A meeting of the Board of Trustees was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, on May 16, 2008, at 2:16 p.m.

The following Trustees were present: Broadhurst (chairman), Garban (vice chairman), Alexander, Baldwin, Chaiken, Clemens, Eckel, Foulke, Hayes, Henning, Hetherington, Hintz, Huber, Jones, Joyner, Junker, Lubert, Metzgar, Myers, Peechatka, Poprik, Riley, Shaffer, Spanier, Strumpf, Suhey, and Surma; Trustee Emeriti Rowell and Wolff; and Governor's Representative Lewis.

Present by invitation were faculty representatives Blood and Coraor; student representatives Keirans, Khoury, and Mendoza; staff members Ammerman, Curley, DiEugenio, Dolbin, Erickson, Hanes, Hurley, Kirsch, Mahon, Pangborn, Paz, Pell, Poole, Romano, Schultz, Stryker, and Weidemann; and Mr. Courtney of McQuaide Blasko.

It was voted to approve the minutes of the March 20-21, 2008 meetings of the Board of Trustees.

**Reports from Standing Committees**

A. Chair Alexander reported that the Committee on Campus Environment met on May 16, 2008, and there were no recommendations for action to present to the Board of Trustees.

B. Vice Chair Hayes reported that the Committee on Educational Policy met on May 16, 2008, and recommended that the Board of Trustees approve the following resolutions:

   1. **RESOLVED**, That the Board of Trustees approves the change in administrative structure for the School of Nursing effective July 1, 2008.

      **FURTHER RESOLVED**, That the Board of Trustees approves the change in title of Dr. Paula Milone-Nuzzo from Director of the School of Nursing to the Dean of the School of Nursing effective July 1, 2008.

   2. **RESOLVED**, That the Board of Trustees approves President Graham B. Spanier's appointment of Damon R. Sims, J.D. as Vice President for Student Affairs effective August 1, 2008.

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

C. Chair Strumpf reported that the Committee on Finance and Physical Plant met on May 16, 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. Astorino Endowment for the School of Architecture and Landscape Architecture
      B. George R. and Ann E. Kemp Trustee Scholarship in the College of Agricultural Sciences
      C. Lehigh Valley Chapter of the Penn State Alumni Association Scholarship
      D. George J. Losoncy Endowment in Physics and Astronomy at Penn State Berks
      E. Reed Riker Graduate Scholarship in Education
      F. Dr. Dennis W. and Dr. Joan S. Thomson Distinguished Graduate Fellowship in Meteorology
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 May 16, 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 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, 2008, total budget amounts at the level of the adjusted 2007-08 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>Total University</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>$1,448,457,000</td>
<td>$86,256,000</td>
<td>$1,622,517,000</td>
</tr>
<tr>
<td>Agricultural Federal Funds</td>
<td>18,360,000</td>
<td></td>
<td>18,360,000</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td>488,250,000</td>
<td>72,000,000</td>
<td>586,418,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises*</td>
<td>282,783,000</td>
<td>3,896,000</td>
<td>306,754,000</td>
</tr>
<tr>
<td>Total</td>
<td>$2,237,850,000</td>
<td>$162,152,000</td>
<td>$2,534,049,000</td>
</tr>
</tbody>
</table>

Milton S. Hershey Medical Center $891,139,000

Total Funds $3,425,188,000

*Includes increase in room and board charges as approved by the Board of Trustees, November 2, 2007.

4. WHEREAS, it is desirable for the University to acquire property adjoining the University Park campus, along West College Avenue, through the acquisition of the O.W. Houts property comprised of 5.61 acres, with structures totaling 152,100 square feet;

RESOLVED, That the Board of Trustees approves the acquisition of eight parcels containing 5.61 acres located along West College Avenue, in State College Borough and Ferguson Township, Centre County, from the owners of the O.W. Houts properties, with $3,400,000 to be paid for the current purchase of seven parcels and an additional $1,000,000 to be paid for the eighth parcel at termination of an existing long term lease agreement.

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.

5. RESOLVED, That the officers are authorized and directed to take such steps as are necessary to implement a student facilities fee at University Park campus in the amount of $50 per semester for the academic year 2008-09 and $100 per semester for the academic year 2009-10 for the purpose of funding student-related facility projects.
BE IT FURTHER RESOLVED, That the officers are authorized and directed to take such steps as are necessary to implement a student facilities fee at each campus location other than University Park in the amount between $0 and $100 per semester as recommended by each campus Chancellor for the purpose of funding student-related facility projects, subject to approval by the Board of Trustees.

BE IT FURTHER RESOLVED, That the officers are authorized and directed to obtain student input to determine priorities and ideas for potential projects through appropriate structures at each campus.

BE IT FURTHER RESOLVED, That the fees at each campus will grow annually by no more than the rate of tuition increase in years subsequent to any phase-in period.

6. RESOLVED, That the Officers of the University are authorized to appoint the firm of Horizons Design of Brookline, Massachusetts, as architect for the Daycare Facility at University Park.

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

Approval to Grant Honorary Degree

The Board of Trustees approved the following resolution:

RESOLVED, That the Board of Trustees approves the granting of the Honorary Doctor of Science to Dr. J. Stuart Hunter at an upcoming commencement ceremony.

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, 2011:

- Cynthia A. Baldwin
- Rodney A. Erickson
- Edward R. Hintz, Jr.

Report on the Election of Trustees by Alumni

The report of the election of Trustees by alumni was presented by Anne Riley (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, 2008:

- Marianne E. Alexander
- H. Jesse Arnelle
- Joel N. Myers

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

Report on the Election of Trustees by Agricultural Delegates

The report of the election of Trustees by delegates from agricultural societies was presented by Chairman James S. Broadhurst (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, 2008:

- Betsy E. Huber
- Keith E. Masser
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, 2008:

James S. Broadhurst  
Linda B. Strumpf

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

Chairman Broadhurst in his remarks:

- Congratulated Trustees Alexander, Arnelle, Huber, Myers, and Strumpf on their reelection to the Board;
- Noted that the Board looks forward to welcoming Rodney Hughes and Keith Masser to the Board;
- Noted that Galen Foulke will complete his term as Trustee on June 30; and thanked him for his service;
- Informed the trustees that there will be a seminar on the afternoon of Thursday, July 10, 2008; and
- The review of committee and other assignments will be occurring over the course of the next few weeks.

The meeting adjourned at 2:45 p.m.

Respectfully submitted,

Paula R. Ammerman  
Associate Secretary  
Board of Trustees