

**THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES**

**MINUTES OF MEETING
VOLUME 342**

November 11, 2022

A meeting of the Board of Trustees was held at the Eric J. Barron Innovation Hub, 123 South Burrowes Street, State College, PA and via video conference on Friday, November 11, 2022 beginning at 1:00 p.m.

The following Trustees, constituting a quorum, were present: Schuyler (chair), Kleppinger (vice chair), Bendapudi, Black, Brown, Cairns, Dambly, Davis, de Levie, Delligatti, Detwiler, Dietrich, Dunn, Fenchak, Fenza, Gursahaney, Hagarty, Harpster, Hasenkopf, Hoffman, Houston, Lubrano, Onorato, Paterno, Pope, Potts, Rakowich, Rapp, Redding, Riegel, Rowland, Schneider, Short, Sokolov, and Wagman. The Governor's non-voting representative, Mr. Shipley, was in attendance.

Present by invitation were Emeriti Trustees Doran, Han, Jubelirer, McCombie, Oldsey and Tribeck; constituent representatives Achampong, Duffey, Egolf, Gangl, Gibbard, Ingram, Lynch, Romig, Serfass, Stine, and Wede; staff members Austin, Gaudelius, Guadagnino, Harvey, Pell, Schwartz, Sims, Sitzabee, Smith, M.W., Stedelin, Thorndike, Whitehurst, and Wilkes.

Chair Schuyler opened the meeting with a moment of silence in memory of Dr. Howie Weiss, Penn State Professor of Biology and husband of Senior Vice President for Research Dr. Lora Weiss, who passed away on November 4, 2022. Chair Schuyler welcomed Penn State alumnus Dan Onorato, who was appointed to the Board of Trustees by Governor Tom Wolf, effective September 21, 2022; and he expressed the Board's appreciation to Alex Hartzler for recently completing his tenure as a trustee, acknowledging his dedication and service.

The Penn State Women's Field Hockey Team was recognized for its eighth regular season Big Ten championship, coached by Big Ten Coach of the Year Char Morett-Curtiss, and the Women's Soccer team was recognized for inning their ninth Big Ten Trophy. Chair Schuyler thanked all coaches and administrators for supporting all of Penn State's student-athletes.

Chair Schuyler recognized and extended appreciation to Tom Penkala, Associate Director of the Board Office, for almost three decades of model collegiality, dedication and service to the University and 12 years of service in the Office of the Board of Trustees, as he will retire on December 31, 2022. Chair Schuyler also offered best wishes to those students graduating during the fall 2022 commencement ceremonies.

With it being Veteran's Day, Chair Schuyler thanked all veterans who have served and asked veterans present to stand to be recognized. He noted that Penn State is consistently recognized as a military-friendly institution for the many education benefits and support resources available to active-duty service members, reservists, veterans, and ROTC students, and he listed several events held this week as part of Penn State's 11th annual Military Appreciation Week, organized by Colonel Eugene McFeely, Senior Director for Veteran's Affairs and Services and the Penn State Military Appreciation Committee. He then introduced Lt. Col. Daniel Gross, a Penn State professor of military science who helps oversee the Army ROTC program, who then shared that Penn State has the largest traditional Army and Navy ROTC programs outside of the nation's senior military colleges, with over 550 ROTC cadets on the University Park campus. Lt. Col. Gross also reported that Penn State's ROTC program produces between 40 to 50% more commissioned officers than the next largest university ROTC program. Also invited to speak from the podium was John Buckley, a U.S. Navy veteran and fourth-year student who was recently named a fellow of the National Veterans Leadership Foundation, shared his perspectives and experiences as a student veteran at Penn State.

Chair Schuyler welcomed Emeriti Trustees Doran, Han, Jubelirer, McCombie, Oldsey and Tribeck. Captain McCombie, with 26 years of service in the Navy as a commanding officer of Seal Team 2, was invited to the podium and offered remarks on this Veteran's Day.

Trustees toured the Applied Research Laboratory, Huck Institute of Life Sciences and the Materials Research Institute on Thursday, and Chair Schuyler thanked Weiss and Allan Sonstebj, Executive Director of ARL, for planning and providing the opportunity to interact with faculty and students who are engaged in

teaching, research and service in these areas.

Chair Schuyler noted that the Board met in executive session earlier in the day to discuss various privileged matters and called the meeting to order. He acknowledged that the Board received two written public comments, their topics and follow-up actions. Submitted comments are available on the Board's website.

Shannon Harvey, Associate Secretary of the Board, reported all Trustees were present except for Trustees Amorós, Pegula, and Wolf, constituting a quorum.

Chair, Vice Chair and Officer Elections

Chair Schuyler asked Frank Guadagnino, in his role as Secretary of the Board, to conduct the Chair, Vice Chair and Officer Elections. With 33 voting trustees physically present, and one attending by telephone, 18 votes were needed to elect officers. On October 7, 2022, Trustee Potts, Chair of the Committee on Governance and Long-Range Planning, provided all Trustees with the process and timeline for electing candidates for the offices of Chair and Vice Chair of the Board. Trustee Schuyler announced his candidacy for Chair of the Board; and Trustee Kleppinger announced his candidacy for Vice Chair of the Board. Candidates submitted biographical sketches and vision statements which were distributed to all members of the Board.

Mr. Guadagnino stated that the remaining officers of the Board also required election. Incumbent officers included: Assistant Secretary Angelita K. Johnson; Assistant Secretary Heather B. Wilson; Assistant Secretary Kim I. Wright; Treasurer Sara F. Thorndike; Assistant Treasurer Kimberly J. Fisher; Assistant Treasurer Michele M. Spangler; and Assistant Treasurer Virginia A. Teachey. In addition to the incumbents, Shannon S. Harvey was on the ballot for consideration for Board Secretary.

Trustees were provided with voting instructions. Results of the election would be announced later in the meeting. Paper ballots were distributed and the Trustee participating via Zoom was called to relay their vote. Justin Schwartz, Interim Executive Vice President and Provost and Rachel Pell, Interim Vice President for Strategic Communications served as tellers for the election.

Consent Agenda Action Items

Chair Schuyler noted that there were three Consent Agenda Action Items for consideration before the Board. A motion to approve Consent Agenda Action Items A, B and C was seconded and approved by the Board.

- A. Approval of *Minutes* from September 23, 2022 and October 13, 2022 Meetings
- B. Authorization to Confer Degrees

RESOLVED, That the Board of Trustees authorize the President of the University, or designee, to confer degrees at the end of the 2023 Spring Semester, Summer Session, and Fall Semester upon those students who have completed at those times the necessary requirements.

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

RESOLVED, That the Board of Trustees approve May 4, 2023 as the date for the delegate election of Agricultural Trustees, and for counting of the ballots in the Alumni Trustee election; and approve May 5, 2023 as the date for the election of Business and Industry, and At-Large Trustees.

Other Agenda Action Item

- A. Selection of Recipients of the 2023 Distinguished Alumni Award

Chair Schuyler stated that the Board received recommended nominees from the Distinguished Alumni Award Screening Committee to consider for the 2023 recipients. Votes were cast by written ballot and telephone relay, which were tallied by appointed tellers Justin Schwartz and Rachel Pell, and reported to Board Secretary Frank Guadagnino, with the results to be provided to Chair Schuyler and President Bendapudi to notify each honoree.

Reports from Standing Committees

Chair Schuyler called for reports from the Standing Committees. Any action item considered and voted on in the Committee was included in reports by the respective Committee chairs. The full Board was asked to consider Committee recommendations at the conclusion of each report.

A. Committee on Academic Affairs, Research and Student Life

Chair Wagman reported that the Committee on Academic Affairs, Research and Student Life met on October 20, 2022 for a discussion on the future of the faculty labor market and the effects of the labor trend referred to as “the great resignation.”

Interim EVP and Provost Justin Schwartz shared an overview of data on Penn State faculty retirement and resignations compiled by the Office of Planning, Assessment and Institutional Research. While the data presented shows slight increases in retirements and resignations in recent years, Penn State’s retirement and resignation data is below national averages for faculty departures, indicating that the University is not currently feeling the effects of the great resignation to the same extent as other institutions and organizations across the nation.

A panel of administrators and faculty from across the University campus system discussed several issues and concerns from their respective areas, including levels of diversity in local communities surrounding Penn State campuses and building greater town-gown relationships; the ability for faculty, especially faculty from underrepresented backgrounds, to find a sense of belonging within their local community; the need to support faculty spouses, including employment search support, and provide flexibility for faculty, especially international faculty, to travel and remain connected with their families; the need to provide advancement opportunities and competitive salaries; and the need to be mindful of service burdens on faculty as important factors for University leadership to incorporate in the ongoing planning and future initiatives.

The panel reinforced that while Penn State may not currently feel the effects of the great resignation to the same degree as other institutions, the University must be strategic and proactive to recruit and retain a high-quality and diverse faculty into the future at each of its campuses, not just University Park. The importance of a sense of community and belonging, especially for faculty from underrepresented groups, was a consistent theme, as was the need to attract and retain staff to support faculty and students. The Committee appreciates the candid input and suggestions by the faculty who were part of the panel, representing both themselves and their campus and/or college colleagues.

The October 20, 2022 Meeting of the Committee on Academic Affairs, Research and Student Life can be viewed in its entirety [here](#).

The next AARSL Committee meeting is scheduled for Thursday, December 15, 2022. The agenda topic will be Student Success: Strategies for Increasing Graduation Rates Among Underrepresented Students at Penn State, including a review of Penn State’s learning outcomes and student success assessment measurement systems tracked by OPAIR.

There were no action items presented to the Board.

B. Committee on Audit and Risk

Chair Rakowich reported that the Committee on Audit and Risk met on October 28, 2022 and approved the Fiscal 2023 Internal Audit Plan. There were discussion and informational items, including an ERM and Risk Subcommittee update, a review of the Committee’s roles and

responsibilities matrix to ensure that it is providing information and facilitating discussions in accordance with the Committee's charter, a review of the Committee's self-assessment survey and the Committee received an update from the University's CIO and CISO on strategic security projects including the "Shields Up" Initiative and organizational effectiveness enhancements.

The Committee also met November 10, 2022 to review the required audit communications and audited financial statements. Virginia Teachey provided a thorough review of the 2021 - 2022 Audited Financial Statements. The Committee voted to accept, on behalf of the Board, the audited financial statements for the year ending June 30, 2022. A review of the audited financial statements is available on Diligent for the Board's review.

The next meeting of the Audit and Risk Committee will be held in February. At this meeting the Committee will review and approve the engagement letter for external auditors, review Hotline reports referred to Internal Audit in the prior year, receive an ERM Update and review the current University Risk list.

The October 28, 2022 Meeting of the Committee on Audit and Risk can be viewed in its entirety [here](#).

The November 10, 2022 Meeting of the Committee on Audit and Risk can be viewed in its entirety [here](#).

There were no action items presented to the Board.

C. Committee on Equity and Human Resources

Chair Schneider reported that the Committee on Equity and Human Resources met on October 20, 2022. Dr. Bendapudi discussed her priorities for diversity, equity, inclusion and belonging (DEIB) and metrics for a DEIB dashboard.

The dashboard, which is being created by the University's Office of Planning, Assessment, and Institutional Research, will focus on four key metrics: student graduation rates; faculty at different ranks; staff leadership development opportunities; and employee 'belonging' scores as measured through various employee surveys. The dashboard will seek to identify gaps and trends within each of the metrics, and how areas of need could be addressed.

Currently many of the University's DEIB efforts are decentralized and at the unit plan level. Part of the work over the next year will be to create a more unified structure and use the dashboard to identify top level goals so units can scaffold up to the larger goals and provide evidence of stronger initiatives that have worked. The goal is to use the dashboard to move the needle on the top-level goals.

Marcus Whitehurst, Vice Provost for Educational Equity provided feedback and results for the University's new diversity, equity, inclusion and belonging education initiative referred to as BUILD which stands for Broadening Understanding and Inclusion through Learning and Dialogue. The program was launched as a pilot program this past summer and the first module will be made available for optional completion by all employees this fall. The Committee recommended that the full board complete the first three modules of the BUILD curriculum by the end of the year.

Jennifer Wilkes, Vice President for Human Resources provided an update on Penn State's Compensation Modernization Initiative, which kicked off in fall 2020 with the goal of creating modern, competitive compensation structures and clear, supportive career development resources for staff. The initiative is completing its salary market assessment phase and beginning salary structure development. The Committee anticipates receiving a final update and next steps in the project at its December 9, 2022 meeting.

The October 20, 2022 Meeting of the Committee on Equity and Human Resources can be viewed in its entirety [here](#).

There were no action items presented to the Board.

D. Committee on Finance, Business and Capital Planning

Chair Fenza reported that the Committee met on November 10, 2022, with a quorum of the Committee present and the Committee approved the September 22, 2022 meeting *Minutes*. The Committee also received informational reports on the Capital Plan Update and the State of the Physical Plant, Q1 Financial Results and the University's Capital Plan and Borrowing Report.

Chair Fenza continued with his introduction of Agenda Items for consideration and approval.

Agenda Item 6.d.1. Proposed Final Plan Approval and Authorization to Expend Funds, East Halls, Phase 2c at University Park. The Committee unanimously approved the recommendation of the resolution for Agenda Item 6.d.1.

Agenda Item 6.d.2. Proposed Final Plan Approval and Authorization to Expend Funds for the Classroom Library Building Renovation at Penn State Scranton. The Committee unanimously approved the recommendation of the resolution for Agenda Item 6.d.2.

Chair Fenza reported that the Finance Business and Capital Planning Committee also held an off-cycle conference session on October 11, 2022 to receive an annual financial and compliance update from Intercollegiate Athletics. The update included an overview of the ICA organizational structure, current institutional controls, FY20 Big Ten revenue benchmarking, 5-year financial history and future revenue and facility need projections.

The November 10, 2022 Meeting of the Committee on Finance, Business and Capital Planning can be viewed in its entirety [here](#).

Action Items

1. Proposed Final Plan Approval and Authorization to Expend Funds, East Halls, Phase 2c at University Park

The Committee on Finance, Business and Capital Planning recommended that the Board of Trustees approve resolution 6.d.1. Sara Thorndike provided supporting remarks and context for this item. A motion to approve the following resolution was seconded and approved by the Board. Trustee Fenchak voted against the motion.

RESOLVED, That the final plans for the East Halls Renovation – Phase 2c at University Park, as designed by Clayco of St. Louis, Missouri, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds to accomplish the project is approved in the amount of \$95,300,000.

2. Proposed Final Plan Approval and Authorization to Expend Funds for the Classroom Library Building Renovation at Penn State Scranton

The Committee on Finance, Business and Capital Planning recommended that the Board of Trustees approve resolution 6.d.2. Sara Thorndike provided supporting remarks and context for this item. A motion to approve the following resolution was seconded and approved by the Board.

RESOLVED, That the final plans for the Classroom Library Building Renovation, as designed by Chiang O'Brien Architects of Ithaca, New York, are approved.

FURTHER BE IT RESOLVED, That authorization to expend funds and award contracts to accomplish the project is approved in the amount of \$13,100,000.

E. Committee of Governance and Long-Range Planning

Chair Potts reported that the Governance and Long-Range Planning Committee met on October 20, 2022 with a quorum of members present. The one action item on the agenda for consideration by the Committee was the approval of a comprehensive board assessment plan and calendar. The plan, which was unanimously approved, will address two of the Committee's priorities for this year, first to analyze the impact of the BOT Skill-Set Inventory over time and recommend improvements to the processes for utilizing the inventory in elections and appointments and the goal to conduct a Board self-assessment, for the purpose of improving the effectiveness and efficiency of the Board.

The assessment plan and calendar, which was developed in partnership with the Office of Planning, Assessment, and Institutional Research, provides a clearly articulated and transparent process for periodic assessment of the effectiveness of the Committee's governance structure.

The Committee plans to spend the remainder of this year documenting board functions and member responsibilities, identifying assessment goals, and updating our skillset inventory and self-assessment survey in anticipation of a comprehensive external assessment by an outside facilitator to be conducted in the Fall of 2023. Going forward, there will be a structured process for reviewing prior assessment findings and action plans to ensure the Board organization, structure, and agendas are aligned with strategic priorities.

In other business, the Committee reviewed the operating guidelines for the selection of the Student Trustee. No significant changes were made to the Operating Guidelines from prior years.

The October 20, 2022 Meeting of the Committee on Governance and Long-Range Planning can be viewed in its entirety [here](#).

The next meeting of the GLRP Committee is scheduled for December 15, 2022.

There were no action items presented to the Board.

F. Committee on Legal and Compliance

Chair Houston reported that the Legal and Compliance Committee met in conference and executive session on October 20, 2022. Frank Guadagnino provided an overview of Penn State's Office of General Counsel and its interplay with Penn State Health Counsel's Office.

The Committee also benefitted from a generative discussion regarding opportunities to evaluate both the Office of General Counsel and the Legal and Compliance Committee to better understand how we compare to our Big Ten peers and other institutions.

Guadagnino provided the Committee with the Comprehensive Litigation List as well as an update on current legal issues in privileged executive session.

The next meeting of the Legal and Compliance Committee is scheduled for January 19, 2023. Agenda items will include the Approval of Proposed Annual Applications, Renewals and Other Filings Required by the PA Liquor Control Board, a compliance risk review and a substantive review of the legal bases and foundations associated with obtaining, retaining, and revoking tenure.

There were no action items presented to the Board.

G. Committee on Outreach, Development and Community Relations

Chair Sokolov reported that the Outreach, Development and Community Relations Committee met on October 20, 2022.

Lawrence Lokman and Rachel Pell, Vice President and Interim Vice President for Strategic Communications, provided an update on the University's crisis communication protocols which include a four-step process for addressing issues and crises.

Zack Moore, Vice President for Government and Community Relations discussed strategies for communicating Penn State's proposed \$115.2 million 2023-24 appropriation request to the Pennsylvania Legislature. A key strategy will focus on growing and educating the University's advocate base through Advocate Penn State.

The Committee received an update from Vice President for Development and Alumni Relations Rich Bundy on the status of the implementation of the new Enterprise Constituent Relationship Management (ECRM) system and progress towards fundraising goals. With the exception of hiring the remaining CRM specific positions, the CRM implementation is on track with migration activities to initiate in January of 2023. With respect to fundraising goals, Rich reported his unit is currently about \$7 million ahead of last year's commitments and current new commitments are the 3rd best in the history of the University.

The Committee also had a robust discussion on strategies to broaden alumni engagement and participation in the Board of Trustees election process. A list of suggestions was generated for consideration and evaluation. The administration will report back at the Committee's December meeting with action plans for the suggestions offered.

The October 20, 2022 Meeting of the Committee on Outreach, Development and Community Relations can be viewed in its entirety [here](#).

The next meeting of the Committee will be December 15, 2022. The agenda will include a comprehensive review of the Ag Extension program and its footprint and structure throughout the Commonwealth including the impact on the various communities it serves and review strategies for the continued growth and implementation of its programs. The Committee will also receive an update on the outcome and impact of the fall elections and review talking points for use by advocates to communicate consistent, fact-based messages to elected officials.

There were no action items presented to the Board.

President's Report

President Bendapudi discussed Penn State's commitment to continuing to advance greater diversity, equity, inclusion and belonging (DEIB) and her four DEIB-focused key metrics; the University's relatively strong and stable enrollment numbers; and the ongoing success of Penn State's world-class research enterprise. In recognition of Veterans Day, Bendapudi also thanked all current and former members of the U.S. armed forces and all members of the University community with military ties for their service to the nation.

President Bendapudi also highlighted several high-profile faculty awards, including award recipient Squire Booker, Evan Pugh Professor of Chemistry and of Biochemistry and Molecular Biology, recognized with two major awards from the American Society of Biochemistry and Molecular Biology; Shirley Moody-Turner, one of the co-investigators of a \$3.1 million grant from the Andrew W. Mellon Foundation to expand DEIB-focused programming and research within the College of the Liberal Arts; and P. Gabrielle Foreman, the Paterno Family Professor of American Literature and co-director of the Center for Digital Black Research at Penn State, being named a 2022 MacArthur Fellow.

President Bendapudi's remarks are available to view in their entirety [here](#).

Report on Chair, Vice Chair and Officer Elections

Chair Schuyler called on Frank Guadagnino to report on the Chair, Vice Chair and Officer Elections. Guadagnino reported each of the candidates for election had been elected unanimously.

Closing Remarks/Announcements

Chair Schuyler stated that he and Vice Chair Kleppinger are honored to be re-elected and thanked fellow trustees for their ongoing dedicated service to Penn State, noting many accomplishments made together and the work planned for the next cycle.

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There being no other business, the public meeting was adjourned at 2:23 p.m.

The meeting is available in its entirety [here](#).

Respectfully submitted,

Frank T. Guadagnino
Secretary, Board of Trustees