A meeting of the Board of Trustees was held in the Chinese Room of Renaissance Mayflower Hotel, Washington, D.C., at 4:05 p.m. on March 21, 2008

The following Trustees were present: Broadhurst (chairman), Garban (vice chairman), Alexander, Baldwin, Chaiken, DiBerardinis, Foulke, Henning, Hetherington, Hintz, Huber, Jones, Junker, Metzgar, Peechatka, Poprik, Riley, Shaffer, Spanier, Strumpf, Suhey, Surma, and Wolff; and Trustee Emeriti Huck, Robinson, and Springer.

Present by invitation were faculty representatives Blood, Blasko, and Hufnagel; student representative Casiano; staff members Ammerman, DiEugenio, Erickson, Kirsch, Mahon, Pangborn, Paz, Pell, Poole, Romano, Schultz, and Weidemann; and Mr. Courtney of McQuaide Blasko.

It was voted to approve the minutes of the January 18, 2008 meetings of the Board of Trustees.

Reports from Standing Committees

A. Chair Alexander reported that the Committee on Campus Environment met on March 20, 2008, and there were no recommendations for action to present to the Board of Trustees.

B. Chair Jones reported that the Committee on Educational Policy met on March 21, 2008, and recommended that the Board of Trustees approve the following revision:

1. Revision to Policy and Procedure for Naming University Facilities

POLICY AD05 - NAMING UNIVERSITY FACILITIES AND ACADEMIC UNITS

PURPOSE:

To state the University's policy on naming University facilities and academic units.

GENERAL:

It is the policy of the University to name certain of its facilities (buildings, parts of buildings, roads, and plazas) and academic units (campuses, colleges, schools, departments, centers and institutes), in honor of benefactors, and other parties who have made substantial contributions to the University or to education in general.

GUIDELINES:

The following guidelines apply:

1. Ordinarily, University facilities and academic units will not be named for persons who are actively involved in or related to University operations. This includes members of the faculty and staff, board of trustees, advisory boards, legislators, and governmental officials. University facilities may be named for persons who have retired from active employment with the University after a sufficient time has elapsed from the date of the individual's retirement. This date should be determined by the Facilities Naming Committee.

2. When naming University facilities for corporations, the appropriateness of the corporate name in a public context should be taken into consideration. If the name of a corporation changes after a University facility is named for the corporation, the name of the University facility would remain the same unless a change is recommended by the Facilities Naming Committee in accordance with this policy. Corporate names may not be used for academic units.
3. When possible, building names should include a designation of their primary function:
   - Student living and dining quarters are designated as "halls" or "commons."
   - Buildings occupied by laboratories are designated as "laboratory."
   - Buildings primarily occupied by offices and classrooms are to be designated "building."
   - Special-use buildings may bear the name of that use separately or in combination with a person's name; for example, McCoy Natatorium or Pattee Library.

4. Parts of a building or area may be named separately to recognize benefactors who wish to underwrite the cost of the sub-unit or portion thereof, or persons who have made substantial contributions to the University or to education in general. In such cases, an appropriate plaque may be installed to acknowledge the naming. In such cases where the actual naming of the sub-unit may not be appropriate (individual faculty or staff office), an appropriate plaque may be installed outside of the office to acknowledge the contribution by the benefactor.

5. A uniform system of external marking of buildings is to be used University wide. These external markings should be approved by the Office of Physical Plant. In instances where buildings are named for benefactors or others, a plaque may be located in the lobby or other appropriate area of the building giving the full name and brief identification of those honored.

6. It is the general University policy to name buildings for benefactors (or parties benefactors are seeking to honor) only with the required minimum gift commitment of 50 percent of the cost of the funding needed for new construction or major renovations. Such a gift commitment must be payable over a five-year pledge term. This requirement should be viewed as a guideline. The University President has authority to make exceptions and recommend the naming action to the Board of Trustees for approval.

7. Gifts made through an irrevocable deferred gift technique—including, but not limited to a charitable remainder trust, pooled income fund, charitable gift annuity, deferred pledge agreement (estate note), or contract to make a will—have special considerations as follows:
   a. Such gifts generally will not be accepted for the purpose of naming new University buildings or parts of new buildings for which contributions from private sources are needed for construction costs.
   b. Ordinarily, such gifts may be accepted for the purpose of naming existing University buildings, or parts of buildings, provided there is no current need of funds for building renovations or expansion and that the face value of the gift is at least 75 percent of the replacement value of the building.
   c. Such gifts shall be accepted for the purpose of naming existing buildings, or parts of buildings, only if they are unrestricted. When received, the gift may be used by the then current college/campus dean or chancellor for worthy priorities of the college/campus.

8. It is the general policy of the University that roads, plazas, parts of buildings, and other appropriate areas named after benefactors will require the benefactor to contribute a predominant portion of the cost of the road, plaza, or sub-unit. The amount required for such naming will be determined by the President of the University upon the recommendation of the Facilities Naming Committee.

9. The duration of the benefactor's name association with any building, or part of a building, be that benefactor an individual or an organization, shall remain in place for the useful life of that building, or part thereof so designated, subject to conditions set forth in the Authority to Name section of this Policy. In the event that a building, or any part thereof, named for a benefactor is removed or replaced at the expiration of its useful life, the University shall not be obligated to continue the name, nor shall it be obligated to name any new construction intended to replace the building, or any part thereof, after the benefactor. The University may seek other means to recognize the benefactor after the useful life of the building.
10. For substantial contributions, the University may, following internal consultation and with the prior approval of the Board of Trustees, name a University academic unit in honor of an individual.

POLICY IMPLEMENTATION:

The leadership of academic units may forward recommendations for naming of such units to the University President for consideration and subsequent recommendation to the Board of Trustees.

The administrative committee on naming University facilities advises and makes recommendations to the President of the University on appropriate names for specific buildings, parts of buildings, roads, and plazas at all University locations. The committee is composed of the following members:

1. Associate to the President for Administration, Chair of the Committee.
2. Senior Vice President for Development and Alumni Relations.
3. Vice President for Commonwealth Campuses.
5. Chair of the University Faculty Senate.
6. Associate Vice President for Physical Plant.

Communications with the committee should be through the Office of the Senior Vice President for Development and Alumni Relations. Recommendations for naming a facility assigned to a specific academic or administrative unit will normally originate from the administrative officer of that particular unit. The committee will work closely with the dean or administrative officer to ensure that recommendations reflect University policy. In the case of facilities not assigned to specific units, the committee may generate the initial recommendations, based on available information.

Committee recommendations to the President should conform to the objectives outlined above. The committee shall keep a current list of all existing buildings that are appropriate for naming, if accompanied by a gift, deferred gift, or pledge commitment. This list should be reviewed annually by the Senior Vice President for Development and Alumni Relations and other appropriate University officials.

AUTHORITY TO NAME:

After receiving the committee recommendation for naming parts of buildings and plazas, the President of the University has the authority to make the final decision on the naming opportunity and apprise the Board of Trustees of his/her action.

In situations where parts of buildings and plazas may be funded by gifts, final negotiation with potential benefactors should not take place without first seeking the approval of the Facilities Naming Committee. The President, through the committee, will charge the appropriate administrative officer to negotiate with potential benefactors.

After receiving the committee’s recommendations for naming buildings and roads, the President makes final recommendations to the Board of Trustees for consideration and action.

Under no circumstances should final negotiations take place between an administrative officer of the University and a potential donor in naming a building or road without first seeking the approval of the Facilities Naming Committee and the President of the University.

If a building name is not forthcoming at the time the building has been completed, and a name is needed for identification purposes, only a generic name should be used, thus reserving the prerogative to bring forward a name that meets the established criteria at a later date. Examples of such generic names are: Oak Hall, Electrical Engineering East, Research West Building, North Hall, University Library, Music Building, etc.

In situations where a naming opportunity exists for an academic unit, the President has the authority to make final recommendations to the Board of Trustees for consideration and action.
The Board of Trustees shall have the authority to revoke the name of a University facility or academic unit in the event that the benefactor for whom the facility or academic unit was named: (i) is later convicted of a felony; or (ii) engages in conduct which, in the sole discretion of the Board of Trustees, is significantly detrimental to the reputation of the benefactor, such that continued name association between such individual and a University facility or academic unit would be contrary to the best interests of the University. If the benefactor is a corporation, the authority to revoke the name of a University facility bearing such corporation's name shall be exercisable by the Board of Trustees, upon recommendation of the President, in the event that any of the officers or directors of such corporation are later convicted of a felony or incur civil sanctions in their capacity as officers or directors of such corporation, which crimes or sanctions, in the sole discretion of the Board of Trustees, are significantly detrimental to the reputation of the corporation, such that continued name association between such corporation and a University facility would be contrary to the best interests of the University. Prior to the approval of a name revocation by the Board of Trustees as provided in this paragraph, the University shall provide the benefactor, or a representative of the benefactor, the opportunity to voluntarily relinquish the name from the University facility or academic unit, as the case may be.

The Board voted to approve the revision as recommended by the Committee on Educational Policy.

C. Chair Strumpf reported that the Committee on Finance and Physical Plant met on March 21, 2008, and recommended that the Board of Trustees approve the following resolutions:

1. 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 summarized below and the same are approved: (See Appendix I)
   
   A. Rodney L. and Casey C. Fletcher Academic Scholarship
   B. Reuben and Gladys Golumbic Scholarship Award Fund
   C. Doris N. McKinstry Scholarship
   D. Robert J. Miklos Memorial Award
   E. Reed B. Riker Women's Basketball Scholarship
   F. William F. Roberge and Shirley Roberge Trustee Scholarship
   G. School of Science Equipment Endowment
   H. School of Science Scholarship Fund

2. RESOLVED, That the Board of Trustees gratefully acknowledges the generous contributions of the many friends of the University in support of endowments, funds, and other major commitments as reported to the Committee on Finance and Physical Plant at its meeting of March 21, 2008.

   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.

3. RESOLVED, That the road that runs east of the Snider Agricultural Arena, between Park Avenue and Orchard Road is named "Arena Road," University Park.

4. RESOLVED, That the proposal whereby the University, through Penn State Hospitality Services, will contract with The Barash Group for a half-page advertisement in each monthly publication of the Town & Gown Magazine, for advertising in the Town & Gown Gift Guide and the Town & Gown Dining Guide, as well as advertising in the Football and Basketball Annuals at an annual cost not to exceed $17,500 is approved.

   FURTHER RESOLVED, That the proposal whereby the University, through The Center for the Performing Arts, will contract with The Barash Group to purchase various advertisements in the Town & Gown Magazine and the Arts Festival Guide, as well as various visitor guides, maps and other publications produced by The Barash Group at an annual cost not to exceed $20,000 is approved.
5. RESOLVED, that the recommendation of the Penn State Investment Council to commit $10 million in the Long-Term Investment Pool to Lubert Adler Real Estate Fund VI, L.P. is approved.

FURTHER RESOLVED, that the recommendation of the Penn State Investment Council to commit $20 million in the Long-Term Investment Pool to LLR Equity Partners III, L.P. is approved.

6. RESOLVED, That the Board of Trustees approves the sale of 75 acres in Ferguson Township, Centre County, Pennsylvania, to the Centre Region Council of Governments and Ferguson Township in the amount of $230,775, subject to a deed restriction defining its public use.

BE IT FURTHER RESOLVED, That the Board of Trustees approves granting Ferguson Township a 10-year, option to buy agreement for 25 acres in Ferguson Township, Centre County, Pennsylvania, subject to a deed restriction defining its public use and providing for the Board of Trustees having approval of the sales transaction.

BE IT FURTHER RESOLVED, That the Board of Trustees approves the sale of 59 acres in Ferguson Township, Centre County, Pennsylvania, to State College Borough Water Authority in the amount of $383,500, subject to a deed restriction that the property will be used as a water recharge area and remain in an undeveloped state.

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

7. RESOLVED, That the Board of Trustees approves the acquisition of the property containing 1.93 acres located at 4397 Station Road, Harborcreek Township, Erie County, from Matthew M. Gallagher and Thomas P. Gallagher for $176,000.

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

8. RESOLVED, That the Board of Trustees approves the acquisition of the property containing .22 acres located at 308 East Second Avenue, DuBois, Clearfield County from Joyce A. Higgins for $115,000.

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

9. RESOLVED, That the Board of Trustees approves the acquisition of the property containing approximately 4 acres located at 568 Middletown Road, Middletown Township, Delaware County, from the estate of Elaine A. Evans for $775,000.

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

10. Revision to Policy and Procedure for Naming University Facilities

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GUIDELINES:

The following guidelines apply:

1. Ordinarily, University facilities and academic units will not be named for persons who are actively involved in or related to University operations. This includes members of the faculty and staff, board of trustees, advisory boards, legislators, and governmental officials. University facilities may be named for persons who have retired from active employment with the University after a sufficient time has elapsed from the date of the individual's retirement. This date should be determined by the Facilities Naming Committee.

2. When naming University facilities for corporations, the appropriateness of the corporate name in a public context should be taken into consideration. If the name of a corporation changes after a University facility is named for the corporation, the name of the University facility would remain the same unless a change is recommended by the Facilities Naming Committee in accordance with this policy. Corporate names may not be used for academic units.

3. When possible, building names should include a designation of their primary function:
   - Student living and dining quarters are designated as "halls" or "commons."
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4. Parts of a building or area may be named separately to recognize benefactors who wish to underwrite the cost of the sub-unit or portion thereof, or persons who have made substantial contributions to the University or to education in general. In such cases, an appropriate plaque may be installed to acknowledge the naming. In such cases where the actual naming of the sub-unit may not be appropriate (individual faculty or staff office), an appropriate plaque may be installed outside of the office to acknowledge the contribution by the benefactor.

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11. RESOLVED, That the Officers of the University are authorized to appoint the firm of SMP Architects, of Philadelphia, Pennsylvania, as architect for the Residence Hall at Penn State Harrisburg.

The Board voted to approve the action items as recommended by the Committee on Finance and Physical Plant.

Informational Report on The Corporation for Penn State

A report on the activities of The Corporation for Penn State was presented by Dr. Graham B. Spanier, President and Chief Executive Officer of the Corporation.
Election of Directors of The Corporation for Penn State

The Board of Trustees voted to adopt the following resolution:

RESOLVED, That the following persons be elected to the Board of Directors of The Corporation for Penn State:

Marianne E. Alexander     Edward P. Junker III
James S. Broadhurst        Harold L. Paz
Rodney A. Erickson         Gary C. Schultz
Steve A. Garban            Graham B. Spanier
David R. Jones             Linda B. Strumpf

Announcements by the Chair of the Board of Trustees

Chairman Broadhurst in his remarks:

- Reported the results of the drawing to establish the position of candidates on the voting ballot for the 2008 Alumni Trustee election held on Thursday, February 28, 2008 at 1:30 p.m. The results were as follows:

  Position Nos. 1. Marianne Ellis Alexander, '62, Ellicott City, MD
                2. Marylouise Cernugel Uhlig, '67, Fairfax, VA
                3. A. Michael Erdman, '69, Ballston Lake, NY
                4. Joel N. Myers, '61, '63g, '71g, State College, PA
                5. Paul H. Sylvis, '06g, Port Matilda, PA
                6. Frank T. Guadagnino, '78, Pittsburgh, PA
                7. Ted H. Dwyer, '94, Newark, DE
                9. Thomas L. McCracken, '70, Wilmington, DE

  Robert C. Finley, '64, of State College, PA also received the required number of nominations to stand for election. However, Mr. Finley chose not to seek election to membership in 2008.

- Thanked Dr. Spanier and the senior staff members for the great work they do in the national arenas featured in the visit to Washington, D.C.

The meeting adjourned at 4:22 p.m.

Respectfully submitted,

Paula R. Ammerman
Associate Secretary
Board of Trustees