

PENNSSTATE



Meetings of the Board of Trustees

November 20, 2015

Agenda

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 September 18, 2015?

3. **President's Report**
4. **Provost's Report**
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 Academic Affairs and Student Life – M. Abraham Harpster, 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

(See Appendix I)

- 2) **Informational Report on Admissions, Enrollment and Student Aid**

The annual informational report on Penn State's admissions, enrollment and financial aid will be presented by Dr. Robert N. Pangborn, Vice President and Dean for Undergraduate Education.

B. Committee on Audit and Risk – Walter C. Rakowich, Chair

- 1) **Report on Audited Financial Statements**

Comments about the University's Audited Financial Statements will be made by Joseph J. Doncsecz, Associate Vice President for Finance and Corporate Controller.

C. Committee on Compensation – Paul H. Silvis, Chair

D. Committee on Finance, Business and Capital Planning - Mark H. Dambly, Chair

- 1) **Discussion of Consent Agenda Items Provided for Information or Approval of the Committee on Finance, Business and Capital Planning:**

Information Items –

- a) Clinical Laboratory Renovations, The Milton S. Hershey Medical Center
- b) Redundant Sanitary Sewer, The Milton S. Hershey Medical Center
- c) Naming of the Luerssen Building the "Luerssen Science Building," Penn State Berks
- d) Naming of Rooms, Portions of Buildings, and Plazas
- e) Status of Major Construction Programs and Borrowing

Action Items –

- f) Summary of Revised Funds
- g) Summary and Acknowledgement of New Funds and Major Commitments
- h) Conflict of Interest Disclosure

(See Appendix II)

2) Consideration of Request for 2016-2017 Appropriations for Operations

Will the Board of Trustees adopt the following resolution:

RESOLVED, That the Officers of the University are authorized to submit to the Legislature, appropriate departments, and offices of the Commonwealth of Pennsylvania, a State Appropriation Request for fiscal year 2016-2017 in the amount of \$353,263,000.

3) Proposed Extension of Development Services Agreement with the Research Park Management Corporation, Innovation Park

On March 29, 1990, the University entered into a Development Services Agreement with Research Park Management Corporation (“RPMCo”) for the management, supervision and coordination of development within the Penn State Research Park (now known as the “Innovation Park at Penn State”). Since that time, the Board of Trustees has extended the Agreement a number of times with the current Agreement expiring on January 31, 2016.

RPMCo is a for-profit corporation, wholly owned by the Corporation for Penn State. Its directors consist of members of the Board of Trustees and Senior Officers of the University. The agreement operationalizes the development of Innovation Park on behalf of the University in accordance with a business plan previously approved by the Trustees. RPMCo exercises all required development functions with respect to the Innovation Park.

In addition to its development activities, RPMCo acts as the University's sole and exclusive agent for the leasing of the Land to third parties. The University receives all land rental and other income derived from the development activities at the Innovation Park, and reimburses RPMCo for the actual cost of its services rendered and expenses incurred, without profit.

It is now being proposed to extend the Agreement for four (4) years until January 31, 2020.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the Board of Trustees approves the extension of the Development Services Agreement between the University and the Research Park Management Corporation (RPMCo), whereby RPMCo provides management, supervision and coordination of development at Innovation Park, to January 31, 2020.

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

4) **Proposed Reauthorization to Expend Funds for New Human Resources Information System**

As a component of IBIS, Penn State's Integrated Business Information System, the Human Resources and Payroll systems were developed over 25 years ago as an administrative computing system for Penn State. Since the late 1990's the University's needs have outgrown the functionality of the system. The current operational limitations impair the ability of the Office of Human Resources, the Payroll Office as well as many other key stakeholder offices to provide 24/7 web-based services to faculty, staff, colleges, departments and central administrative units. Limitations also impair the ability to respond timely to federal and state mandates as well as policy and procedural changes. Most of the University's peers obtained a modern-day HR/Payroll system 15 years ago and are now looking into the next generation of HR/Payroll systems.

In September 2014, the Board of Trustees approved the purchase of Workday, Incorporated's "Software-as-a-Service" HR/Payroll solution, the Cornerstone OnDemand, Inc. online training solution and such other ancillary technology services as may be necessary to replace the existing human resource/payroll system and have authorized the administration to engage a consulting firm to assist the University with the implementation of such new technology solution. The authorized capital cost amount was \$18,000,000.

Per this authorization, the Administration engaged Accenture to assist the University with implementation planning and now proposes to engage Accenture to assist in the actual implementation of the Workday solution. After substantial completion of the implementation planning phase of the project, the Administration has determined that the total capital cost associated with the replacement of the existing human resource/payroll system will exceed the total capital cost previously approved by the Board. Authorization for an additional \$18,500,000 in total capital cost is being requested.

Will the Board of Trustees adopt the following resolutions:

WHEREAS, The Officers of the University have determined that a replacement of the existing human resource/payroll system at the University is necessary;

WHEREAS, The HR Steering Committee conducted an in-depth review of the various options to replace the existing human resource/payroll system, including a comprehensive needs assessment, cost/benefit analysis and extensive vendor demonstrations, and concluded that a modern-day "Software-as-a-Service" technology solution would provide the greatest functionality, flexibility and scalability to the University, in the shortest amount of time and with a longer technology base;

WHEREAS, The implementation of the new HR technology solution requires the University to engage a consulting firm or other "implementation partner" to assist in the planning and implementation of such solution;

WHEREAS, The Board previously authorized the Officers of the University to purchase Workday, Incorporated's "Software-as-a-Service" HR/Payroll solution, the Cornerstone OnDemand, Inc. online training solution and such other ancillary

technology services as may be necessary to replace the existing human resource/payroll system and further authorized the Officers of the University to engage a consulting firm to assist the University with the planning and implementation of such new technology solution;

WHEREAS, Pursuant to the Board's prior authorization, the Officers of the University engaged Accenture to assist the University with implementation planning and now proposes to engage Accenture to assist in the actual implementation of the Workday solution;

WHEREAS, After substantial completion of the implementation planning phase of the project, the Officers of the University have determined that the total capital cost associated with the replacement of the existing human resource/payroll system will exceed the total capital cost previously approved by the Board;

RESOLVED, That the authorization to award contracts to complete the replacement of the existing human resource/payroll system be approved at an additional capital cost not to exceed \$18,500,000;

FURTHER BE IT RESOLVED, That the Officers of the University shall have the discretion to expend up to an additional 10 percent of the approved total capital cost, as necessary.

5) **Proposed Appointment of a Design Build Team, Combined Heat and Power Plant, The Milton S. Hershey Medical Center**

The Subcommittee on Architect/Engineer Selection will make a report and recommendation on the appointment of a designer for the Combined Heat and Power Plant at The Milton S. Hershey Medical Center.

6) **Proposed Appointment of a Design Build Team, Trippe Hall, Penn State Behrend**

The Subcommittee on Architect/Engineer Selection will make a report and recommendation on the appointment of a designer for Trippe Hall at Penn State Behrend.

7) **Proposed Final Plan Approval and Authorization to Expend Funds, Recreational Facility Access Modifications, University Park**

Policy AD73, adopted in July 2012, establishes the parameters for the use of athletic and recreational facilities at all University locations. Recreational facilities are useable only by those individuals with a valid University student or faculty/staff/trustee/retiree identification card, programmed to allow proper access to such facilities, plus one accompanied guest. The sponsoring individual is responsible for their accompanied guest at all times while using the facility. Access to such facilities is only authorized during the time each facility is specifically designated as being open/available for use.

While open, these facilities shall have the appropriate staff on duty to oversee operations being conducted at that facility.

In order to comply with this policy, various modifications are required at central access points into three University Park recreation facilities: White Building, McCoy Natatorium, and Recreation Hall. Increased security measures including physical turnstiles and new space for support staff, will be implemented. The addition of vertical circulation at the McCoy Natatorium and White Building entrances will help ease congestion. The project also includes improvements to related exterior spaces to promote the sense of “main entrances” into the buildings.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Recreational Facility Access Modifications, as designed by the Office of Physical Plant Design Services, are approved.

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

8) **Proposed Final Plan Approval and Authorization to Expend Funds, Ritenour Student Center, University Park**

The University intends to renovate portions of Ritenour Building to accommodate a consolidation and expansion of the Eberly College of Science academic advising spaces that are currently located in Whitmore, North and South Frear, and Thomas Buildings. The project will include academic advising offices, collaborative learning spaces, an outdoor gathering space for students, and a new 24/7 accessible entrance into the building from Shortlidge Mall. The project will also include a “One Button Studio” to assist students with presentation preparation, the Office for Digital Learning, and the Center for Excellence in Science Education.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Ritenour Student Center, as designed by BLT Architects of Philadelphia, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$6,510,000.

9) **Proposed Final Plan Approval and Authorization to Expend Funds, Findlay Dining Commons Renovation, University Park**

Findlay Dining Commons, located in the center of the East Halls complex between Park Avenue and Curtin Road, was last renovated in the early '90's. The University intends to renovate Findlay Dining Commons to increase student space and access, update the dining rooms and style of service, and improve flow and throughput. This renovation will add private dining rooms, increase late night dining and study opportunities, and expand the snack bar currently known as the “Big Onion” and the convenience store called “Good 2 Go.” The renovation will also address accessibility issues and replace aging and inefficient building systems. Campus chilled water and gas services will be added to the building. The building envelope will be repaired and sprinklers will be added.

This renovation is part of the overall renovations and improvements planned for the entire East Halls complex.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Findlay Dining Commons Renovation, as designed by WTW Architects of Pittsburgh, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$25,100,000.

10) **Proposed Final Plan Approval and Authorization to Expend Funds, Adler Athletic Complex Renovation and Addition, Penn State Altoona**

The original Adler Athletic Complex was built in 1970 when the student population at Penn State Altoona was about 30% of the student population today. In addition to the increase in student population, the student use of the facility has increased significantly. The Complex is now used for intramural and recreation sports, weightlifting and fitness, Division III NCAA men and women's athletics, and many different student events such as concerts, graduation, etc. The renovation and addition includes a new 2,000 seat, two-court gymnasium, new fitness area, new weight training area, new locker rooms, new offices for the expanded athletics department staff, new coaches' offices, player meeting rooms, and faculty offices for the education programs that take place in the building. Currently the facility can only host one event at a time while the newly expanded facility will allow multiple events to take place simultaneously. Classrooms and offices are included for a recently developed kinesiology program at Penn State Altoona.

The entrance to the existing building will be enhanced with the addition of the fitness and weightlifting area, featuring a glass exterior curtain wall that will provide ample natural light and allow people to be drawn into the building by seeing what is going on inside from the outside. The new main entrance will include a lobby and help desk.

Approximately 24,000 square feet of the existing 45,570 square foot building will be renovated. The new gymnasium, fitness area, weight training area, locker rooms, offices, support areas, and classrooms will add another 53,000 square feet to the building.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Adler Athletic Complex Renovation and Addition, as designed by Weber Murphy Fox of Erie, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$24,500,000.

- 11) **Proposed Final Plan Approval and Authorization to Expend Funds, Residence Hall, Penn State Brandywine**
- 12) **Proposed Final Plan Approval and Authorization to Expend Funds, Student Union & Dining Building, Penn State Brandywine**
- 13) **Proposed Final Plan Approval and Authorization to Expend Funds, Student Apartment Building, Penn State Abington**

Narrative for items 11-13 below:

Both Penn State Brandywine and Penn State Abington are located in the Philadelphia market, which is critical to the University. The service areas of these campuses have historically delivered a sizeable share of the University's first-year Pennsylvania applicants. In fall 2013, 38% of first-choice Pennsylvania applicants to the University were residents of the service areas of Abington and Brandywine. Forty-two percent of total first-choice Pennsylvania applications to University Park come from these combined service areas.

Two independent studies done by external consultants have confirmed that a market for on-campus living exists at both of these locations. Their analyses took into account a number of critical factors.

Based on Pennsylvania Department of Education enrollment projections, the combined service areas of Abington and Brandywine are projected to enroll 28,000 high school seniors by 2021, the most of any region in the state.

In addition to being able to draw students from the population centers surrounding Philadelphia, both campuses have attracted a growing number of first-choice, out-of-state and international baccalaureate applications, a twenty three percent increase in applications since 2009.

Consultants also commented on the availability of a strong public transportation system in the area, which is conducive to on-campus living.

It is important to note the higher education environment in which Abington and Brandywine exist. Other than community colleges, all peer colleges and universities but one have on-campus housing. In such a competitive market, Abington and Brandywine are at a disadvantage by not being able to offer University-managed housing.

An investment in residence life facilities at Abington and Brandywine will help them to hold their own among the other institutions in the region and help them to grow by enhancing their ability to attract international and out of service area students.

The University intends to build a 258-bed residence hall at Penn State Brandywine. The layout will feature two person rooms with shared private bathrooms, similar to recently completed Chase Hall at University Park. In order to support all students at Penn State Brandywine, the University intends to build a new 31,000 square foot student union. Programs in the union will include dining services, meeting rooms, bookstore, recreational space, wellness center, lounge areas, and student affairs.

The University also intends to construct a 402-bed apartment-style complex for the Abington campus on a University-owned parcel about a half mile from campus. A campus shuttle will transport students from the site to campus at frequent intervals. The site is off campus with dining options nearby and each apartment will be

equipped with a kitchen. Each unit will hold four to eight students with a bathroom for every four students.

(11) Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Residence Hall at Penn State Brandywine, as designed by the joint venture of Barton Malow of Baltimore, Maryland, and EDIS of Malvern, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$31,500,000.

(12) Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Student Union and Dining Building at Penn State Brandywine, as designed by Stantec, Inc. of Philadelphia, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$19,600,000.

(13) Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Student Apartment Building at Penn State Abington, as designed by SMP Architects of Philadelphia, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$50,600,000.

(14) Proposed Approval of Sale of Former Penn State Lehigh Valley Campus at Fogelsville

In 2009, the Penn State Board of Trustees approved the acquisition of a property in Upper Saucon Township, outside of Allentown, for the relocation of the Penn State Lehigh Valley campus. The new campus is located sixteen miles to the east of the former campus in Fogelsville, Pennsylvania.

The University no longer needs the Fogelsville property. The main building has been leased to the Circle of Seasons Charter School, with an option to purchase. The property includes almost 42 acres, three buildings, and 365 parking spaces.

At this time, Circle of Seasons would like to exercise their option to buy.

The sale price is \$2.75 million with this year's rent of \$83,000 being credited against the purchase price.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the Board of Trustees approves the sale of 42 acres located at the former Lehigh Valley campus in Fogelsville, Pennsylvania, to Circle of Seasons Charter School in the amount of \$2,750,000.

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

E. Committee on Governance and Long-Range Planning - Keith W. Eckel, Chair

1) Recommendation to Change 2016 Meeting Dates

The Committee on Governance and Long-Range Planning will report on a recommendation to modify the 2016 meeting calendar.

F. Committee on Legal and Compliance – Richard K. Dandrea, Chair

G. Committee on Outreach, Development and Community Relations – Ryan J. McCombie, Chair

6. Authorization to Confer Degrees

Will the Board of Trustees authorize the President of the University to confer degrees at the end of the 2016 Spring Semester, Summer Session, and Fall Semester upon those students who have completed at those times the necessary requirements?

7. Proposed Date of Election of Trustees by Delegates from Agricultural Societies, by the Alumni, for Business and Industry, and At-Large

The *Charter* of the University specifies that the election of trustees shall be held annually, by ballot, on such day and hour during the commencement week and on such day previous to the day for the final public exercises of commencement as from time to time shall be determined by the Board of Trustees.

Will the Board of Trustees approve May 5, 2016 as the date for the delegate election of agricultural trustees, and for counting the ballots in the alumni election; and approve May 6, 2016 as the date for the election of business and industry, and at-large trustees?

8. Announcements by the Chairman of the Board of Trustees

1. Information on Undergraduate Programs

A. College of the Liberal Arts

- 1) Associate of Science in Labor and Employment Relations delivered through resident instruction and World Campus: New Degree

The new degree will prepare students for employment in business, government, and labor organizations as labor relations assistants, personnel and human resource assistants, and payroll assistants. The degree is also appropriate preparation for the B.A. or B.S. degree in Labor and Employment Relations, or other social science or business Bachelors' degrees. The authorization for the new program will become effective Spring 2016.

B. Intercollege Programs

- 1) Entrepreneurship and Innovation Minor: New Arts Cluster

The Arts Cluster will prepare students for entrepreneurial action in an arts context by tying together the aesthetic and cultural value of their art form with the business acumen necessary to launch and sustain an entrepreneurial arts enterprise. The authorization for the new cluster option will become effective Spring 2016.

C. Penn State Harrisburg

- 1) Bachelor of Science in Civil Engineering and Master of Engineering in Environmental Engineering: New Integrated Undergraduate/Graduate (IUG) Degree Program

This program is designed to allow academically superior Bachelor of Science candidates the opportunity to enroll in an integrated, continuous program of study leading to both the Bachelor of Science in Civil Engineering and Master of Engineering in Environmental Engineering within five years of study. The Graduate Council has approved this IUG. The program will become effective Summer 2016.

1. Clinical Laboratory Renovations, The Milton S. Hershey Medical Center

The Penn State Hershey Medical Center is planning to renovate the existing Clinical Laboratory to improve workflow efficiency, increase throughput, and upgrade laboratory equipment. The project will be constructed in four phases. The total project area is approximately 4,608 square feet.

The first phase of construction will include renovated space within an existing vacated CT suite located within the Ground Floor East Addition. This renovated space will include offices and laboratory support space including the Laboratory Information Services offices, Point of Care Testing offices, Residents office, Hoteling office, Training office and a kitchenette.

The second phase of construction, on the Ground Floor South Addition, includes a new Lab Classroom/Conference room, a New Developmental Lab for testing and validation of equipment, and a new Send-Outs lab.

The third phase of construction, also on the Ground Floor South Addition, is contained within the existing Clinical Lab footprint. The Molecular Lab is being re-located into the former Send-Outs area and Special Chemistry Equipment is being re-located into the former Molecular lab.

The final fourth phase of construction will consist of replacement of the Automated Testing Line and associated electrical and mechanical infrastructure modifications to support the equipment. The cost estimate for this project is \$2,841,300.

(See Appendix II.1)

2. Redundant Sanitary Sewer, The Milton S. Hershey Medical Center

The Penn State Hershey Medical Center has determined that a redundant means of sanitary sewer conveyance to the municipal system is necessary to enhance the ability to provide uninterrupted health care services. Adding a second discharge point to this critical infrastructure will be in alignment with the redundancy of other systems including fire protection, domestic water, steam and condensate, and electric service.

The Medical Center completed a study in 2008 to evaluate available alternatives to discharge sanitary sewage from the Hershey Campus. Since that time, the Medical Center has contracted with a civil engineering firm and it was determined that the most advantageous route for a redundant sanitary sewer would be to connect near the intersection of Route 322 and University Drive and terminate at the Derry Township Municipal Authority system near Cherry Drive.

The redundant sanitary system will include a diverting station, a pumping station with lead/stand by capabilities, and approximately 3,900 linear feet of sanitary sewer force main. The switchover to the redundant system will be manual upon a failure, or during routine maintenance of the primary sanitary sewer line. The cost estimate for this project is \$1,500,000.

(See Appendix II.2)

3. Naming of Luerssen Building the “Luerssen Science Building,” Penn State Berks

The University intends to name the Luerssen Building at Penn State Berks the *Luerssen Science Building* to better represent the building's purpose upon completion of the renovation.

(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 Administration Office in the Lasch Football Building in recognition of an irrevocable pledge from Clayton Snyder. The recognition plaque will read:
*In memory of C.W. "Pete" Snyder, Jr.
Administration Office*
- B. Name the Learning Skills Lab in the Morgan Academic Support Center in recognition of an irrevocable pledge from David C. and Victoria Loncher Schirm. The recognition plaque will read:
*David C. Schirm, PhD and Victoria Loncher Schirm, PhD
Learning Skills Lab*
- C. Name the Nursing Simulation Lab at Penn State Harrisburg in recognition of a gift from Select Medical. The recognition plaque will read:
Select Medical Nursing Simulation Lab
- D. Name the Kinesiology Lab Suite in the Student Center at Penn State York in recognition of gifts from the Bob Hoffman Foundation and the Swenson Family Foundation. The recognition plaque will read:
*Dr. Bruce M. Broadbent Kinesiology and Coaches Suite
Honoring a distinguished educator dedicated to creating healthy lifestyles*

5. Status of Major Construction Programs and Borrowing

(See Appendix II.4)

6. Summary of Revised Funds

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.

7. Summary and Acknowledgement of New Funds and Major Commitments

The Committee on Finance, Business and Capital Planning is advised that for the period August 24, 2015 through October 23, 2015, 37 new funds totaling approximately \$2,500,730 were accepted by the University, including scholarships, fellowships, etc. All of these items conform to established University policies and regulations.

For the period July 1, 2015 through August 31, 2015, 26 major commitments were accepted by the University totaling approximately \$14,618,105.

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 November 19, 2015.

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.

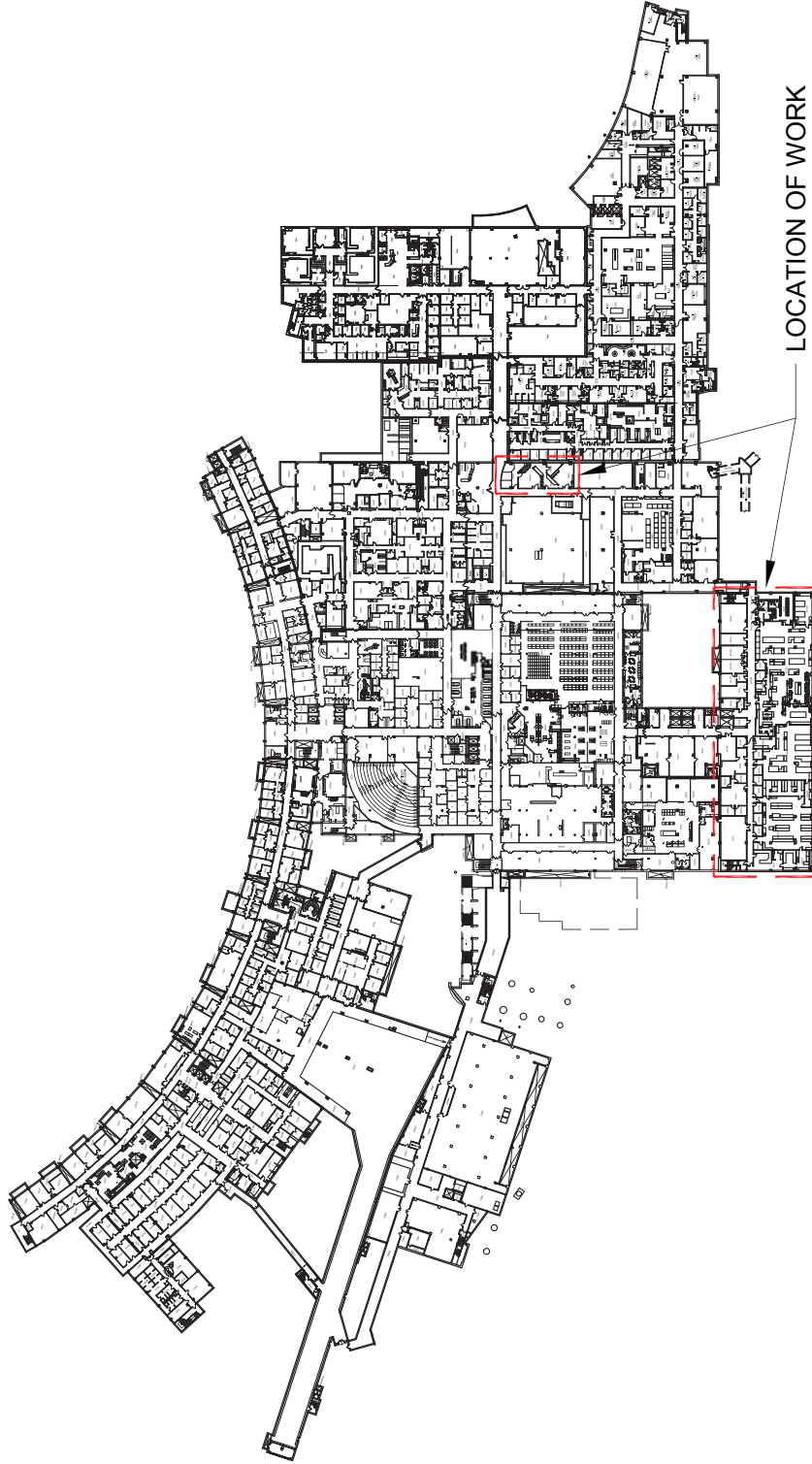
8. **Conflict of Interest Disclosure**

The *Bylaws* of the University, Section 8.05(b), require that contracts or transactions valued at less than \$10,000 between the University and a Trustee, family member, or an entity in which the Trustee or family member has a beneficial interest of ten (10%) or more will be disclosed to the Board of Trustees annually in a written report which shall be available to the public. The report shall include a certification by the appropriate officers of the University that such contracts or transaction were made in the normal course of business and were fair to the University.

Appendix II.5 is a disclosure list of such contracts and transactions between the University and members of the Board of Trustees for the 2014-2015 fiscal year. Appropriate Officers of the University have reviewed Appendix II.5 and believe that such transactions were made in the normal course of business and were fair to the University.

(See Appendix II.5)

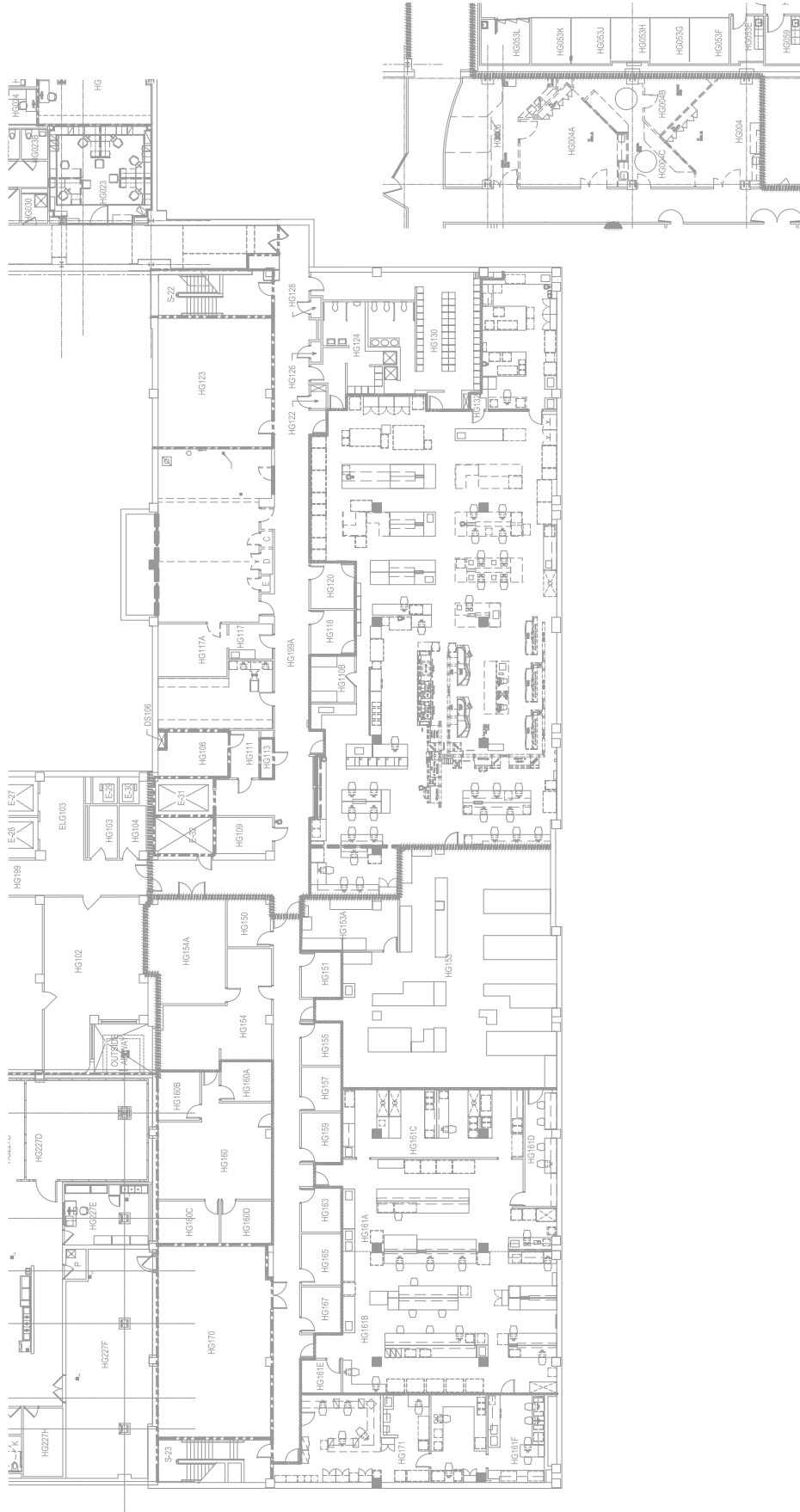
The Milton S. Hershey Medical Center



LOCATION OF WORK

GROUND FLOOR PLAN
BUILDING LOCATION PLAN

The Milton S. Hershey Medical Center

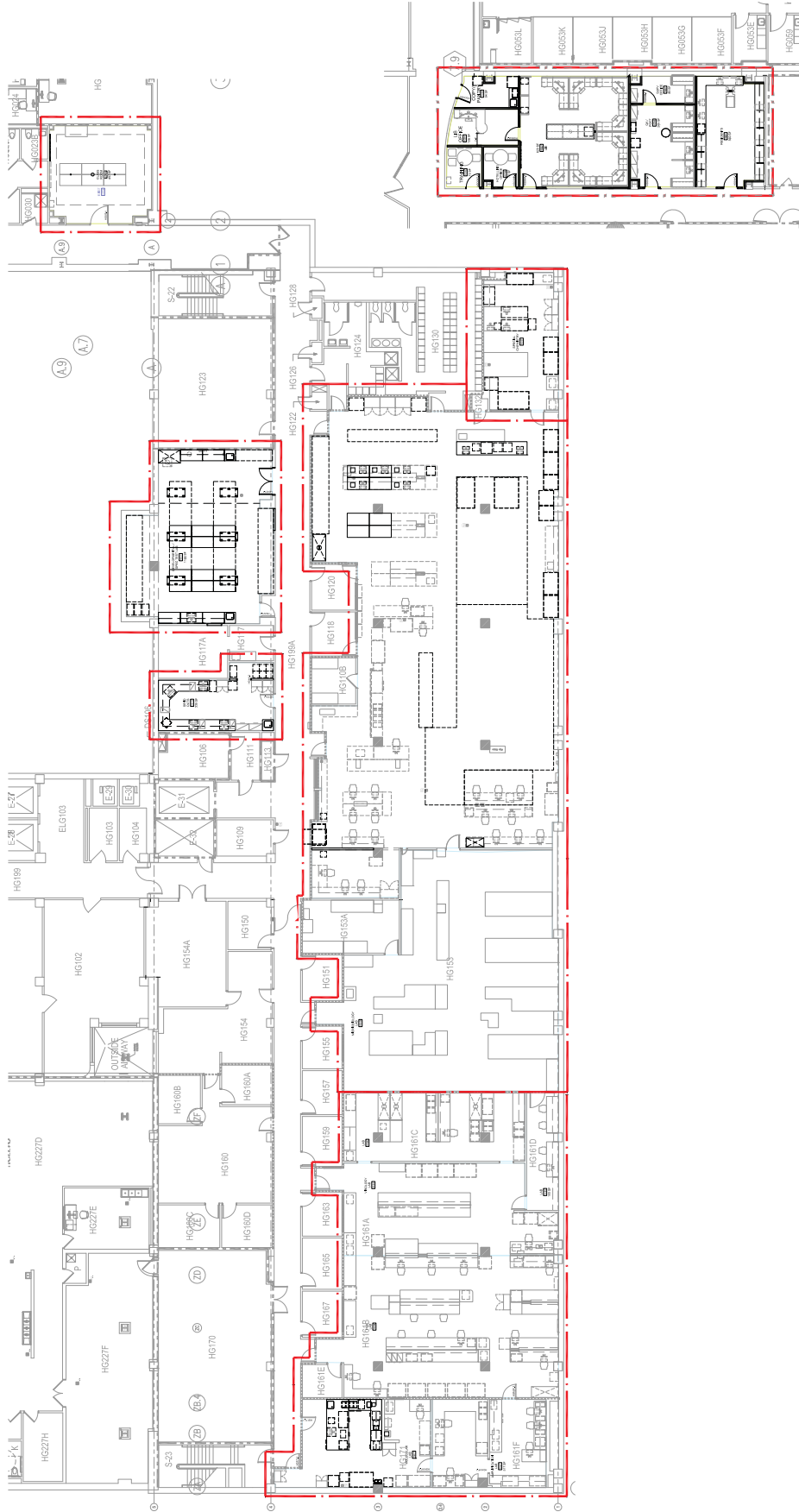


EXISTING

The Milton S. Hershey Medical Center

11/20/2015

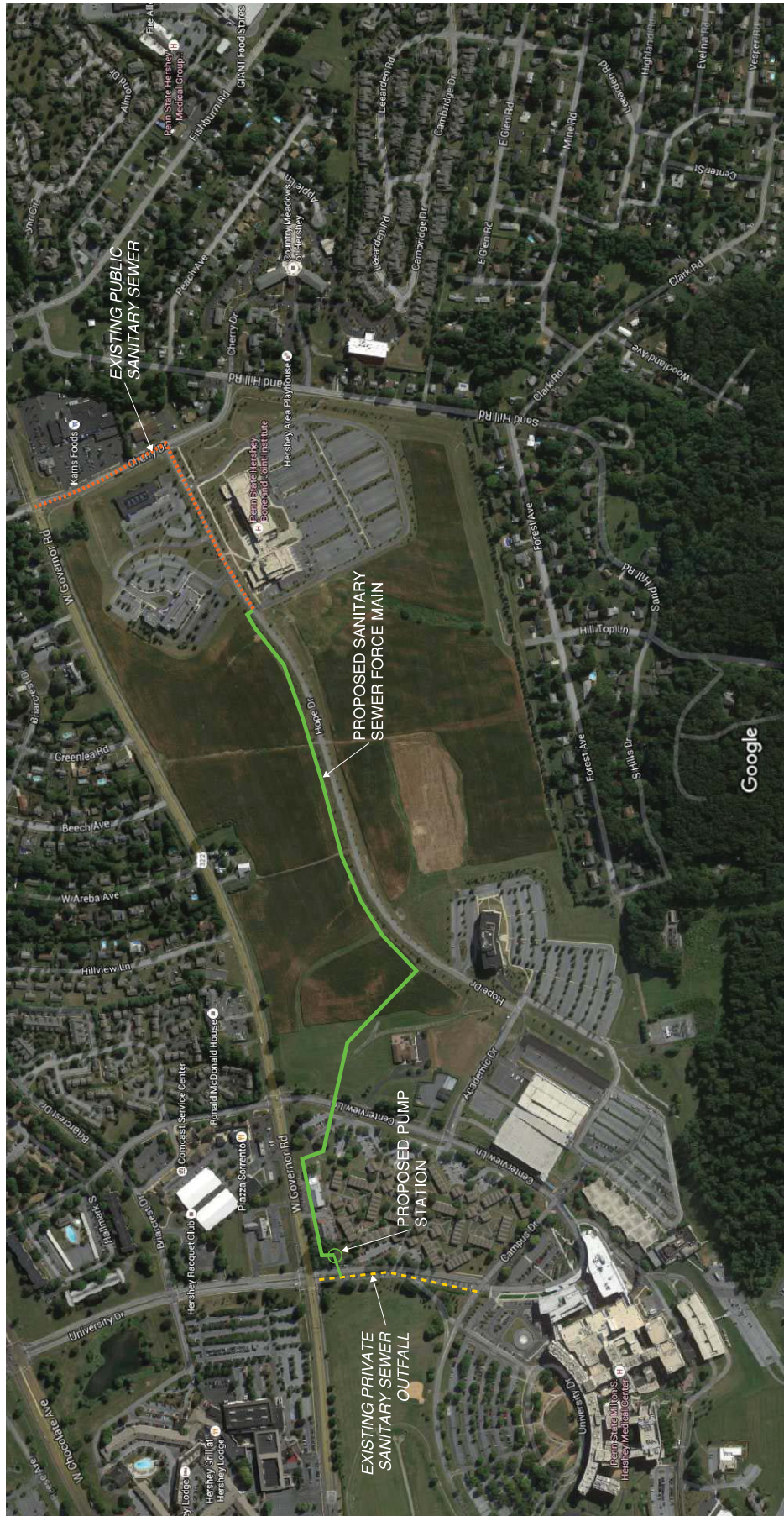
FB&CP



(Appendix II.1)

PROPOSED

The Milton S. Hershey Medical Center



Imagery ©2015 Google, Map data ©2015 Google 200 ft

Penn State Milton S. Hershey Medical Center
Sanitary Sewer Redundancy

Penn State Berks



STATUS OF MAJOR CONSTRUCTION PROGRAMS AND BORROWING (> \$5 Million)
October 31, 2015

Campus	Project Data			BOT Milestones			Construction		Notes
	Budget Amount	Commonwealth Funding	Gift Amount	Arch/Eng Subaction	Final Plan Approval	Start Date	Completion Date		
Abingdon	\$49,200,000	\$0	\$0	07/14	11/15	12/15	07/17	Project bidding in progress.	
Altoona	\$24,500,000	\$13,710,000	\$0	12/13 (DGS)	11/15	12/15	07/17	Project bidding complete.	
Beaver	\$9,450,000	\$0	\$0	11/13	01/15	04/15	06/16	Construction is approximately 25% complete.	
Berks	\$15,300,000	\$11,400,000	\$0	03/13	07/14	08/14	12/15	Construction is approximately 75% complete.	
Brandywine	\$30,500,000	\$0	\$0	07/14	11/15	02/16	07/17	Project bidding in progress.	
	\$18,600,000	\$0	\$0	07/14	11/15	02/16	07/17	Project bidding in progress.	
Harrisburg	\$30,000,000	\$0	\$1,000,000	11/13	03/15	04/15	08/16	Construction is approximately 30% complete.	
Hazleton	\$14,900,000	\$12,000,000	\$0	10/14 (DGS)	02/16	04/16	10/17	Project in design.	
Hershey	\$54,000,000	\$0	\$0	08/13	11/14	01/15	08/17	Construction is approximately 65% complete.	
York	\$13,500,000	\$0	\$1,000,000	11/13	08/15	08/15	09/16	Construction is approximately 2% complete.	
	\$7,500,000	\$0	\$0	07/15	05/16	06/16	06/17	Project in design.	
	\$42,140,000	\$0	\$0	01/15	05/16	08/16	12/17	Project in design.	
	\$6,300,000	\$0	\$0	05/15	05/15	11/15	09/16	Project is on hold until FAA funding amounts are confirmed.	
	\$37,800,000	\$0	\$0	05/12	01/14	02/14	12/15	Construction is approximately 90% complete.	
	\$150,000,000	\$0	\$10,000,000	03/15	01/17	01/17	12/18	Project in design.	
	\$15,000,000	\$0	\$0	07/15	07/16	08/16	11/17	Project in design.	
	\$58,000,000	\$0	\$0	08/13	03/15	04/15	06/16	Construction is approximately 60% complete.	
	\$171,300,000	\$0	\$0	11/14	02/16	02/16	07/17	Project in design.	
	\$10,500,000	\$7,000,000	\$0	N/A	N/A	06/08	11/15	Project program is approximately 95% complete.	
	\$23,800,000	\$0	\$0	08/14	11/15	02/16	12/16	Project bidding in progress.	
	\$15,500,000	\$0	\$0	11/13	01/15	03/15	03/16	Construction is approximately 45% complete.	
	\$29,340,000	\$0	\$0	03/13	05/16	05/16	08/17	Project in design.	
	\$8,400,000	\$0	\$8,400,000	03/15	TBD	TBD	TBD	Project in design.	
	\$12,000,000	\$0	\$0	01/15	11/15	12/15	07/16	Project bidding in progress.	
	\$7,200,000	\$0	\$3,200,000	05/14	08/15	08/15	06/16	Construction is approximately 2% complete.	
	\$25,300,000	\$9,500,000	\$0	N/A	08/14	08/14	09/16	Construction is approximately 60% complete.	
	\$7,500,000	\$6,000,000	\$0	N/A	11/15	02/16	09/16	Project bidding in progress.	
	\$7,000,000	\$0	\$0	01/15	TBD	TBD	TBD	Project in design.	
	\$30,200,000	\$0	\$0	08/14	02/16	02/16	07/17	Project in design.	
	\$6,510,000	\$0	\$0	N/A	11/15	01/16	10/16	Project bidding in progress.	
	\$52,000,000	\$0	\$0	03/12	05/14	06/14	06/16	Construction is approximately 65% complete.	
	\$11,100,000	\$1,000,000	\$0	N/A	N/A	06/07	04/16	Project program is approximately 90% complete.	
	\$61,600,000	\$46,000,000	\$0	01/11	03/15	05/15	03/17	Construction is approximately 12% complete.	
	\$9,200,000	\$0	\$0	01/11	01/13	12/14	03/16	Construction is approximately 65% complete.	
	\$57,300,000	\$0	\$0	01/11	11/12	02/14	06/18	Construction is approximately 40% complete.	
	\$31,700,000	\$0	\$0	03/12	08/14	01/15	12/16	Construction is approximately 20% complete.	

Summary of University Long-Term Debt - \$(000) (excluding PCT)	
Total Bonds, Notes and Capital Leases as of June 30, 2015	\$691,754
Bonds, Notes, and Capital Leases Issued Year to Date Fiscal Year 2015/16	\$0
Year to Date Principal Payments and Premium Amortizations	(\$19,270) *
Total Bonds, Notes and Capital Leases as of October 31, 2015	\$672,484
* Related Interest Expense Totals Approximately \$13,868	
Authorized Borrowing Status - \$(000) (excluding PCT)	
Borrowing Authority per September 2013 Board of Trustees	\$750,000
Capital Leases, Bonds, & Notes Issued	(\$112,217)
Future Capitalized Leases & Other Anticipated Commitments	(\$25,707)
Estimated Authority Remaining	\$612,076

THE PENNSYLVANIA STATE UNIVERSITY
CONFLICT OF INTEREST DISCLOSURE - FISCAL YEAR 2014-2015
Summary of All Transactions

VENDOR	TOTAL
EVERGREEN ACRES, LLC (Abraham Harpster ≥ 10% Ownership)	\$ 11,754.00
PSRP DEVELOPERS, INC. (Ira Lubert ≥ 10% Ownership)	\$ 910,867.22
RED LINE SPEED SHINE (Paul Silvis ≥ 10% Ownership)	\$ 976.42
SILCOTEK CORPORATION (Paul Silvis ≥ 10% Ownership)	\$ 158.00
TOTAL	<u>\$ 923,755.64</u>

THE PENNSYLVANIA STATE UNIVERSITY
CONFLICT OF INTEREST DISCLOSURE - FISCAL YEAR 2014-2015
All Transactions

EVERGREEN ACRES, LLC:	
Agricultural Sciences	\$ 7,101.00
Agricultural Sciences	\$ 4,653.00
TOTAL EVERGREEN ACRES, LLC	\$ 11,754.00

PSRP DEVELOPERS, INC.:	
Physical Plant	\$ 76,314.87
Physical Plant	\$ 76,314.87
Physical Plant	\$ 76,314.87
Physical Plant	\$ 76,314.87
Physical Plant	\$ 43,937.25
Physical Plant	\$ 43,489.83
Physical Plant	\$ 43,489.83
Physical Plant	\$ 43,489.83
Physical Plant	\$ 28,532.97
Physical Plant	\$ 28,532.97
Physical Plant	\$ 28,532.97
Physical Plant	\$ 26,644.60
Physical Plant	\$ 26,644.60
Physical Plant	\$ 26,644.60
Physical Plant	\$ 26,644.60
Physical Plant	\$ 24,261.75
Physical Plant	\$ 24,261.75
Physical Plant	\$ 24,261.75
Physical Plant	\$ 24,261.75
Smeal - College of Business	\$ 19,239.51
Physical Plant	\$ 9,510.99
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Central Finance & Business	\$ 8,675.29
Physical Plant	\$ 447.42
TOTAL PSRP DEVELOPERS, INC.	\$ 910,867.22

RED LINE SPEED SHINE:	
Penn State Hospitality Services	\$ 500.00
Intercollegiate Athletics	\$ 140.00
Intercollegiate Athletics	\$ 93.00
Physical Plant	\$ 40.42
Science - Eberly College	\$ 26.00
Agricultural Sciences	\$ 26.00
Agricultural Sciences	\$ 26.00
Agricultural Sciences	\$ 16.00
Agricultural Sciences	\$ 14.00
Agricultural Sciences	\$ 14.00
Agricultural Sciences	\$ 13.00
Agricultural Sciences	\$ 10.00
Agricultural Sciences	\$ 10.00
Agricultural Sciences	\$ 10.00
Agricultural Sciences	\$ 7.00
Science - Eberly College	\$ 5.00
Agricultural Sciences	\$ 5.00
Science - Eberly College	\$ 5.00
Intercollegiate Athletics	\$ 5.00
Agricultural Sciences	\$ 5.00
Agricultural Sciences	\$ 5.00
Agricultural Sciences	\$ 1.00

TOTAL RED LINE SPEED SHINE \$ **976.42**

SILCOTEK CORPORATION:	
Earth and Mineral Sciences	\$ 158.00

TOTAL SILCOTEK CORPORATION: \$ **158.00**

GRAND TOTAL: \$ 923,755.64