



Penn State Investment Council Recommended Appointments

FBCP Committee
September 2023



Penn State Investment Council

The Penn State Investment Council ("PSIC"), shall consist of four ex-officio members and eight to ten at-large members. The ex-officio members shall be the Senior Vice President for Finance and Business/Treasurer, as Chairperson of PSIC, the Chief Investment Officer, Office of Investment Management, the Chair of the Board of Trustees and the Chair of the Subcommittee on Finance of the Committee on Finance, Business and Capital Planning of the Board of Trustees. In addition, the Board of Trustees shall appoint eight to ten at-large members who shall not be employees of the University, three of whom shall be voting or emeritus members of the Board of Trustees. At-large members of PSIC shall serve for three-year staggered terms and shall be limited to a maximum of three (3) three-year terms.



Current Penn State Investment Council

Ex-Officio Members:

- Joseph M. Cullen, Chief Investment Officer
- Mary Lee Schneider, Chair of the Subcommittee on Finance of the Committee on Finance, Business and Capital Planning of the PSU Board of Trustees
- Matthew W. Schuyler, Chair PSU Board of Trustees
- Sara F. Thorndike, Senior Vice President for Finance and Business/Treasurer

Terms Expiring December 31, 2023:

- Barbara L. Doran, Emerita Member PSU Board of Trustees
- J. Alex Hartzler
- J. David Rogers

Terms Expiring December 31, 2024:

- Blake Gall
- Edward R. Hintz
- Joseph B. Markovich
- Brandon D. Short, PSU Board of Trustees

Terms Expiring December 31, 2025:

- Randy E. Black, PSU Board of Trustees
- James P. Brandau
- Colleen Ostrowski



Penn State Investment Council

It is proposed to re-appoint Barbara L. Doran, J. Alex Hartzler, and J. David Rogers, non-University employees, to the Penn State Investment Council with terms currently expiring December 31, 2023, to three-year terms expiring December 31, 2026.

Will the Board of Trustees adopt the following resolution:

RESOLVED, That Barbara L. Doran, J. Alex Hartzler, and J. David Rogers, non-University employees, are appointed to the Penn State Investment Council each for three-year terms ending December 31, 2026.

2024-25 State Appropriation Request

Finance, Business, and Capital Planning
September 7, 2023



PennState

Proposed 2024-25 State Appropriation Request

(\$ in 000's)

	2023-24		2024-25
	Expected	Requested	Requested
	Appropriation	Increases	Appropriation
Penn State (excl PS Health & Penn College)			
General Support	\$259,284	\$108,833	\$368,117
Agricultural Research & Extension	57,710	4,039	61,749
Special Request: Ag. Emerging Technology	-	2,000	2,000
Economic Development	2,350	-	2,350
Total Penn State University	\$319,344	\$114,872	\$434,216
Penn State Health and College of Medicine	15,312	765	16,077
Pennsylvania College of Technology	28,634	4,446	33,080
TOTAL APPROPRIATION	\$363,290	\$120,083	\$483,373



Access, Affordability and the Appropriation

- For our education mission, Penn State received \$242M from the Commonwealth in 2022-23.
- Divided evenly among our 42,000 PA resident undergraduate students, PSU receives approx. \$5,757 (well below the national average).
 - By comparison, Temple University receives approximately \$9,233 per student, PASSHE receives \$8,754 per student, and the University of Pittsburgh receives \$9,436 per student.
- Yet, the average PA resident student pays approx. \$15,021 less at Penn State than their out-of-state counterparts.
- Penn State is significantly amplifying the state's investment to make our education more accessible and affordable.
- The 2024-25 appropriations request would put Penn State's per student funding at the same level as the PASSHE system, the next lowest public university in per-student funding.

* Does not include Penn College

Appropriation Request Cycle

- Received operating budget instructions to request Commonwealth support from PA Dept of Education on July 25, 2023.
- Present at September FBCP and Board meeting.
- Submit to the state in October.





2024-25 Budget Planning

- The request for Agricultural Research & Extension will enhance the university's efforts to support agriculture and rural communities in Pennsylvania.
 - The special request will enable the College of Ag Sciences to launch an Emerging and Advanced Technology Initiative to focus on agricultural, forestry, and natural resource applications.
- Continued funding for Invent Penn State will strengthen and grow the LaunchBox & Innovation Network across Pennsylvania.



Penn State Budget Plan includes:

- Financial aid and student success.
- Modest increases for talent retention for faculty and staff.
- Asset preservation (deferred maintenance).
- Strategic investments in engineering and information technology, healthcare, education, and strategic priorities in the Commonwealth.



2024-25 E&G Operating Budget – State Appropriation Request (\$ in 000's)

	<u>\$ Change</u>
<u>Sources Assumptions</u>	
Appropriation Request	\$108,833
Total Sources	\$108,833
<u>Discretionary Uses</u>	
Talent Retention (3% Merit)	49,333
Strategic Priorities (consistent with Commonwealth needs)	29,700
Asset Preservation	14,900
Student Aid/Student Success	14,900
Total Discretionary Uses	\$108,833



First Step in Budget Process

- Governor will release budget proposal in February 2024.
- Appropriation hearings held in March 2024.
- Discussions and negotiations will continue until the budget is approved.



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 2024-25 in the amount of \$483.373 million.

