn State Strategic Plan 2009-10 through 2013-14"**

In May 2009, the Board of Trustees approved a five year strategic plan as set forth in the "Priorities for Excellence: The Penn State Strategic Plan, 2009-10 through 2013-14." The plan builds on the theme of prioritization for excellence, offering strategies for each of seven goals. Achieving these goals requires collaboration among administrators, faculty, staff, and students from academic and administrative units across Penn State and making difficult choices regarding future programming. The goals are as follows:

- Enhance student success;
- Advance academic excellence and research prominence;
- Realize Penn State's potential as a global university;
- Maintain access and affordability and enhance diversity;
- Serve the people of the Commonwealth and beyond;
- Use technology to expand access and opportunities; and
- Control costs and generate additional efficiencies.

Dr. Rodney A. Erickson, Executive Vice President and Provost of the University, will provide an update on the second-year implementation progress of the "Priorities for Excellence," focusing particular attention on the work of the Core Council that was charged to undertake analyses of academic programs and administrative services to find greater efficiencies while enhancing University excellence in an era of increasing financial challenges.

1:30 p.m. -

5. **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 Campus Environment** - Rodney P. Hughes, Chair
- B. **Committee on Educational Policy** - David M. Joyner, Chair

- 1) **Discussion of Consent Agenda Items Provided for Information or Approval of the Committee on Educational Policy:**

Information Items -

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

(See Appendix I)

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

B. **Committee on Educational Policy** - David M. Joyner, Chair (Continued)

2) **Proposal to Merge the Department of Counselor Education, Counseling Psychology and Rehabilitation Services (CECPR) and Educational and School Psychology and Special Education (ESPSE) in the College of Education**

The College of Education seeks to merge two of its departments: Counselor Education, Counseling Psychology and Rehabilitation Services (CECPR) and Educational and School Psychology and Special Education (ESPSE) in the College of Education. This will be accomplished under a new department that will be named Educational Psychology, Counseling, and Special Education. The new department will serve the needs of undergraduate students in part through the continued delivery of service courses that constitute an important component of teacher preparation programs in the College of Education and elsewhere in the University. In addition, the new department will house the continuing undergraduate major in Rehabilitation and Human Services. The new department will contain continuing graduate programs in Educational Psychology, School Psychology, Counselor Education, and Special Education.

The Academic Program and Administrative Services Review Core Council has recommended that CECPR and ESPSE be merged in order to better align the College with University priorities.

Maintaining sight of current University efforts to manage scarce resources, the following priorities have been identified:

- Better alignment with University priorities to foster collaboration, and to realize savings
- Savings in terms of administrative services and streamlining of staff positions
- Greater collaboration across programs which will lead to long term efficiencies
- Additional faculty attrition over time in conjunction with strategic planning to achieve additional savings

The proposal for the merging of the two departments was favorably reviewed by the Academic Council on Graduate Education (ACGE); the Dean of the College of Education; and was endorsed by the University Faculty Senate Council.

Will the Committee on Educational Policy recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, that the Board of Trustees approves combining the Department of Counselor Education, Counseling Psychology, and Rehabilitation Services (CECPR) with the Department of Educational and School Psychology and Special Education (ESPSE) to form a new Department of Educational Psychology, Counseling, and Special Education in the College of Education, effective July 1, 2011.

3) **Proposal to Discontinue the Science, Technology, and Society Program**

The Science, Technology, and Society (STS) Program has been jointly administered in recent years by the Colleges of Engineering and Liberal Arts. At its inception about 40 years ago, the program was important in bringing together scientists with those who study about science in an era when interdisciplinary approaches were unusual. The program has been important historically to College of Engineering

5. Reports from Standing Committees (Continued)**B. Committee on Educational Policy** - David M. Joyner, Chair (Continued)**3) Proposal to Discontinue the Science, Technology, and Society Program**
(Continued)

students because of its General Education offerings. STS has contributed to the College of the Liberal Arts by bringing together in an academic home several faculty primarily in the humanities and other areas whose work complements disciplinary work but does not fit neatly into other departments.

The STS program offers no major and its three minors are very small, having a total of less than 30 students. The Academic Program and Administrative Services Review Core Council, with its mandate to improve cost effectiveness, has recommended that STS be discontinued. The STS program teaches only about 3,000 student credit hours annually. Although the faculty are contributing, the program's impact on students is far less than other degree granting programs in either Engineering or Liberal Arts.

Some of the STS courses and the STS minor will be discontinued; other courses taught by participating faculty who are tenured in various academic departments will continue to be offered by the faculty members' home departments where many of these courses are already cross-listed. Two other minors, the Bioethics and Medical Humanities minor and the Disability Studies minor, will be relocated to other units within the College of the Liberal Arts.

Six faculty with partial STS appointments who hold tenure in other units will move entirely to their home departments; five untenured (provisional) faculty will receive termination notices; and the contracts of all fixed-term faculty will be honored through their current terms. It is proposed to discontinue the STS program effective June 30, 2012. Faculty will continue to teach most STS courses during 2011-12 so that current students may complete their minors. The Colleges will continue to work to help untenured and multi-year fixed-term faculty find other positions.

The proposal for the discontinuation of the Science, Technology, and Society Program was favorably reviewed by the deans of Engineering and Liberal Arts. It was not reviewed favorably by the University Faculty Senate Council on the basis that appropriate consultation with the program faculty did not occur prior to notification of untenured faculty concerning plans to terminate the program.

Will the Committee on Educational Policy recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That the Board of Trustees approves the discontinuation of the Science, Technology, and Society Program effective June 30, 2012.

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

C. **Committee on Finance and Physical Plant** - Linda B. Strumpf, Chair

1) **Discussion of Consent Agenda Items Provided for Information or Approval of the Committee on Finance and Physical Plant:**

Information Items -

- a) Krause Innovation Studio, University Park
- b) OPP Generator Replacement, University Park
- c) Sutherland Building First Floor Renovation, Penn State Abington
- d) Frable Building First Floor Renovation, Penn State Greater Allegheny
- e) New Parking Lot, Penn State Harrisburg
- f) Naming of Rooms, Portions of Buildings, and Plazas
- g) Purchase of Brennan Property, Penn State New Kensington
- h) Status of Major Construction Programs and Borrowing

Action Items -

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

(See Appendix II)

2) **Consideration of Proposed Interim Maintenance and Operating Budget for the University for the Fiscal Year Beginning July 1, 2011**

In order for the University to have an approved fiscal operating plan for the year beginning July 1, 2011, it is proposed that an interim budget be adopted.

Due to the pending status of the State appropriation, it is recommended that no action be taken at this time on changes in tuition, salaries and wages, employee benefits, or other necessary expense increases. A final budget will be submitted at the July 14-15, 2011 Board of Trustees meeting when the State appropriation is clarified.

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That pending adoption of a new budget to reflect clarification of the amount and form of the State appropriation, and subsequent decision 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, 2011, total budget amounts at the level of the adjusted 2010-11 budget as follows:

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

C. **Committee on Finance and Physical Plant - Linda B. Strumpf, Chair** (Continued)

2) **Consideration of Proposed Interim Maintenance and Operating Budget for the University for the Fiscal Year Beginning July 1, 2011** (Continued)

	University Park and Other Locations	College of Medicine	Pennsylvania College of Technology	Total University
General Funds	\$1,689,657,000	\$101,061,000	\$100,387,000	\$1,891,105,000
Agricultural Federal Funds	20,554,000			20,554,000
Restricted Funds	551,749,000	80,000,000	16,256,000	648,005,000
Auxiliary Enterprises ^a	320,175,000	3,937,000	25,768,000	349,880,000
Total	\$2,582,135,000	\$184,998,000	\$142,411,000	\$2,909,544,000
Milton S. Hershey Medical Center				1,105,409,000
Total Funds				\$4,014,953,000

^aIncludes increase in room and board charges as approved by the Board of Trustees, November 5, 2010.

3) **Photo Report on Selected Construction Projects**

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

6. **Legal Matters**

Cynthia A. Baldwin, Vice President and General Counsel, will present an informational report on University legal matters and/or normally considered by a Standing Committee of the Board.

7. **Informational Report on the University Faculty Senate**

A report on this year's activities of the University Faculty Senate is provided by Dr. Jean Landa Pytel, Immediate Past Chair of the University Faculty Senate, Associate Professor of Engineering Science and Mechanics, and Assistant Dean for Student Services, College of Engineering.

(See Appendix III)

8. **Proposed Establishment of a Governance Advisory Group and Approval of Revised *Standing Orders***

It is proposed to amend the *Standing Orders* to reflect the establishment of a Governance Advisory Group. The group, which is strictly advisory in nature, shall include representatives from all constituent groups appointed or elected to the board. The group's purpose is to provide counsel and advice to the president of the board in matters concerning the development of strategies, policies, and practices that orient, educate, organize, motivate, and assess the performance of trustees. It is also proposed that the group assume such additional responsibilities as may from time to time be assigned by the Board's leadership with the approval of the full Board including, but not limited to:

- (a) recommending to the Board candidates for election to membership on the Executive Committee; and
- (b) reviewing the service of a Trustee upon retirement. The group may recommend to the Board that emeritus/a status be awarded to the retired trustee. Criteria to be considered by the group shall include offices held, attendance record, participation in the activities of the Board, length of service, or other significant contributions.

The group shall regularly inform the Board of its practices and priorities.

As the proposed Governance Advisory Group will assume those responsibilities previously performed by the Nominating Committee, the proposed changes to the *Standing Orders* reflect the discontinuation of the Nominating Committee.

Will the Board of Trustees adopt the following resolution:

RESOLVED, That the changes to the *Standing Orders* of the Board of Trustees of The Pennsylvania State University, as reflected in Appendix IV, are approved.

(See Appendix IV)

9. **Annual Report and Proposed Appointment of Members, Board of Directors of The Milton S. Hershey Medical Center**

Harold L. Paz, M.D., Senior Vice President for Health Affairs of The Pennsylvania State University, Dean, College of Medicine, and Chief Executive Officer, will provide an update on The Milton S. Hershey Medical Center.

In May 2000, the Board of Trustees approved the establishment of the corporation "The Milton S. Hershey Medical Center," a Pennsylvania nonprofit corporation for the purpose of employing personnel, owning equipment, and holding the hospital and other licenses necessary to provide healthcare services. The Board further confirmed that the University will continue to fulfill its obligations as Successor Trustee of The Milton S. Hershey Medical Center through establishment of the corporation to operate the clinical enterprise and make the necessary appointments to the Board of Directors.

The Board of Directors of The Milton S. Hershey Medical Center consists of 15 members. Nine directors are appointed directly by the Board of Trustees with three-year, staggered terms; two are *ex officio* directors: the Senior Vice President for Health Affairs of The Pennsylvania State University, Dean of the College of Medicine, and Chief Executive Officer; and one director is elected from among the clinical department chairs at The Milton S. Hershey Medical Center. The remaining four directors are considered independent directors, with three-year, staggered terms, and are self-perpetuating. Together, these 15 directors are responsible for governance of The Milton S. Hershey

9. **Annual Report and Proposed Appointment of Members, Board of Directors of The Milton S. Hershey Medical Center** (Continued)

Medical Center, subject, of course, to the authority of the Board of Trustees to appoint and remove its appointees.

The members of the Board of Directors appointed by the Board of Trustees of The Pennsylvania State University whose terms expire this year are: Rodney A. Erickson, Edward R. Hintz, Jr., and Albert G. Horvath.

Will the Board of Trustees adopt the following resolution:

RESOLVED, that the following individuals are appointed as members of the Board of Directors of The Milton S. Hershey Medical Center for a three-year term ending June 30, 2014:

Rodney A. Erickson
Edward R. Hintz, Jr.
Albert G. Horvath

10. **Report on the Election of Trustees by Alumni**

The judges of the election, David M. Joyner and Anne Riley, will report on the counting of the ballots in the election of Trustees by alumni.

11. **Report on the Election of Trustees by Agricultural Delegates**

A report on the election of Trustees by delegates from agricultural societies will be given by Chairman of the Board Steve A. Garban.

12. **Election of Trustees Representing Business and Industry Endeavors**

The Selection Group on Business and Industry Trustees recommends to the Board of Trustees the names of two candidates for election as trustees representing business and industry endeavors for three-year terms beginning July 1, 2011.

Will the Board of Trustees adopt the following resolution:

RESOLVED, that the following individuals are elected as members of the Board of Trustees representing business and industry endeavors for a three-year term beginning July 1, 2011:

James S. Broadhurst
Linda B. Strumpf

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

1. Information on Undergraduate Programs

A. College of Earth and Mineral Sciences

1) Minor in Geophysics: New Minor

The new minor provides foundational coursework to students from programs outside of Geosciences. Students in the minor gain experience in the application of physics and the quantitative and technical skills employed in the earth sciences. The new minor will become effective Summer 2011.

B. College of the Liberal Arts

1) Minor in Arabic Language: New Minor

The new minor instructs students in modern Arabic language, cultures, and societies. The new minor will become effective Summer 2011.

2) Language and Linguistics Option in Bachelor of Arts in French and Francophone Studies: New Option

The Language and Linguistics Option includes coursework in the formal mechanisms of grammar that underscore fluency, understanding of word order, pronunciation, and meaning. The new option will become effective Summer 2011.

C. The Mary Jean and Frank P. Smeal College of Business

1) Insurance Minor: Phase-out

Low enrollments support the decision to discontinue the minor. All students currently in the program will have a reasonable opportunity to complete the minor. There will be no impact on tenure track faculty. The elimination of the minor will become effective Summer 2011.

2) Real Estate Minor: Phase-out

Low enrollments support the decision to discontinue the minor. All students currently in the program will have a reasonable opportunity to complete the minor. There will be no impact on tenure track faculty. The elimination of the minor will become effective Summer 2011.

3) Bachelor of Science in Risk Management; Actuarial Science Option, Enterprise Risk Management Option, and Real Estate Option: New Program

The new major addresses knowledge and skills that contribute to success in careers that utilize quantitative and qualitative methods to assess, analyze, and implement systems to control business risk. The new major and options will become effective Summer 2011.

2. Information on Graduate Programs

A. Master of Science in Community and Economic Development in the College of Agricultural Sciences: Drop of Program

The proposal to drop the Master of Science in Community and Economic Development in the College of Agricultural Sciences was approved by the Graduate Council at its February 16, 2011 meeting.

The Master of Science in Community and Economic Development program has been replaced by the online Master of Professional Studies degree in Community and Economic Development. The Master of Science degree in Community and Economic Development was a blended program, with some required courses offered only online, and the balance offered in-residence at the University Park campus. The costs of completing the blended program were too high financially and personally for many actual and potential students. Support for this assessment of the blended Master of Science program is provided in the success of the totally online Master of Professional Studies in Community

2. **Information on Graduate Programs** (Continued)

A. **Master of Science in Community and Economic Development in the College of Agricultural Sciences: Drop of Program** (Continued)

and Economic Development which now, after three years in existence, has just over 100 students active in the program.

B. **Master of Engineering in Oil and Gas Engineering Management in the College of Earth and Mineral Sciences via World Campus: Drop of Program**

The proposal to drop the Master of Engineering in Oil and Gas Engineering Management in the College of Earth and Mineral Sciences via World Campus was approved by the Graduate Council at its February 16, 2011 meeting.

Due to low enrollment and interest, the program will be dropped as there does not appear to be strong demand in the foreseeable future of the degree to ensure acceptable return on future investments in the program especially given the current budgetary constraints.

C. **Master of Education in Educational Leadership, Teacher Learning Option in the College of Education: Program Requirements Change**

The proposal to change the program requirements for the Master of Education in Educational Leadership, Teacher Learning Option in the College of Education was approved by the Graduate Council at its February 16, 2011 meeting.

Teacher leadership as a concept was still in its infancy in 2002 [when the option first was created, as an offering in the Department of Curriculum and Instruction]. Since then, the rise of the standards and accountability movement and more specifically, the No Child Left Behind (NCLB) legislation, have changed forever the educational landscape. Today, the leadership of teachers is acknowledged as a vibrant and essential feature of any significant and sustainable school improvement effort. Thus, a committee of both expert practitioners and scholars from across departments in the College of Education was formed to examine what changes and revisions needed to be made to the Teacher Leadership Option to reinvigorate the program.

[The following agenda item was presented to the Trustees as a yellow sheet item at the meeting of the Committee on Educational Policy.]

Dual-Title Ph.D. Program and a Dual-Title M.S. Degree Program in International Agriculture and Development (INTAD) in the College of Agricultural Sciences: New Programs

The proposals to create a dual-title Ph.D. degree program and a dual-title M.S. degree program in International Agriculture and Development (INTAD) offered by the College of Agricultural Sciences and proposals to adopt both dual-title degree programs by the Department of Agricultural and Extension Education, the graduate program in Agricultural, Environmental and Regional Economics, the graduate program in Rural Sociology, and the Department of Entomology, were approved by the Graduate Council at its March 16, 2011 meeting.

These programs were launched to provide adequate preparation for the complex, multidisciplinary nature of international agricultural development to graduate level education students in agriculture. More specifically, these programs will provide opportunities for students to attain a more advanced skill set that will enable them to apply expertise to critical issues such as food security and international agricultural development. Additionally, the programs will provide students with instruction which will enable them to develop, and successfully apply, scientific solutions to problems.

INTAD joins a constellation of dual degree programs at Penn State that offer students an opportunity to take their discipline interests into the international arena. INTAD is unique in its combination of study opportunities in agricultural and development disciplines as well as the context and application of those disciplines.

1. Krause Innovation Studio, University Park

The University intends to renovate 4,475 square feet of second floor space in Chambers Building to create the Krause Innovation Studio. The College of Education will use the renovated studio space to support collaborative interactions. Flexible classroom space and technologically enabled furniture will allow investigations of the interaction between teaching, learning, and learning spaces. The Studio has four focus areas for initial projects: digital records of practice, data visualization, digital scholarship, and learning spaces. The cost estimate for this project is \$1,800,000.

(See Appendix II.1)

2. Office of Physical Plant Generator Replacement, University Park

The University is planning to replace the generator for the Office of Physical Plant building with a significantly larger unit. This upgrade will allow for operations in the event of an emergency at University Park. The project includes electrical upgrades to accommodate the new generator. The cost estimate for this project is \$1,300,000.

(See Appendix II.2)

3. Sutherland Building First Floor Renovation, Penn State Abington

The University intends to renovate 4,950 square feet of Sutherland Building at Penn State Abington. An existing pool will be filled in and converted to a tiered classroom. The lobby, support, and storage spaces will be upgraded. The acoustics of the lecture hall in the west wing of the building will be improved with a new ceiling design, wall and floor treatments and mechanical system upgrades. Video imaging with High Definition ("HD") capability and surround sound for presentations will be incorporated.

The seating layout will be improved and the stage will be upgraded to provide better acoustics and lighting. A portable chairlift will be provided to access the stage area. The cost estimate for this project is \$3,200,000.

(See Appendix II.3)

4. Frale Building First Floor Renovation, Penn State Greater Allegheny

The University intends to complete a 14,700 square foot renovation to the first floor of the three-story Frale Building at Penn State Greater Allegheny. The project includes the lobby, corridors, classrooms, conference rooms, Chancellor's Suite, Institutional Advancement, Continuing Education, and Marketing departments. The mechanical systems will be upgraded and fire protection systems will be installed. The cost estimate for this project is \$1,250,000.

(See Appendix II.4)

5. New Parking Lot, Penn State Harrisburg

The University intends to construct a 382-space parking lot northwest of the Olmsted building at Penn State Harrisburg. The project includes site lighting, landscaping, emergency phones, parking kiosks and a storm water management facility. Damaged areas of the adjoining College Avenue roadway will be replaced with new. The cost estimate of the entire project is \$1,600,000.

(See Appendix II.5)

6. 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. The Equipment and Staff Locker Room, 103 Lasch Football Building, the "Jim and Missy Vasilko Equipment and Staff Locker Room" for a commitment from Jim and Missy Vasilko.

(Appendix II)

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

- B. The Tutoring Room, 134 Lasch Football Building, the "Matthew and Vanessa Elliot Tutoring Room" for a commitment from Matthew and Vanessa Elliot.
- C. The Linebacker Coach's Office, 212 Lasch Football Building, the "Jay and Dianne May Linebacker Coach's Office" for a commitment from May Brands LLC.
- D. The Operations Director's Office in the Women's Basketball Office at the Bryce Jordan Center, the "Anna and Harry Hain Operations Director's Office" for a commitment from Anna and Harry Hain.
- E. The Broadcast Booth at the Pegula Ice Arena, the "Anna and Harry Hain Broadcast Booth" for a commitment from Nittany Media Inc.
- F. The new mechanical engineering lab (the MET and Robotics space) in the Swenson Engineering Center, Penn State York, the "Harvey and Winifred Bradley Mechanical Engineering Laboratory" for a gift from Harvey and Winifred Bradley.
- G. The Advanced Teaching/Physical Chemistry Lab in the Otto Behrend Science Building, Penn State Erie, The Behrend College, the "Donald M. Alstadt Advanced Chemistry Laboratory" for commitments from LORD Corporation and the Thomas Lord Charitable Trust.
- H. The North Wall Lobby, Lewis Katz Hall, The Dickinson School of Law, Carlisle Campus, the "Tom and Laura Ridge Lobby" for a gift from Governor Tom Ridge. The recognition plaque will read:

*Tom and Laura Ridge Lobby
Named by Governor Tom Ridge '72 for his parents,
who opened doors to opportunities in education and life for their children*

- I. The Commons Area of Lewis Katz Hall, The Dickinson School of Law, Carlisle Campus, "Ridge Commons" for the Honorable Tom Ridge, '72 DSL, former Governor of Pennsylvania and Secretary of the United States Department of Homeland Security, in recognition of his exemplary service to the Commonwealth and nation. The recognition plaque will read:

*Ridge Commons
In honor of
The Honorable Tom Ridge, Dickinson School of Law Class of 1972
Governor of the Commonwealth of Pennsylvania, 1995 to 2001
1st Secretary, United States Department of Homeland Security, 2003 to 2005
Member, United States House of Representatives, 1983 to 1995
Assistant District Attorney, Erie County, 1980 to 1983
Staff Sergeant, United States Army, Vietnam Service Medal, Bronze Star*

- J. The first floor conference room, Lewis Katz Hall, The Dickinson School of Law, Carlisle Campus, the "Conrad A. Falvello '74 and Christine G. Falvello Conference Room" for a gift from Conrad A. Falvello and Christine G. Falvello.
- K. Faculty Office 255, Lewis Katz Hall, The Dickinson School of Law, Carlisle Campus, the "Robert P. Leiby Jr. '54 Faculty Office" for a gift from Robert P. Leiby Jr.
- L. Nine engineering spaces (seven labs and two offices - Rooms 103, 104, 106, 107, 108, 113, 114, 115, 116) in the new classroom laboratory building, Penn State Berks, the "Pfeimer Engineering Wing" for an estate gift from Harold Pfeimer.

7. Purchase of Brennan Property, Penn State New Kensington

In April 2011, the University purchased a 1.7 acre property including a 1,680 square foot residence adjoining the campus, located at 788 Myers Drive, New Kensington, Westmoreland County from David C. & Teresa J. Brennan for \$160,000. The University's intent is to eventually use the structure as an Arts complex for music/theatre arts programs and rehearsal space, replacing an existing facility in disrepair.

(See Appendix II.6)

8. Status of Major Construction Programs and Borrowing

(See Appendix II.7)

9. Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period February 21, 2011 through April 15, 2011)

Will the Committee on Finance and Physical Plant 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.

10. Acknowledgments of Endowments and Other Major Commitments

The Committee on Finance and Physical Plant is advised that for the period February 21, 2011 through April 15, 2011, 52 new funds totaling approximately \$10,590,956 were accepted by the University, including scholarships, fellowships, etc. All of these items conform to established University policies and regulations.

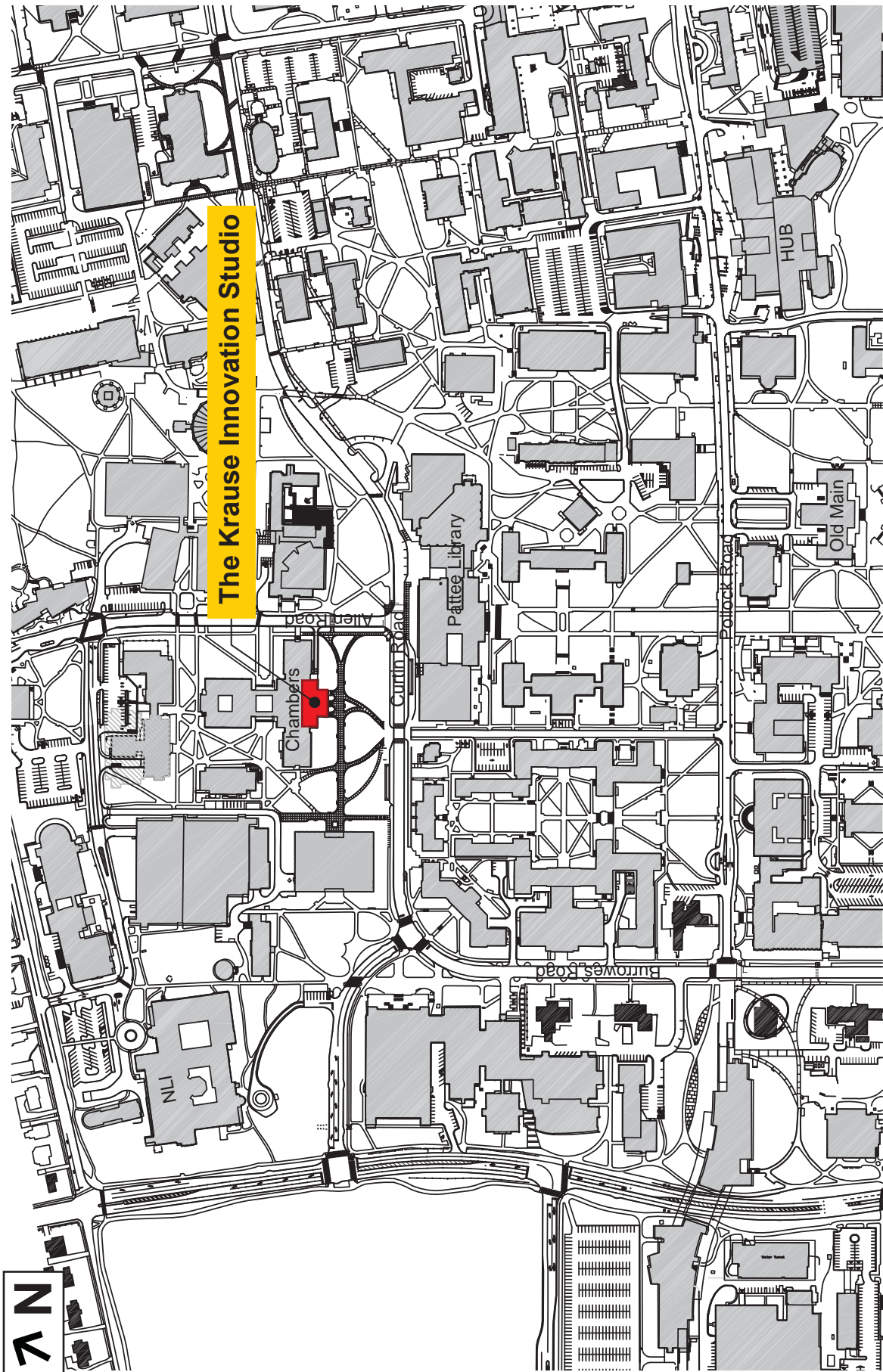
For the period January 1, 2011 through February 1, 2011, 37 major commitments were accepted by the University totaling approximately \$13,297,595.

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolutions:

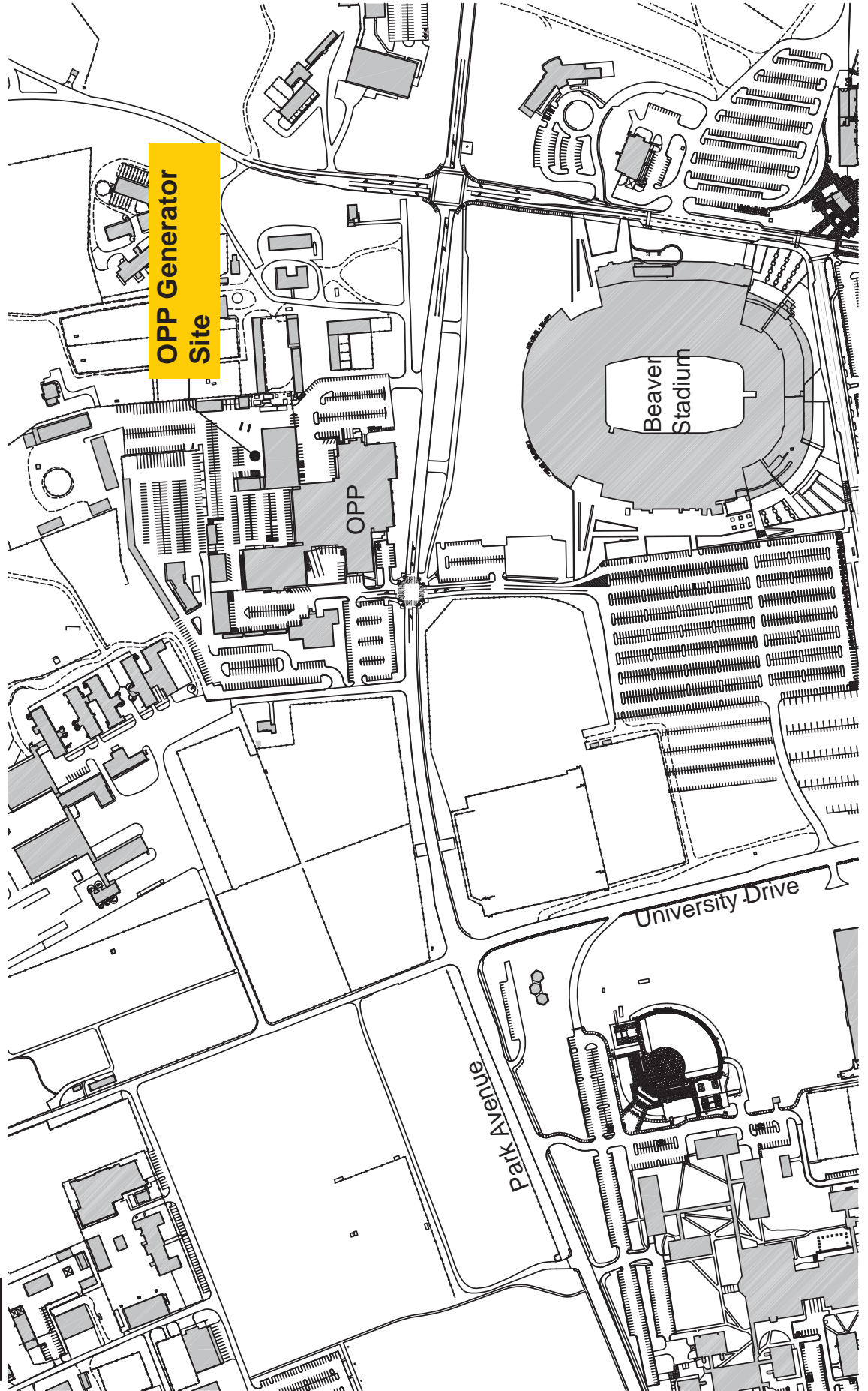
RESOLVED, That the Board of Trustees gratefully acknowledges the generous contributions of the many friends of the University in support of endowments, funds, and other major commitments as reported to the Committee on Finance and Physical Plant at its meeting of May 13, 2011.

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.

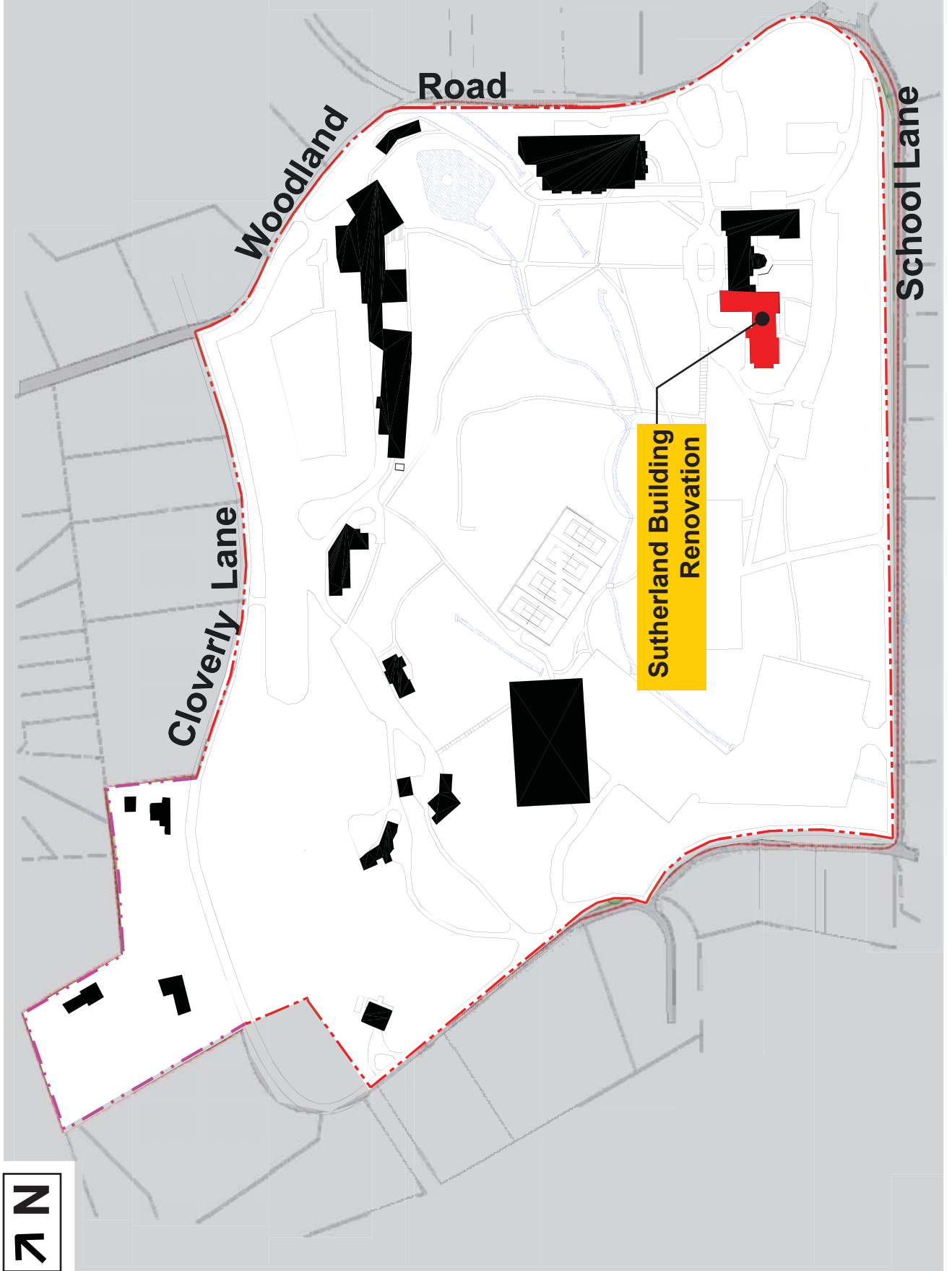
University Park



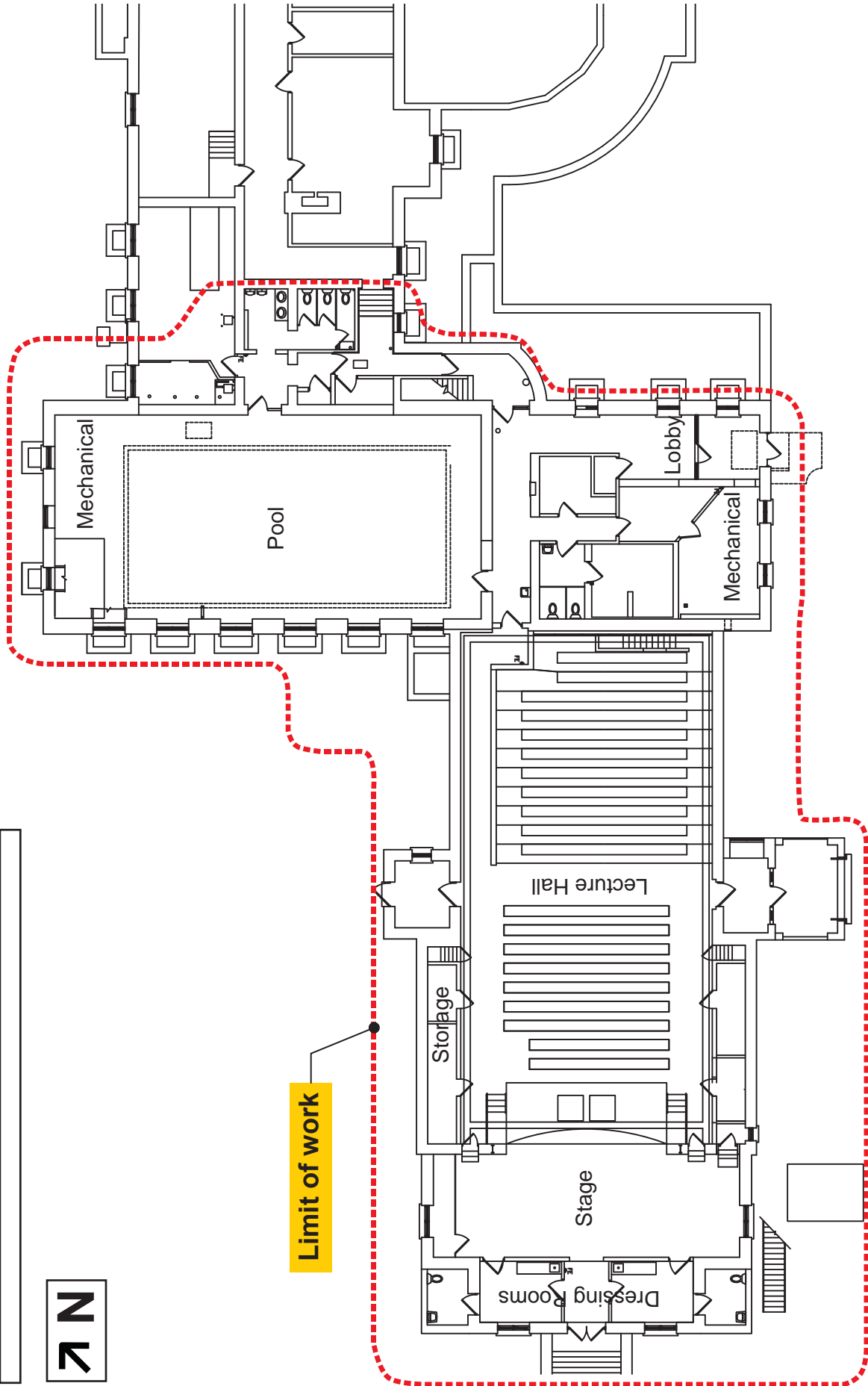
University Park



Penn State Abington

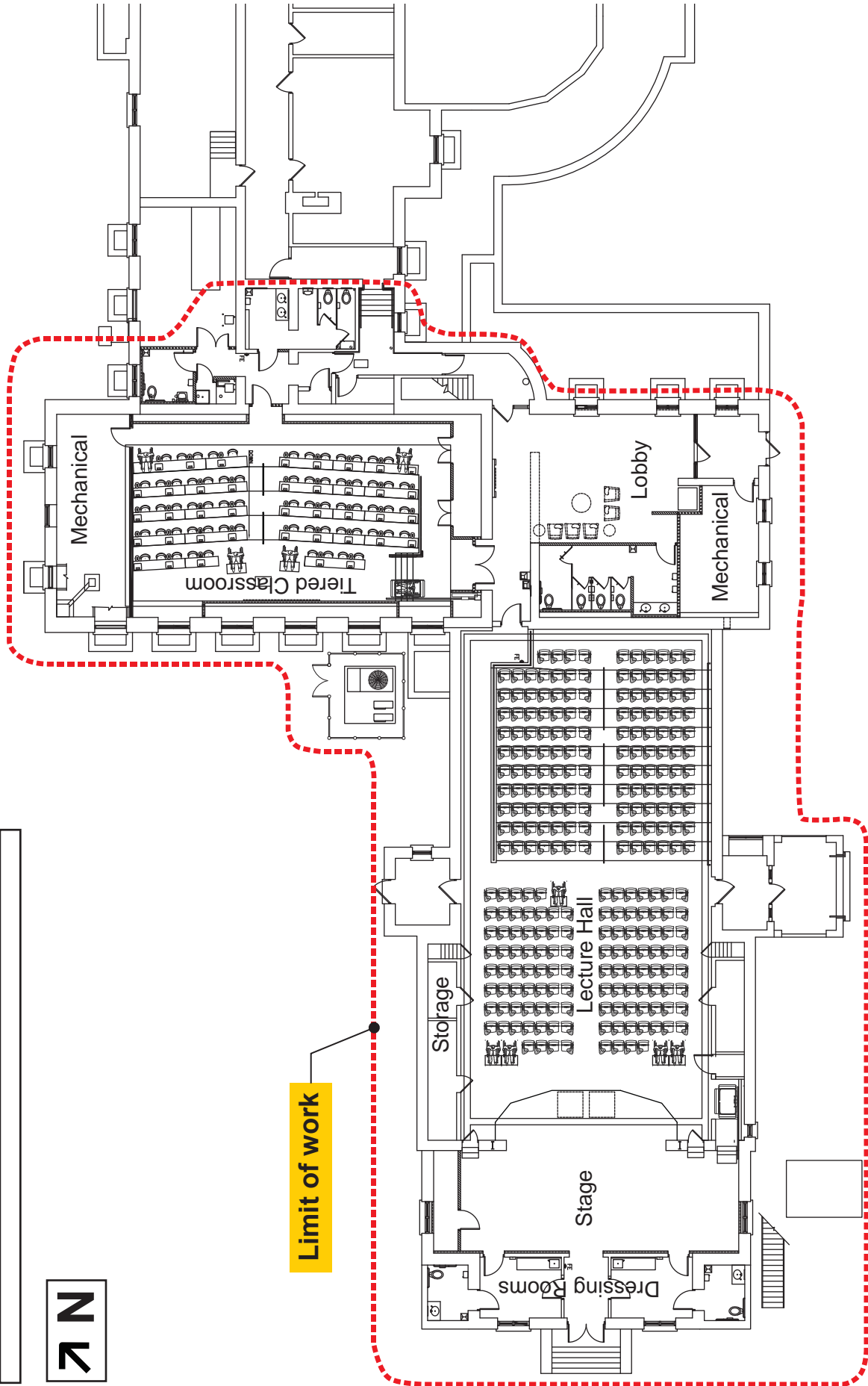


Penn State Abington



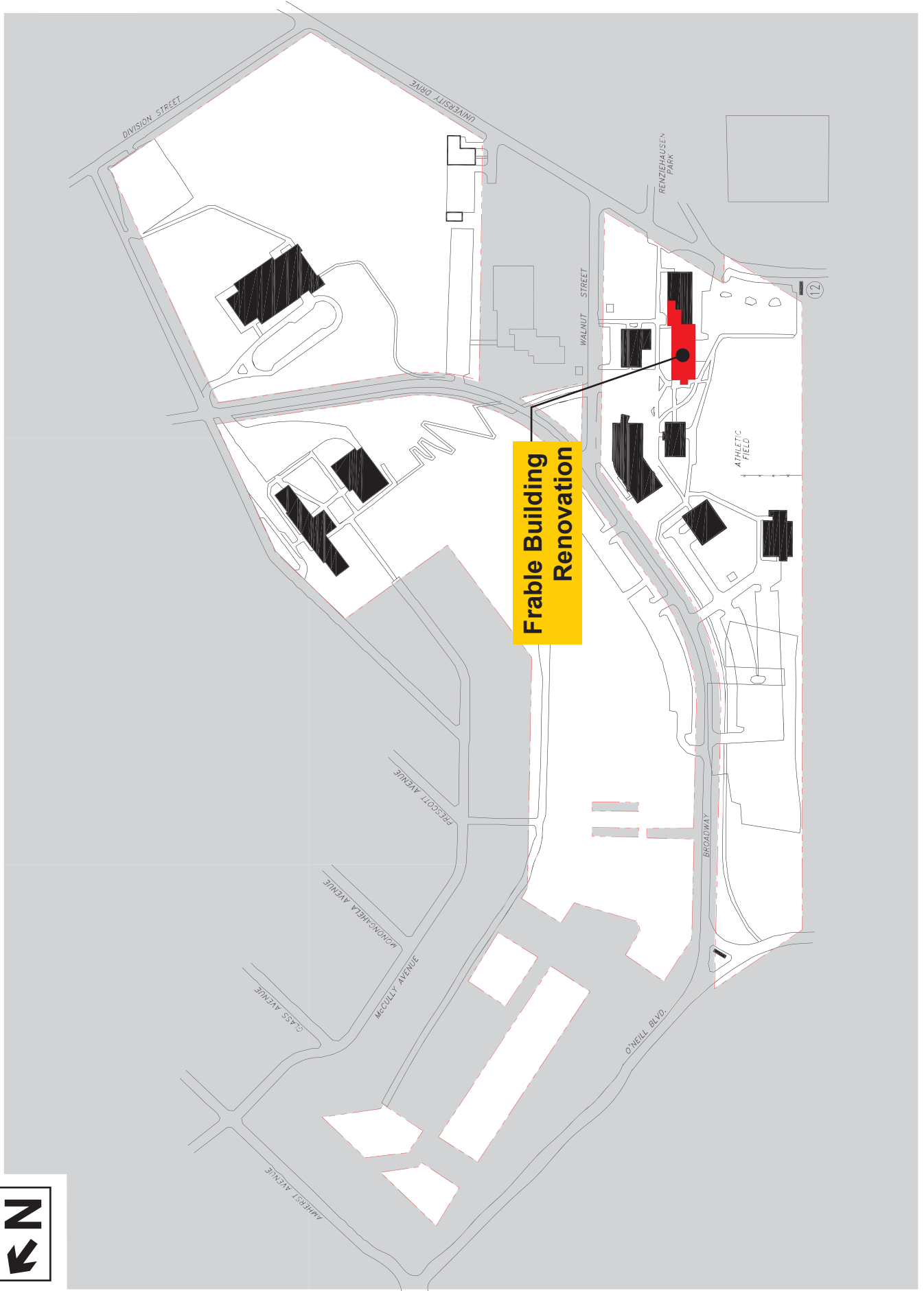
Sutherland Building First Floor - EXISTING

Penn State Abington



Sutherland Building First Floor - PROPOSED

Penn State Greater Allegheny

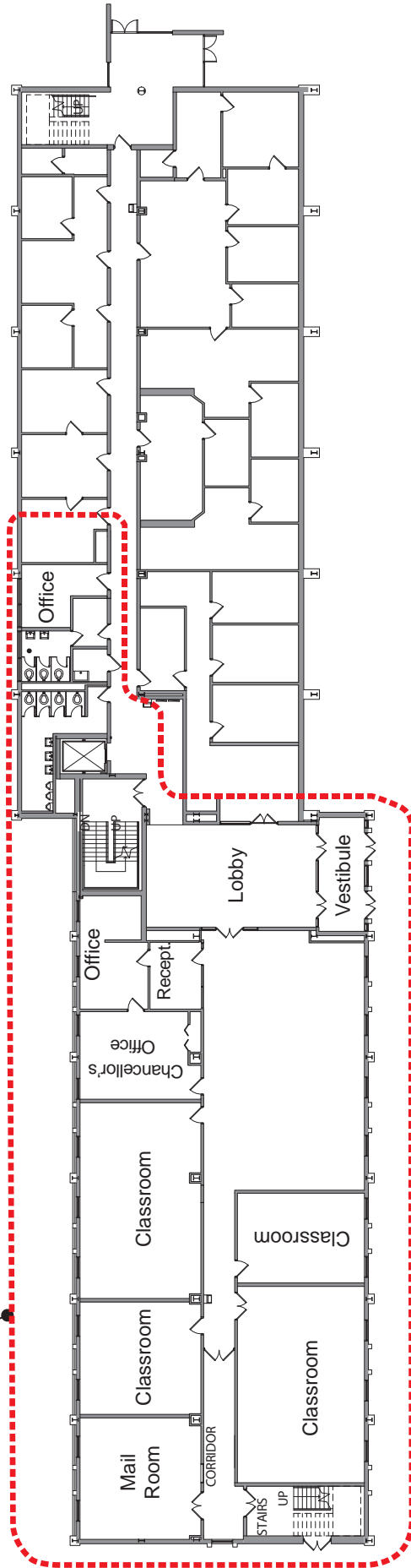


**Frable Building
Renovation**

Penn State Greater Allegheny



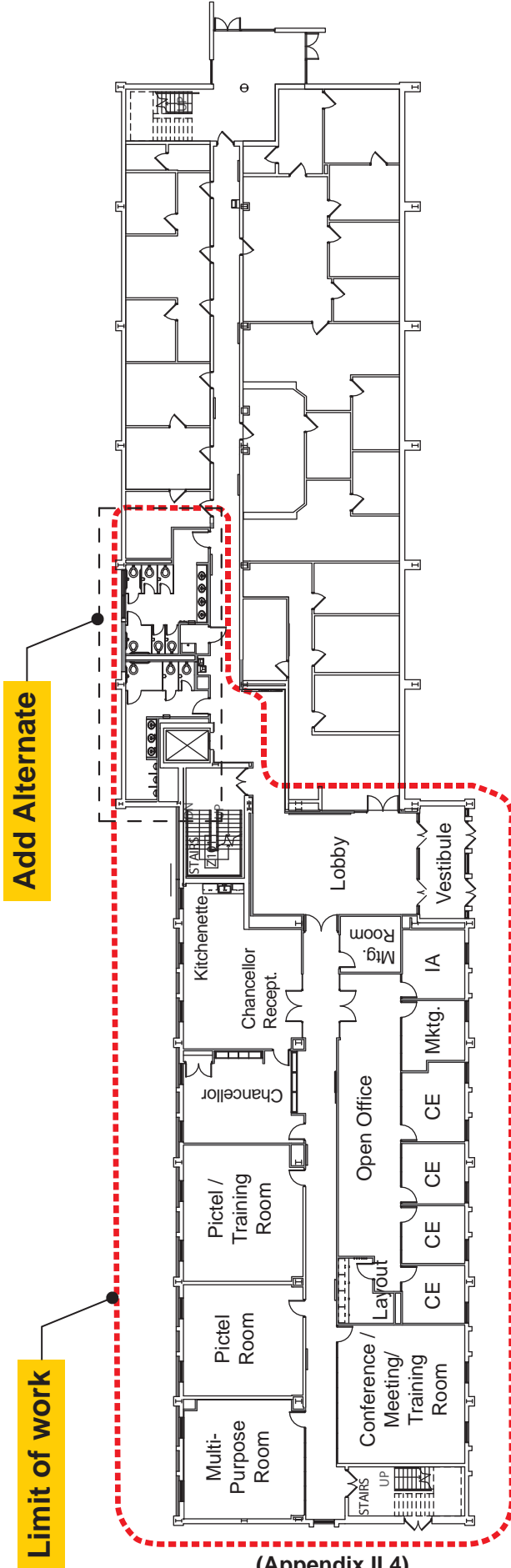
Limit of work



(Appendix II.4)

Frable Building First Floor - EXISTING

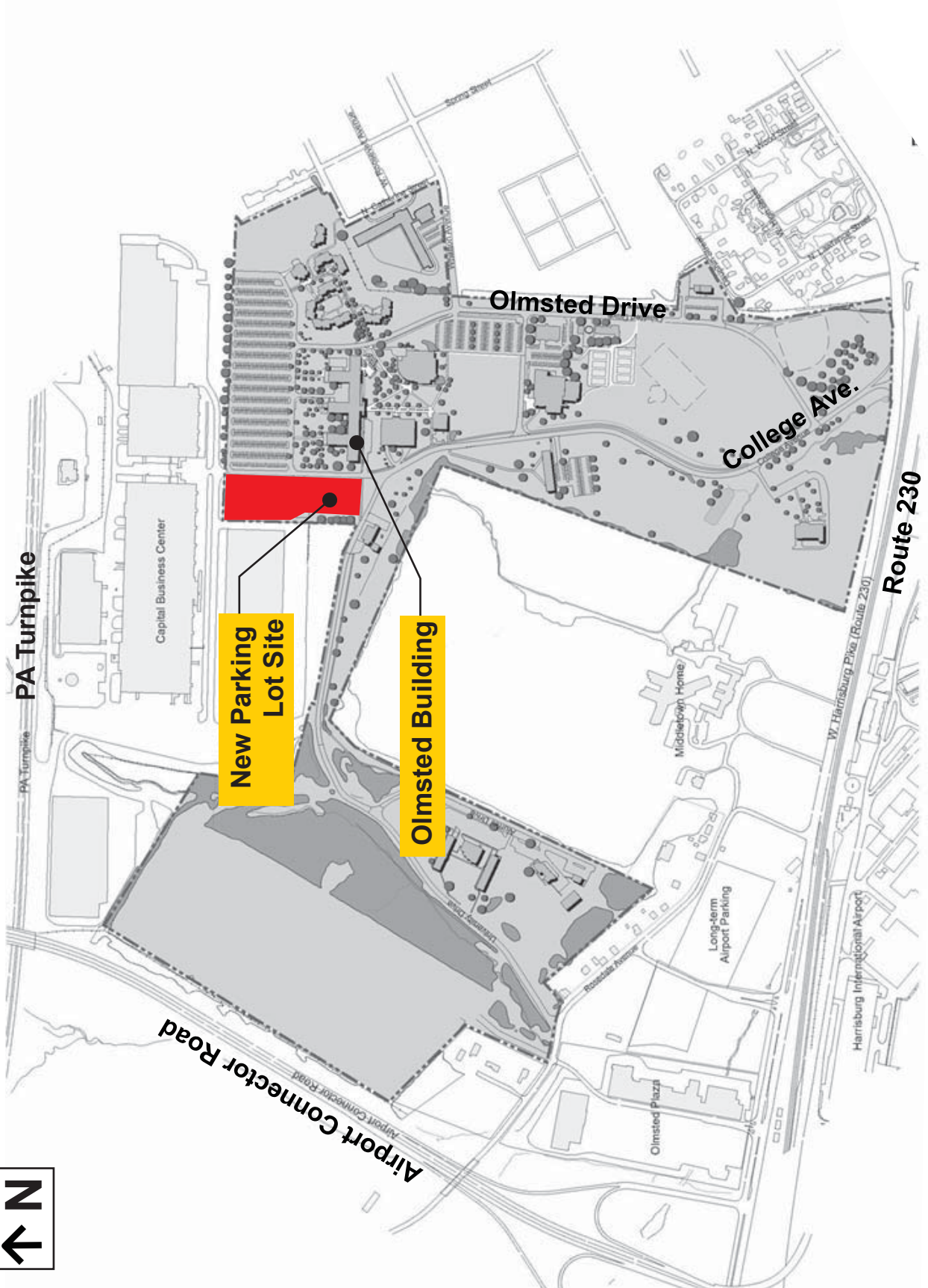
Penn State Greater Allegheny



(Appendix II.4)

Frable Building First Floor - PROPOSED

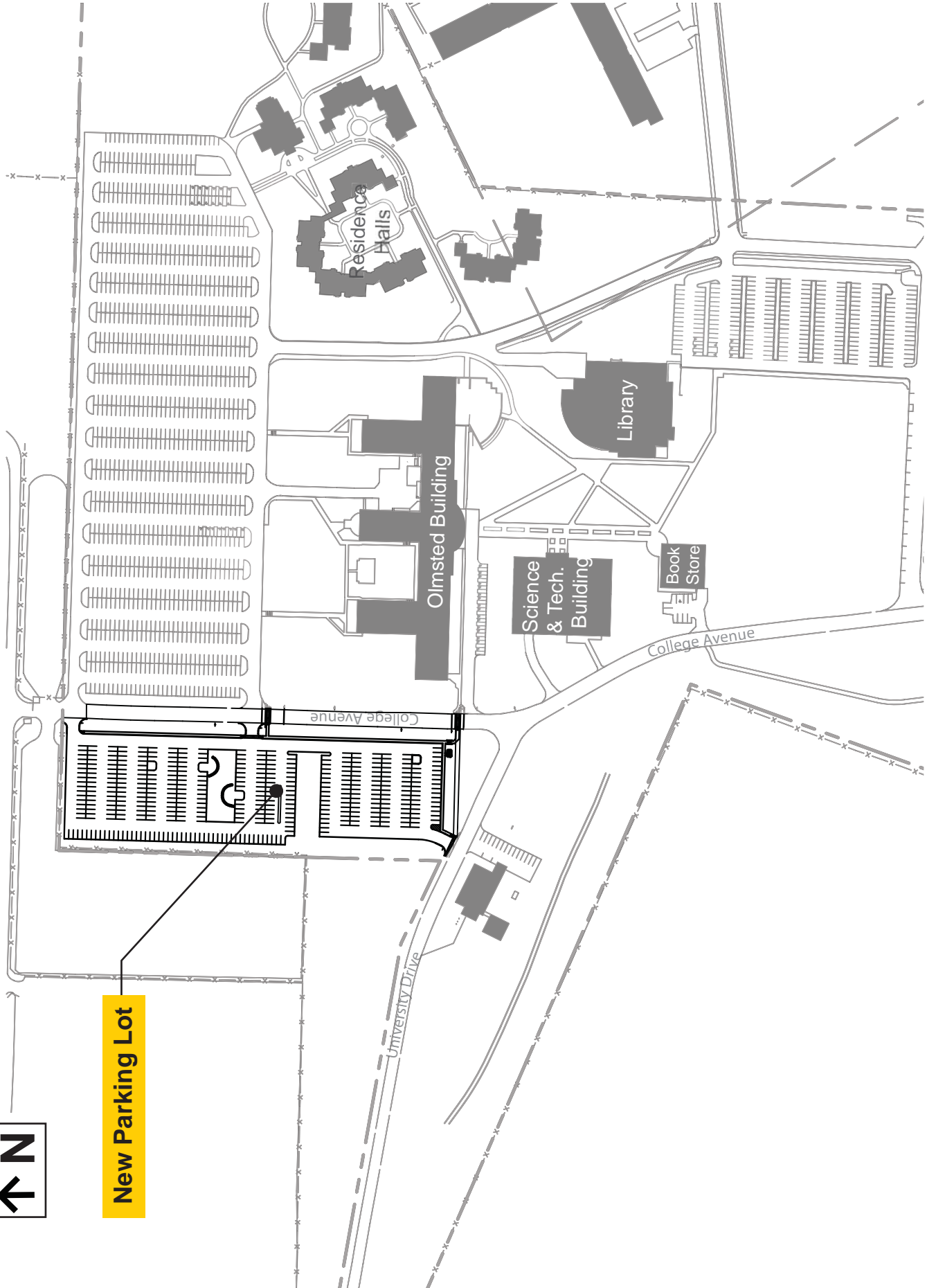
Penn State Harrisburg



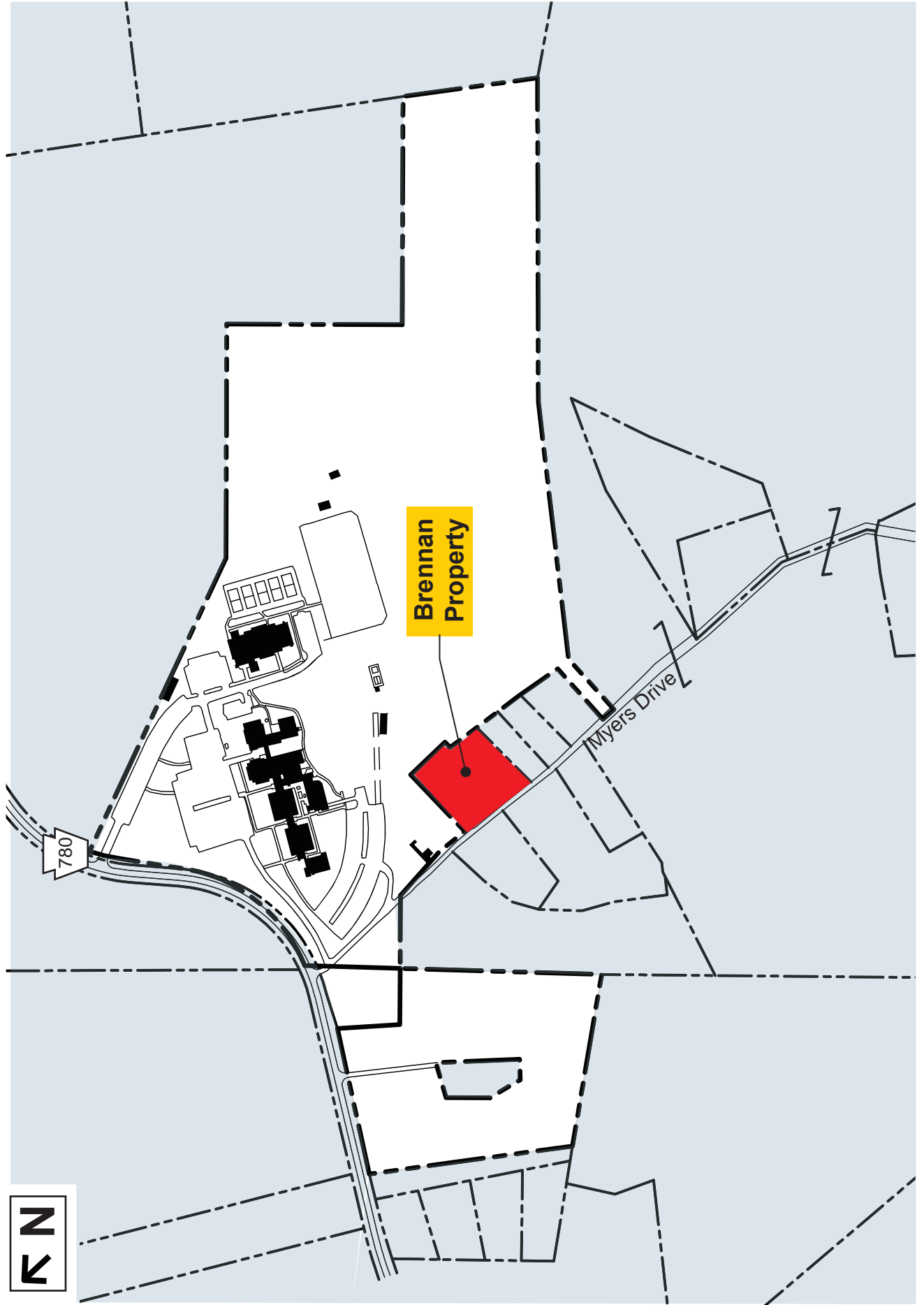
Penn State Harrisburg



New Parking Lot



Penn State New Kensington



Penn State New Kensington

5/13/2011

F&PP



Brennan Property - Front



Brennan Property - Back



Brennan Property - Garage

Bold - Completed, *Italics* - Projected

STATUS OF MAJOR CONSTRUCTION PROGRAMS AND BORROWING (> \$5 Million)
April 30, 2011

Campus	Project Data			Budget Commitment Amount	Commonwealth Funding	Gift Amount	BOT Milestones		Construction		Notes
	Project Name						Arch/Eng Selection	Final Plan Approval	Start Date	Completion Date	
Altoona	Port Six Café	\$5,400,000	\$0	\$0			N/A	03/11	TBD	TBD	On HOLD.
Berks	Classroom / Laboratory Building	\$25,700,000	\$0	\$3,000,000			11/07	01/10	04/10	12/11	Construction is approximately 55% complete.
DuBois	Swift Building Renovation	\$5,370,000	\$3,950,000	\$0			N/A	07/10	08/10	07/11	Construction is approximately 70% complete.
Hershey	Children's Hospital	\$206,500,000	\$14,000,000	\$65,000,000			11/05	11/09	03/10	10/12	Construction is approximately 30% complete.
	Support Services Building	\$19,000,000	\$0	\$0			01/09	03/10	06/10	11/11	Construction is approximately 50% complete.
	Beaver Stadium N. End Zone and ADA Renovation	\$8,260,100	\$0	\$0			N/A	09/10	12/10	08/11	Construction is approximately 40% complete.
	BioBehavioral Health Building	\$48,100,000	\$40,000,000	\$0			01/08	07/10	12/10	10/12	Construction is approximately 8% complete.
	Biological Research Laboratory	\$23,000,000	\$0	\$0			11/07	11/10	05/11	09/12	Project being prepared for construction. NIH approval pending.
	Cedar Building Renovations	\$7,950,000	\$7,140,000	\$0			03/11	TBD	TBD	TBD	On HOLD.
	East Campus Steam Line	\$13,500,000	\$11,000,000	\$0			N/A	03/11	TBD	TBD	On HOLD.
	East Campus Steam Plant - CTHRSG	\$18,300,000	\$0	\$0			N/A	N/A	04/10	06/11	Construction is approximately 90% complete.
	Environmental Improvements BFP Installations	\$8,120,000	\$7,000,000	\$0			N/A	N/A	06/08	08/14	Project program is approximately 50% complete.
	Essential Services Program	\$11,950,000	\$0	\$0			N/A	N/A	12/05	12/14	Project program is approximately 60% complete.
	Gary Schultz Child Care Center at Hort Woods	\$11,000,000	\$0	\$0			05/08	01/10	03/10	06/11	Construction is approximately 80% complete.
	Henderson South (Phase II)	\$56,500,000	TBD	\$0			01/08	TBD	TBD	TBD	Project in design. On HOLD.
	HUB Addition	\$25,800,000	\$0	\$0			03/11	TBD	TBD	TBD	On HOLD.
	Ice Arena	\$89,000,000	\$0	\$75,000,000			11/10	01/12	01/12	09/13	Project in design.
	IM Building Addition	\$24,000,000	\$0	\$0			01/11	09/12	10/12	01/14	Project in design. On HOLD.
	Millennium Science Complex	\$215,000,000	\$82,550,000	\$0			03/05	09/08	09/08	07/11	Construction is approximately 90% complete.
	Moore Building Addition	\$26,100,000	\$23,190,000	\$1,800,000			07/08	05/10	06/10	12/11	Construction is approximately 45% complete.
	Moore Building Renovation Stage	\$21,900,000	\$20,050,000	\$1,200,000			07/08	11/11	02/12	09/13	Project in design.
	Nitany Lion Softball Park	\$10,200,000	\$0	\$525,000			11/04	03/10	03/10	03/11	Construction is 100% complete.
	Pollock Dining Commons Renovation	\$11,200,000	\$0	\$0			N/A	11/10	01/11	08/11	Construction is approximately 30% complete.
	South Frear Renovations	\$6,110,000	\$2,460,000	\$0			N/A	03/11	05/11	01/13	Construction is expected to begin in May 2011.
	South Halls Renovations (Phase I)	\$30,000,000	\$0	\$0			03/11	TBD	TBD	TBD	On HOLD.
	Steam Production Modifications	\$25,000,000	\$0	\$0			01/11	03/12	04/12	04/14	Project in design.
	Transformer Replacement Program	\$9,600,000	\$0	\$0			N/A	N/A	06/07	12/13	Project program is approximately 35% complete.
	Water Treatment Plant	\$30,000,000	\$25,000,000	\$0			01/11	05/12	06/12	06/13	Project in design. On HOLD.
	West Campus Chilled Water	\$11,900,000	\$6,500,000	\$0			N/A	03/11	05/11	03/12	Construction is expected to begin in May 2011.
	West Pattee Library Renovations	\$7,000,000	\$0	\$7,000,000			N/A	03/11	05/11	12/11	Construction is expected to begin in May 2011.

Summary of University Long-Term Debt - \$(000) (excluding PCT)	Authorized Borrowing Status - \$(000) (excluding PCT)
Total bonds, notes and capital leases as of June 30, 2010	Borrowing Authority per May 2007 Board of Trustees
\$1,088,673	\$600,000
Bonds, notes, and capital leases issued year to date fiscal year 2010/11	Capital Leases, Bonds, & Notes Issued
\$2,344	(\$306,774)
Year to date principal payments and premium amortizations	Future Capitalized Leases & Anticipated Commitments
(\$45,934) *	(\$3,350)
Total bonds, notes and capital leases as of April 30, 2011	Estimated Authority Remaining
\$1,045,083	\$289,896

* Related interest expense totals approximately \$36,582

Annual Report of the Activities of the University Faculty Senate 2010-2011
by Jean Landa Pytel, Chair

The University Faculty Senate has had a very productive year thanks to the work of the Senate's committee leadership, Senate officers, and the staff of the Senate office, led by Executive Director, Susan Youtz. Members of the Faculty Senate and the Senate office have worked hard and remain committed to helping the University manage these financially challenging times and to emerge as a stronger world-class academic and research University, true to its land-grant mission.

In addition to numerous mandated informational reports, the Faculty Senate received other informational reports on topics that pertained to ongoing concerns, issues, and developments. The Senate and the Senate office continued its ongoing work with the University curriculum and student petitions. The following describes the accomplishments of the Senate office and the 2010-2011 University Faculty Senate:

- Eliminated approximately 600 undergraduate course numbers for courses that have not been offered for at least 5 years. Work is progressing, in collaboration with the Graduate Council, to eliminate approximately 700 graduate course numbers that have also not been offered for at least 5 years.
- Updated duties of the Faculty Athletics Representative (Standing Rules, Article III, Section 8(a)).
- Modified the requirements for a minor by adding that requirements for a minor may be completed at any campus offering the courses specified for the minor (Senate Policy 59-00).
- Received an informational report on issues related to textbooks and course materials that will provide a backdrop for future possible policy changes that relate to faculty textbook publications and course materials.
- Revised the eligibility rules for athletes competing at NCAA Division III campuses and in the PSU Athletic Conference (PSUAC) to enable changes after the beginning of a semester (Senate Policy 67-00).
- Approved revisions to Policy HR64, Academic Freedom.
- Received reports about activities related to abuse of alcohol and held a forensic session to discuss the role of faculty in mitigating the problems associated with abuse of drugs and alcohol.
- Monitored the effectiveness of online student ratings of teaching effectiveness (SRTE) to ensure that faculty members would not be disadvantaged in considerations for tenure and promotion as a result of decreased response rates.
- Received a report about the Energy Innovation Hub to inform faculty of potential collaborations.
- Combined the Senate Committees on Libraries and Computing and Information Systems into one Committee on Libraries, Information Systems, and Technology. In addition to having the responsibilities of the pre-existing committees, the new committee will also be responsible for such issues as courseware, media services, and electronic classrooms.
- Adopted a new Senate representation model (Senate Constitution, Article II, Section 4) to reduce the size of the Faculty Senate to 200 elected Faculty Senators. The new model will maintain the number of elected Faculty Senators at about 200, regardless of the number of faculty members throughout the University. It also imposes a limit on the number of Senators from any one unit to no more than 15 percent of the elected faculty senators.
- Revised the policies pertaining to the time allowed to resolve deferred (DF) and no grade (NG) issues (Senate Policies 48-40 and 48-50).
- Established a new standing committee, the Senate Committee on Global Programs. This committee will work with relevant University offices and academic units in the development and review of guidelines for courses and programs delivered abroad and for programs delivered on campus for international students.

At its last meeting of the Senate year on April 28, 2011 (after the writing of this report) the University Faculty Senate considered the following:

- Revising Policy HR76, Faculty Rights and Responsibilities, to bring the policy into agreement with practice as it relates to issues of affirmative action.
- Approving a statement of Core Principles on Instructional Intellectual Property at Penn State. These principles will form the basis for any future changes or additions to University policies that relate to Instructional Intellectual Property.
- Approving revisions to Policy HR29, Voluntary Phased Retirement Program related to faculty and staff members in the TIAA-CREF retirement program.

EXCERPTED STANDING ORDERS OF THE BOARD OF TRUSTEES**ORDER I. THE FOLLOWING SPECIAL COMMITTEES AND SUBCOMMITTEES ARE HEREBY ESTABLISHED:**

- (1) ~~Nominating Committee. The President of the Board, after consultation with the President of the University, is authorized to appoint a nominating committee composed of three members to recommend to the Board candidates for election to membership on the Executive Committee and to recommend candidates for the rank of trustee emeritus in accordance with established guidelines.~~
- (2 1) Subcommittee on Architect/Engineer Selection (of the Committee on Finance and Physical Plant).
- (a) This subcommittee will be composed of three members of the Committee on Finance and Physical Plant.
 - (b) When it becomes necessary for the Board to appoint an executive architect or engineer for major University physical plant projects, University staff will prepare a list of not less than three nor more than five firms for consideration by the subcommittee.
 - (c) The qualifications of these firms to perform this particular professional activity as well as background information regarding the type of firm and previous professional work will be presented to the subcommittee.
 - (d) Based on this information, and upon any recommendation that may be forthcoming from a program committee, and any additional information the subcommittee may request, the subcommittee, after discussion with the staff, will recommend to the Committee on Finance and Physical Plant the firm that they recommend the Board should appoint.
- (3 2) Subcommittee on Audit (of the Committee on Finance and Physical Plant).
- (a) This subcommittee will be composed of four members of the Committee on Finance and Physical Plant.
 - (b) This subcommittee shall be responsible for reviewing on a regular basis the performance and determinations of the auditing firm and informing the Committee on Finance and Physical Plant regarding relevant financial oversight matters.
- (4 3) Subcommittee on Finance (of the Committee on Finance and Physical Plant).
- (a) This subcommittee will be composed of three members of the Committee on Finance and Physical Plant.
 - (b) This subcommittee shall be responsible for reviewing on a regular basis certain of the University's material financial matters, including the operating and capital budgets, balance sheet management and debt strategy, and informing the Committee on Finance and Physical Plant regarding relevant financial oversight matters.
- (4) **Governance Advisory Group: The President of the Board is directed to appoint a governance advisory group, strictly advisory in nature, including representatives from all constituent groups appointed or elected to the Board of Trustees, for the purpose of providing counsel and advice to the President of the Board in matters concerning the development of strategies, policies, and practices that orient, educate, organize, motivate, and assess the performance of trustees. The group shall assume such additional responsibilities as may from time to time be assigned by the Board's leadership with the approval of the full Board including, but not limited to:**
- (a) **recommending to the Board candidates for election to membership on the Executive Committee; and**

- (b) reviewing the service of a Trustee upon retirement. The group may recommend to the Board that emeritus/a status be awarded to the retired trustee. Criteria to be considered by the group shall include offices held, attendance record, participation in the activities of the Board, length of service, or other significant contributions.
The group shall regularly inform the Board of its practices and priorities.

ORDER XI. TRUSTEE EMERITUS

- (1) Granting the Status of Trustee Emeritus to Former Members of the Board. The status of Trustee Emeritus shall be reserved for any living former member of the Board of Trustees who has served as a board member for 12 years or more with distinction. The President of the Board shall request ~~the Nominating Committee to~~ a review of the service of a Trustee upon retirement. ~~The committee may recommend to the Board that emeritus status be awarded to the retired trustee.~~ Criteria to be considered by the committee shall include offices held, attendance record, participation in the activities of the Board, length of service, or other significant contributions. A trustee emeritus shall have none of the obligations of membership on the Board of Trustees, but shall be entitled to all of the privileges except those of making motions, of voting and of holding office. Any trustee having served 20 years on the effective date of this resolution will be entitled to automatic trustee emeritus status in accordance with the prior policy.

~~abc~~ - indicates deletion

abc - indicates addition