Meetings of the Board of Trustees
January 17, 2014

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 November 22, 2013?

3. **President's Report**

4. **Public Comment**

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** - James S. Broadhurst, 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
      b) Information on Graduate Programs

      (See Appendix I)

   2) **Informational Report on The Network on Child Protection and Well-Being**

      The Network on Child Protection and Well-Being, established through the work of the Presidential Task Force on Child Maltreatment as charged by President Erickson in January 2012, builds on Penn State's established interdisciplinary research expertise in children, youth and families and is aimed at combating child maltreatment through Penn State's academic mission of teaching, research, and service. An informational presentation will be made by Dr. Susan McHale, Professor of Human Development and Director of the Social Science Research Institute.

   **B. Committee on Audit and Risk** – Karen Peetz, Chair

   **C. Committee on Compensation** – Linda B. Strumpf, 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) Stadium West Parking Lot Expansion, University Park
      b) Roof Fall Protection at Various Buildings, University Park
      c) Security and Access Control at Various Buildings, University Park
      d) Security and Access Control at Multiple Commonwealth Campuses
      e) Conference Center Building Engineering Suite, Penn State Great Valley
      f) Naming of Rooms, Portions of Buildings, and Plazas
g) Purchase of Property at 3450 Seventh Street Road, Penn State New Kensington
h) Status of Major Construction Programs and Borrowing

Action Items –
   i) Summary of Revisions to Existing Scholarships, Fellowships, Etc.
   j) Acknowledgement of Endowments and Other Major Commitments

   (See Appendix II)

2) **Proposed Appointment of an Architect, Michael Baker Building Renovation, Penn State Beaver**

   The Subcommittee on Architect/Engineer Selection will make a report and recommendation on the appointment of an architect for the Michael Baker Building at Penn State Beaver.

3) **Proposed Final Plans and Authorization to Award Contracts, Mueller Building Renovation, University Park**

   Mueller Laboratory, a seven-story structure built in 1965, houses the Penn State Biology Department, known as one of the top research biology departments in higher education in the world. Over 1,500 students enroll in Introductory Biology each year and current laboratory space is inadequate to accommodate them properly. This has limited the number of sections offered, overcrowded current labs and adversely affected the types of courses and experiences needed for modern Biology instruction. The original laboratory benches and related equipment are at or near the end of their useful life cycles.

   To address these challenges, the University intends to add laboratory space within the existing building and modernize the existing undergraduate Biology and Anatomy & Physiology teaching laboratories, including an instructional large specimen lab. The project scope includes renovation primarily to the first, fourth, and sixth floors. All existing antiquated laboratory equipment will be replaced, such as autoclaves. The renovation includes building system upgrades, such as heating, ventilation, and air conditioning, including in unrenovated portions of the fifth and sixth floors.

   Will the Board of Trustees adopt the following resolutions:

   RESOLVED, That the final plans for the Mueller Building Renovation at University Park, as designed by the firm of Stantec, Inc. of Butler Pennsylvania, are approved.

   FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of $20,700,000.

4) **Proposed Final Plans and Authorization to Award Contracts, Intramural Building Expansion – Phase II, University Park**

   As part of Penn State’s strategy to meet student demand for wellness and recreation facilities, a feasibility study was completed to guide the scope of a phased expansion of the Intramural Building, located at the intersection of Curtin Road and University Drive. It is currently undergoing construction of the 48,000
square foot addition and partial renovation the Board of Trustee approved at the January 2013 meeting.

The Student Facilities Fee Advisory Committee has endorsed funding for the next phase of expansion, which includes three new basketball courts, extension of the running track on the mezzanine level, renovation of existing locker rooms, basement level shell space, and conversion of the existing main gym into a multi-activity court.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for the Intramural Building Expansion – Phase II at University Park, as designed by the firm of Moody Nolan, Inc. of Columbus, Ohio, are approved.

FURTHER BE IT RESOLVED, That authorization to award contracts to construct the project be approved at a cost of $31,250,000.

5) Proposed Final Plans and Authorization to Award Contracts, Burrowes Building Renovation, University Park

The original Burrowes Building was designed by Charles Klauder and built in 1940 with north and south additions added in the 1960's. It primarily houses programs for the College of the Liberal Arts and is in need of modernization of its building systems. Mechanical, electrical, and plumbing systems are outdated. Since the electrical system has reached its maximum capacity, only a limited number of inefficient air conditioning units can be used and a comfortable working environment cannot be maintained in the summer. Due to an antiquated heating system, winter months are also uncomfortable.

The building still contains most of the original single-pane windows, which are very inefficient and many cannot be completely closed. Room configurations in the 1960’s north and south additions no longer meet the needs of the building occupants and accessibility issues need to be addressed.

The goal is to renovate Burrowes Building while preserving the architectural integrity of the structure. Windows and exterior doors will be replaced and interior architectural modifications, particularly in the 1960’s additions, will improve efficiency and increase the number of offices. Internal circulation and accessibility will also be improved. The building’s systems will be replaced and utility infrastructure to the building will be upgraded, including connection to the campus chilled water system and additional electrical capacity.

Will the Board of Trustees adopt the following resolutions:

RESOLVED, That the final plans for Burrowes Building Renovation at University Park, as designed by the firm of BLT Architects of Philadelphia, Pennsylvania, are approved.

FURTHER BE IT RESOLVED, That the authorization to award contracts to construct the project be approved at a cost of $37,800,000.
6) **Proposed Ratification of Shaver’s Creek Dam Rehabilitation, Stone Valley Recreation Area**

Structural deficiencies in the earthen dam on Shaver’s Creek, which creates Lake Perez in the Stone Valley Recreation Area, were discovered and in 2008 the lake was drained. The Board of Trustees was informed in November of 2011 that the University intended to install improvements and mitigation measures to ensure the integrity of the dam. The project scope included embankment repairs, seepage monitoring pits, a grout curtain at the crest of the dam, seepage control trenches and other improvements with a total project cost estimate at that time of $4.1 million. This estimate was based on geophysical investigations that were typical for this type of project.

Since that time, the total project costs have increased to $5.5 million which requires Board of Trustee approval, as outlined in the Board of Trustees Bylaws. The cost increases are due to multiple factors including higher than anticipated bids and more extensive bedrock fracturing than indicated by the geophysical investigation. The differing sub-surface conditions resulted in more grout holes than planned and use of more grout material than anticipated, which extended project schedule and significantly increased the cost. Lake Perez will be refilled in the spring of 2014 after completion of the dam repairs.

Will the Board of Trustees adopt the following resolutions:

WHEREAS, the officers of the University have determined a rehabilitation of the Shaver’s Creek Dam is beneficial to the University,

WHEREAS, funds are available for the rehabilitation,

WHEREAS, project costs have increased to an amount requiring Board of Trustee approval,

RESOLVED, That the total expenditures of $5,500,000, are authorized for the Shaver’s Creek Dam Rehabilitation.

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

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

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

F. **Committee on Legal and Compliance** - Ira M. Lubert, Chair

G. **Committee on Outreach, Development and Community Relations** - Joel N. Myers, 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 2014 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, and for Business and Industry**

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 8, 2014 as the date for the delegate election of agricultural trustees, and for counting the ballots in the alumni election; and approve May 8, 2014 as the date for the election of business and industry trustees?

8. **Proposed 2015 Dates for Meetings of the Board of Trustees**

Will the Board of Trustees approve the proposed meeting dates for 2015 as follows (unless otherwise noted, all meetings will be held at University Park):

- January 15-16, 2015 (Thursday-Friday)
- March 12-13, 2015 (Thursday-Friday) – Hershey
- May 7-8, 2015 (Thursday-Friday)
- July 16-17, 2015 (Thursday-Friday) – Penn State Beaver
- September 17-18, 2015 (Thursday-Friday)
- November 19-20, 2015 (Thursday-Friday)

REMINDER: The Board of Trustees approved meeting dates for 2014 as follows:

- January 16-17, 2014 (Thursday-Friday)
- March 6-7, 2014 (Thursday-Friday) – Hershey
- May 8-9, 2014 (Thursday-Friday)
- July 10-11, 2014 (Thursday-Friday) – Penn State Schuylkill
- September 18-19, 2014 (Thursday-Friday)
- November 13-14, 2014 (Thursday-Friday)

9. **Selection of Recipients of the 2014 Distinguished Alumni Award**

A report of the Distinguished Alumni Award Screening Committee will be presented by Keith E. Masser, Chairman.

Will the Board of Trustees select, by written ballot, persons to receive the Distinguished Alumni Award in June 2014?

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

11. **Election of Officers of the Board of Trustees** – Thomas G. Poole, Secretary

Will the Board of Trustees elect officers to the following Board positions for the current year?

- President
- Vice President
- 1) Secretary
- 2) Associate Secretary
- 3) Assistant Secretaries
4) Treasurer

5) Assistant Treasurers

1) Secretary: Incumbent, Thomas G. Poole

2) Associate Secretary: Incumbent, Janine S. Andrews

3) Assistant Secretary: Incumbent, Carmella Mulroy-Degenhart

   Assistant Secretary: Incumbent, Donna J. Newburg

   Assistant Secretary: Incumbent, Wendy L. Peck

4) Treasurer: Incumbent, David J. Gray

5) Assistant Treasurer: Incumbent, Deborah M. Meder

   Assistant Treasurer: Incumbent, Susan J. Wiedemer

12. **Election of Members of the Executive Committee**

Section C.6 of the Charter and Section 3.02 of the Bylaws specifies that the executive committee shall have thirteen members, all of whom shall be voting members and be composed of the Chair of the Board of Trustees (who also serves as chair of the executive committee), the Vice Chair, chairs of the standing committees, the chair of the Board of Directors of the Milton S. Hershey Medical Center, the immediate past chair of the Board of Trustees, and such number of at large members nominated by the Governance and Long-Range Planning Committee and elected by the Board of Trustees as may be necessary to have an executive committee of thirteen members. The Committee on Governance and Long-Range Planning will nominate at-large members to serve on the executive committee.
1. Information on Undergraduate Programs

   A. Penn State Erie, The Behrend College

      1) Communication Minor to Communication Arts and Mass Media Minor: Name Change

         The name change is part of the initiative to address minors with the same name, but different curricular requirements. The name change will become effective Summer 2014.

   B. Penn State Harrisburg

      1) Human Resource Management: New Minor

         This minor will prepare students for professional certification (Assurance of Learning, Professionals in Human Resources (PHR) or Senior Professionals in Human Resources (SPHR)) and/or a career in human resource management by developing skills and competencies in managing diversity and equal opportunity, ethical and fair treatment of employees, human resource planning and staffing, employee training and development, compensation and benefits, performance management, labor relations, and protecting employee safety and health. The new minor will become effective Summer 2014.

2. Information on Graduate Programs

   A. Master of Education in College Student Affairs in the College of Education: Drop Program

         The Master of Education in College Student Affairs is currently being revised and will be moved under the Higher Education Program as a Master of Science degree, thus negating the need for a separate Masters of Education in College Student Affairs.
1. **Stadium West Parking Lot Expansion, University Park**

The University intends to construct additional paved parking between Beaver Stadium and University Drive to replace and supplement parking spaces eliminated during the construction of Pegula Ice Arena. This expansion will result in a net increase to the existing Stadium West lot of 328 regular vehicle parking spaces, 20 motorcycle spaces and 8 ADA spaces to be used by commuters, football game and other event attendees. The project scope includes storm water management, pedestrian access, landscaping, and new lighting. The cost estimate for this project is $3,510,000.

(See Appendix II.1)

2. **Roof Fall Protection at Various Buildings, University Park**

The University intends to install roof equipment on approximately thirty five buildings at University Park to provide protection from falls. The project includes the installation of guardrails, tie-offs, hatch guards, sky light protection, ladders, horizontal lifelines and catwalks. The cost estimate for this project is $1,000,000.

3. **Security and Access Control at Various Buildings, University Park**

The University intends to install security and access control upgrades at thirty five buildings at University Park. The project scope includes electronic key management systems, which will include electronic card readers, door alarms, locking hardware, and associated equipment on select doorways. Electronic security upgrades will include the installation of closed circuit television cameras and associated equipment to help security personnel remotely monitor doors or other building locations that are identified as a security risk or concern. Electronic key systems with tamper alarms and closed circuit cameras will be installed to monitor and reduce access to building keys. The cost estimate for this project is $1,500,000.

4. **Security and Access Control at Multiple Commonwealth Campuses**

The University intends to install security and access control upgrades in buildings at multiple commonwealth campus buildings which will include electronic card readers, door alarms, locking hardware, and associated equipment on select doorways. Electronic security upgrades will include the installation of closed circuit television cameras and associated equipment to help security personnel remotely monitor doors or other building locations that are identified as a security risk or concern. The cost estimate for this project is $2,000,000.

5. **Conference Center Building Engineering Suite, Penn State Great Valley**

The University intends to renovate 8,745 gross square feet of the first floor of the Great Valley Conference Center Building for the incorporation of an engineering suite. The repurposed space will be used by undergraduate engineering students from Penn State Abington and Brandywine campuses. The project scope includes a fabrication area, workshop, electronics circuit room, senior design space, CADD and 3D modeling rooms, and a vestibule on the east entrance. The cost estimate for this project is $2,700,000.

(See Appendix II.2)

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. Name the Chancellor’s office (Rooms 117 and 118) in the Frable Building, Penn State Greater Allegheny, in honor of Chancellor Curtiss E. Porter in recognition of his accomplishments during his 14-year tenure with the campus. The recognition plaque should read:

*Curtiss E. Porter Executive Office*
B. Name a conference room (Room 365), North Frear Building, in memory of Mildred Stoehr Christian, in recognition of a gift from Alan Hoberman. The recognition plaque should read:

*Mildred Christian Biochemistry Conference Room*  
In memory of Dr. Mildred Stoehr Christian, gift given by her husband, Dr. Alan Hoberman

C. Name a lab (Room 105) within the newly renovated Occupational Therapy Lab suite, Chadderton Lab Building, Penn State Shenango, in recognition of a gift from Dallas W. Hartman, Esq. The recognition plaque should read:

*Dallas W. Hartman, Esq.*  
*Occupational Therapy Lab*

D. Name the McCoy Natatorium Downstairs Lobby in recognition of a commitment from T. Warren Carmichael. The recognition plaque should read:

*Warren, Pat, and Brantley Carmichael*  
*Lower Atrium Lobby*

E. Name the White Building Gymnastics Work-Out Area in honor of the late Gene Wettstone, former men's gymnastics head coach and member of the Penn State coaching staff for 36 seasons. The recognition plaque should read:

*Gene Wettstone Gymnastics Complex*

F. Name the Multi-Sports Facility Men's and Women's Track Team Lounge Area in memory of Kevin Dare with gifts received from Edward Dare and the Kevin Dare Foundation. The recognition plaque should read:

*Kevin Dare Memorial Team Lounge*

G. Revise the text of the recognition plaque for the Print and Drawing Study Room, Palmer Museum of Art, named by Drs. Albert and Lorraine Kligman. The revised recognition plaque should read:

*Drs. Albert and Lorraine Kligman*  
*Print and Drawing Study Room*

H. Revise the text of the recognition plaque for the garden between the Moore and Cedar Buildings named by Doug Rock and Julie Jensen Rock. The revised recognition plaque should read:

*Robert Glenn Jensen Garden*

7. **Purchase of Property at 3450 Seventh Street Road, Penn State New Kensington**

Bylaws, Article V, Section 5.09, entitled “Delegation of Duties”, (b) (iv) (3) provides for such purchases to be presented to the Board of Trustees for information. The Board of Trustees is advised of the following property transaction:

In November, 2013, the University purchased a .7 acre property including a one story split level 1,728 square foot residence adjoining Penn State New Kensington, located at 3450 Seventh Street Road, Upper Burrell Township, Westmoreland County from Kevin and Stacey Fitch for $215,000. The purchase provides strategic campus expansion opportunities and eliminates the possibility of adverse ownership, because the property is an internal parcel to land currently owned by the University.

(See Appendix II.3)

8. **Status of Major Construction Programs and Borrowing**

(See Appendix II.4)
9. Summary of Revisions to Existing Scholarships, Fellowships, Etc.

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.

10. Acknowledgement of Endowments and Other Major Commitments

The Committee on Finance, Business and Capital Planning is advised that for the period October 28, 2013, through December 13, 2013, 32 new funds totaling approximately $2,872,979 were accepted by the University, including scholarships, fellowships, etc. All of these items conform to established University policies and regulations.

For the period September 1, 2013 through October 31, 2013, 36 major commitments were accepted by the University totaling approximately $20,202,630.

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 January 16, 2014.

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.
### STATUS OF MAJOR CONSTRUCTION PROGRAMS AND BORROWING ( > $5 Million )

**December 31, 2013**

<table>
<thead>
<tr>
<th>ConstructionProject Data</th>
<th>BOT Milestones</th>
<th>Notes</th>
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<tr>
<td></td>
<td>Budget Commonwealth Gift Arch/Eng Final Plan Start Completion</td>
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<td>Notes</td>
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<td>University Park</td>
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<td>Philadelphia</td>
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<td>East Campus Steam Line</td>
<td>Construction is approximately 90% complete with pending quality / performance issues. Project program is approximately 70% complete.</td>
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<td>Health and Human Development Building</td>
<td>Construction is approximately 18% complete.</td>
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<td>South Frear Phase II Renovations</td>
<td>Construction is approximately 60% complete.</td>
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<td>South Halls Renovations and New Building</td>
<td>Construction is approximately 60% complete.</td>
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<td>Whitmore Laboratory Renovations</td>
<td>Construction is approximately 98% complete.</td>
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<td>Student Enrichment Center</td>
<td>Project in design.</td>
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<td>EEB Hub, Building 661 and 7R, Philadelphia Navy Yard</td>
<td>Project in design.</td>
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<td>College Way Addition</td>
<td>Project in design.</td>
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<td>IM Building Addition</td>
<td>Project out for bid.</td>
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<td>IM Building Addition Phase II</td>
<td>Project in design.</td>
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<td></td>
<td>HUB Addition</td>
<td>Construction is approximately 75% complete.</td>
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<td>MRL Renovations</td>
<td>Construction is approximately 60% complete.</td>
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<td>Mueller Laboratory Renovations</td>
<td>Construction is approximately 98% complete.</td>
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<td>Old Main Building Systems Renovation Phase I</td>
<td>Construction is approximately 60% complete.</td>
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<td>Old Main Building Systems Renovation Phase II</td>
<td>Construction is approximately 60% complete.</td>
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<td>Water Treatment Plant and Distribution System Upgrades</td>
<td>Construction is approximately 60% complete.</td>
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| | West Campus Chilled Water Plant 3000 Ton Chiller | Project in design. |
| | Whitmore Laboratory Renovations | Project in design. |
| | Transformer Replacement Program | Project in design. |
| | Water Treatment Plant and Distribution System Upgrades | Project in design. |
| | WCSP Steam Production Modifications | Project in design. |
| | WCSP Steam Turbine Replacement | Project in design. |

### Summary of University Long-Term Debt - $(000) (excluding PCT)

- **Total Bonds, Notes, and Capital Leases as of June 30, 2013**: $867,404
- **Borrowing Authority per September 2013 Board of Trustees**: $750,000
- **Total Bonds, Notes, and Capital Leases Issued**: $0
- **Bonds, Notes, and Capital Leases Issued Year to Date Fiscal Year 2013/14**: $0
- **Year to Date Principal Payments and Premium Amortizations**: ($29,097)
- **Future Capitalized Leases & Other Anticipated Commitments**: ($5,900)
- **Total Bonds, Notes, and Capital Leases as of December 31, 2013**: $744,100
- **Estimated Authority Remaining***: $838,307
- **Related Interest Expense Totals Approximately**: $16,536

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**Assisted Activity Monitoring - Related to Long-Term Debt**

- **Estimated Authority Remaining**: $838,307
- **Related Interest Expense Totals Approximately**: $16,536