A meeting of the Board of Trustees was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, on May 12, 2006, at 3:20 p.m.

The following Trustees were present: Baldwin (chair), Broadhurst (vice chair), Alexander, Brosius, Conti, DiBerardinis, Eckel, Foulke, Garban, Hayes, Henning, Hintz, Huber, Jones, Joyner, Junker, Metzgar, Peechatka, Poprik, Riley, Rowell, Shaffer, Spanier, Strumpf, Suhey, Wolff, and Zahorchak; Trustees Emeriti Huck, Robinson, and Wise; and Governor's Representative Daniels.

Present by invitation were faculty representative Casteel, and Floros; student representatives Balaji, Livingston, and Stathes; staff members Ammerman, DiEugenio, Dolbin, Erickson, Kirsch, MacCarthy, Pangborn, Paz, Pell, Schultz, and Weidemann; and Mr. Courtney of McQuaide Blasko.

It was voted to approve the minutes of the March 17, 2006, meetings of the Board of Trustees.

**Reports from Standing Committees**

A. Chair Peechatka reported that the Committee on Campus Environment met on May 12, 2006, and there were no recommendations for action to present to the Board of Trustees.

B. Chair Riley reported that the Committee on Educational Policy met on May 12, 2006, and recommended that the Board of Trustees approve the following resolutions:

1. **RESOLVED,** That the Board of Trustees approves President Graham B. Spanier’s recommendation of the following change in titles: Eva J. Pell to Senior Vice President for Research and Dean of the Graduate School; Rodney P. Kirsch to Senior Vice President for Development and Alumni Relations; and Peter B. Weiler to Vice President for Development, effective immediately.

2. **RESOLVED,** That the Board of Trustees approves the change in name of the Department of Labor Studies and Industrial Relations to the Department of Labor Studies and Employment Relations in the College of the Liberal Arts, effective immediately.

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

C. Chair Metzgar reported that the Committee on Finance and Physical Plant met on May 12, 2006, and recommended that the Board of Trustees approve the following resolutions:

1. **RESOLVED,** That the Officers of the University are authorized to grant a right-of-way to Grace Bible Church of Erie to construct and maintain a driveway and sign along Technology Drive at Penn State Erie, The Behrend College.

2. **RESOLVED,** That the "MBNA Career Services Center" at University Park be renamed the "Bank of America Career Services Center."

**FURTHER BE IT RESOLVED,** That the officers of the University are authorized to implement additional name changes, as may be requested by Bank of America with respect to those portions of buildings and rooms within buildings that currently are named in recognition of MBNA, in accordance with the **Standing Orders** of the Board of Trustees and Policy AD-05.
3. RESOLVED, That pending adoption of a new budget to reflect clarification of the amount and form of the State appropriation, and subsequent decision regarding the amount of tuition charges, adjustments to salaries, wages, and employee benefits, and provisions for fuel and utilities and other cost increases, the Board of Trustees approves continuation for the interim period beginning July 1, 2006, total budget amounts at the level of the adjusted 2005-06 budget as follows:

<table>
<thead>
<tr>
<th>University Park and Other Locations</th>
<th>College of Medicine</th>
<th>Pennsylvania College of Technology</th>
<th>Dickinson School of Law</th>
<th>Total University</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>1,294,928,000</td>
<td>76,659,000</td>
<td>86,539,000</td>
<td>1,475,432,000</td>
</tr>
<tr>
<td>Agricultural Federal Funds</td>
<td>18,376,000</td>
<td></td>
<td></td>
<td>18,376,000</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td>441,150,000</td>
<td>67,000,000</td>
<td>26,992,000</td>
<td>537,087,000</td>
</tr>
<tr>
<td>Auxiliary Enterprisesa</td>
<td>255,985,000</td>
<td>3,661,000</td>
<td>16,791,000</td>
<td>276,867,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,010,439,000</strong></td>
<td><strong>$147,320,000</strong></td>
<td><strong>$130,322,000</strong></td>
<td><strong>$2,307,762,000</strong></td>
</tr>
</tbody>
</table>

The Milton S. Hershey Medical Center
- Other Hospital Income: $737,656,000
- Federal Medical Assistance Funds: 13,745,000

**TOTAL MILTON S. HERSHEY MEDICAL CENTER**: $751,401,000

**TOTAL FUNDS**: $3,059,163,000

*Includes increase in room and board charges as approved by the Board of Trustees, November 4, 2005.

4. 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. LTCOL Robert A. and Lois Barraclough Scholarship
B. Chelius Family Scholarship in Meteorology
C. Charles L. and Anna R. Hosler Scholarship in Meteorology
D. Anita Chevres and David Lipson Award
E. Helen and Lowell Manfull Theatre Scholarship
F. Isaac H. and Jeanette Novack Scholarship at Penn State Abington
G. John E. Sheehan Renaissance Scholarship
H. Raymond G. and Diana L. Tronzo Medical Informatics Endowment in the School of Information Sciences and Technology

5. 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 May 12, 2006.

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.
6. RESOLVED, That the sketch/preliminary plans for the University Health and Counseling Services Building, University Park, as designed by The Hillier Group of Philadelphia, Pennsylvania, are approved.

    BE IT FURTHER RESOLVED, That authorization to obtain bids and award demolition, site work, site utility, foundation, and structural steel contracts to construct the project be approved.

7. RESOLVED, That the sketch/preliminary plans for the new Cancer Institute, The Milton S. Hershey Medical Center, as designed by the firms of Payette Associates of Boston, Massachusetts, and Array Healthcare Facilities Solutions of King of Prussia, Pennsylvania, are approved.

    BE IT FURTHER RESOLVED, That authorization to obtain bids and award site work, site utility, foundation, and structural steel contracts to construct the project be approved.

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

Appointment of Members, Board of Directors of The Milton S. Hershey Medical Center

The Board of Trustees voted to adopt the following resolution:

    RESOLVED, that the following individuals are appointed as members of the Board of Directors of The Milton S. Hershey Medical Center for a three-year term ending June 30, 2009:

    David M. Joyner
    Edward P. Junker III
    Barry K. Robinson

Report on the Election of Trustees by Alumni

The report of the election of Trustees by alumni was presented by Trustee George Henning (See Appendix II). It was reported that the following candidates, having received the highest number of votes cast, were elected to the Board of Trustees for a term of three years beginning July 1, 2006:

    David R. Jones
    David M Joyner
    Anne Riley

The report of the results of the election of Alumni Trustees was approved.

Report of the Election of Trustees by Delegates

The report of the election of trustees by delegates from agricultural societies was presented by Chair Cynthia A. Baldwin (See Appendix III). It was reported that the following candidates were elected by the respective societies to the Board of Trustees for a term of three years beginning July 1, 2006:

    Barron L. Hetherington
    Carl T. Shaffer

The report of the results of the election of Agricultural Trustees was approved.
**Election of Trustees Representing Business and Industry Endeavors**

The Board of Trustees voted to adopt the following resolution:

RESOLVED, that the following individuals are elected as members of the Board of Trustees representing business and industry endeavors for a three-year term beginning July 1, 2006.

Edward R. Hintz, Jr.
Robert D. Metzgar

**Announcements by the Chair of the Board of Trustees**

Chair Baldwin, in her remarks:

- Congratulated Trustees Hintz, Jones, Joyner, Metzgar, Riley, and Shaffer on their reelection to the Board;

- Special Recognition was given to Charlie Brosius for his many years of service to the Board of Trustees;

- The AGB Conference on Trusteeship was held in early April and was attended by Jim Broadhurst, Steve MacCarthy and Paula Ammerman, and;

- Chair Baldwin announced that she was elected to serve as secretary of the AGB board of directors for a one year term.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Paula R. Ammerman
Associate Secretary
Board of Trustees