A meeting of the Committee on Finance and Physical Plant was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, at 1:37 p.m. on May 16, 2008.

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

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

Chair Strumpf called the meeting to order.

The Committee on Finance and Physical Plant voted to recommend to the Board of Trustees approval of the following resolutions which were included in the Meeting Agenda or presented at the meeting:

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. **LDA-L.D. Astorino Companies Endowment for the School of Architecture and Landscape Architecture**

   Date Originally Established: April 27, 1999

   Source and Nature of Revisions: The name of the endowment was changed to the "Astorino Endowment for the School of Architecture and Landscape Architecture."

   B. **George R. and Ann E. Kemp Scholarship in the College of Agricultural Sciences**

   Date Originally Established: December 20, 2006

   Source and Nature of Revisions: The endowment was changed from a general scholarship to a trustee scholarship, and the name was changed to the "George R. and Ann E. Kemp Trustee Scholarship in the College of Agricultural Sciences."

   C. **Penn State Club of Lehigh County Endowed Scholarship**

   Date Originally Established: December 09, 1976

   Source and Nature of Revisions: The endowment name was changed to the "Lehigh Valley Chapter of the Penn State Alumni Association Scholarship" and changed all references to the "Penn State Club of Lehigh County" to the "Lehigh Valley Chapter of the Penn State Alumni Association." The eligibility of this scholarship was enhanced to add a preference for students from Lehigh or Northampton Counties in Pennsylvania.
D. **George J. Losoncy Endowment in Science at Penn State Berks**

Date Originally Established: September 26, 2007

Source and Nature of Revisions: The endowment name was changed to the "George J. Losoncy Endowment in Physics and Astronomy at Penn State Berks." The purpose of this endowment has been changed as to provide support to faculty, staff and students for curriculum development, student research and the enhancement of academic programs at Penn State Berks in Physics and Astronomy in the Division of Science.

E. **Reed Riker Graduate Scholarship in Engineering**

Date Originally Established: June 13, 2006

Source and Nature of Revisions: The scholarship name was changed to the "Reed Riker Graduate Scholarship in Education." The eligibility for this scholarship has been changed so that the graduate student must be enrolled in the College of Education.

F. **Dr. Dennis W. and Dr. Joan S. Thomson Graduate Fellowship in Meteorology**

Date Originally Established: June 25, 2007

Source and Nature of Revisions: The fund was changed from a Graduate Fellowship to a Distinguished Graduate Fellowship. The name has been revised to "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

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 following items were presented for the information of the trustees:

1. Replacement of Existing Modular Building at Wiley Laboratory, University Park
2. Retention of Modular Building at the Centralized Biological Laboratory, University Park
3. Status of Major Construction Programs and Borrowing
4. Summary of New Funds, including scholarships, fellowships, etc., accepted by the University during the period February 25, 2008 through April 18, 2008. All of these items conform to established University policies and regulations.

(a) Mary Ann Landis Alexander Destiny Scholarship
(b) The Endowment for the Arboretum at Penn State
(c) Dolores K. Brake Nursing Scholarship
(d) Sue Mann Breedlove and Mark Breedlove Trustee Scholarship in the College of Education
(e) John Bruno Memorial Football Scholarship
(f) Buckley Family Director's Fund for the Business Minor in the College of the Liberal Arts
(g) Matthew 25 Cavalline Trustee Scholarship
(h) Endowment for Enhancement of Undergraduate Chemical Education (EEUCE)
(i) Dina Daniele Scholarship in Education
(j) Eckel Family Trustee Scholarship
(k) EDUCATE Technology Scholarship
(l) College of Education Technology Fund
(m) Robert V. and Merriam K. Edwards Honors Scholarship
(n) Fred D. Falkinburg Trustee Scholarship
(o) Four Diamonds Fund Endowment for the Pediatric Cancer Experimental Therapeutics Program
(p) John Fowler and Betty (Vinson) Fowler Family Endowed Scholarship for Golf
(q) Louis J. and Donna M. Grabowsky Trustee Scholarship
(r) Erin K. Harrington ’04 Field Hockey Endowed Scholarship in Memory of Christine G. Harrington ’75 and Nancy J. Harrington ’77
(s) William G. and Marie E. Knecht Scholarship in Memory of Anne Knecht Starner ’91
(t) Isabel F. Knight Graduate Fellowship in History
(u) Mathematics Advanced Seminar Semester (MASS) Program Endowment
(v) Paul R. and Ruth H. McCleester Fund for the Advancement of Workforce Education and Development
(w) Penn State College of Medicine Match Day Celebration Endowment
(x) Heath and Micaela Mitts Endowed Athletic Scholarship
(y) David and Anna Morris Football Endowed Scholarship
(z) Lois J. and Glenn M. Moyer Trustee Scholarship in the Smeal College of Business
(aa) Navasky Family Endowed Fund for Wrestling
(bb) Sarma V. and Rama Pisupati Endowed Scholarship in Energy Engineering
(cc) Thomas A. Plein Foundation Trustee Scholarship
(dd) Joseph Priestley Lectureship in Anesthesiology
(ee) Richard and Lorraine Puleo Endowed Wrestling Scholarship
(ff) Department of Radiology Women's Imaging Program Endowment
(gg) Rakowich Family President's Future Fund Endowment
(hh) Rakowich Family Future Fund Endowment in the Smeal College of Business
(ii) Elaine Reidman and Andrew J. Phillips Graduate Scholarship in the College of the Liberal Arts
(jj) Morrie Schwab/Phi Sigma Delta Sigma Educational Foundation Trustee Scholarship
(kk) Donald C. Shirey Trustee Scholarship
(ll) Stephen R. Smith and Eileen Baumgarten Smith Endowed Men's Basketball Scholarship
(mm) Charles A. and Linda E. Sorber Trustee Scholarship in Engineering
(nn) Alyce Spector Tolerance and Diversity Program Fund at Penn State Harrisburg
(oo) Wolford Swimmer Trustee Scholarship
(pp) Christopher Votta Trustee Scholarship in the Smeal College of Business
(qq) Karen Weston Memorial Trustee Scholarship

5. Summary of major commitments accepted by the University during the period January 1, 2008 through February 29, 2008.

(a) Alliance for Cancer Gene Therapy
(b) American Heart Association
(c) Arnold and Mabel Beckman Foundation
(d) Frank Bell
(e) Estate of Lois Berstler
(f) Samuel and Susan Black
(g) Kenton and Audrey Broyles
(h) Carpenter Technology Corporation
(i) ChoicePoint
(j) Colcom Foundation
(k) Shirley English
(l) Foundation for Child Development
(m) General Motors Corporation
(n) Fletcher and Elsie Gornall
(o) Hamer Foundation
(p) Bernice Heffner
(q) Estate of Walter Hitchler
(r) Stanley and Aileen Jacobs
(s) John S. and James L. Knight Foundation
(t) William and Kathleen Joyce
(u) Judith and Jean Pape Adams Charitable Foundation
(v) Landmark Graphics Corporation
(w) Brook J. Lenfest Foundation Incorporated
(x) Vincent and Joyce McLean
(y) PA Higher Education Foundation
(z) Pardee Elsa U. Foundation
(aa) Edna Pierce
(bb) Estate of Eleanor Prutzman
(cc) Richard and Bonnie Richardson
(dd) RockJensen Foundation
(ee) Pasco Schiavo
(ff) Donald Shirey
(gg) Siemens Automation Drives
(hh) Silicon Valley Community Foundation
(ii) Campbell Stickeman
(jj) Estate of Betty Sundheim

The following reports were presented at the meeting:

6. Review of the physical plant at Penn State Erie, The Behrend College, site of the July 10-11, 2008 meeting. (A visual presentation was made.)
7. A photo report on the progress of selected construction projects was presented: the Business Classroom Building at Penn State Worthington Scranton; the Cancer Institute at The Milton S. Hershey Medical Center; the renovation of Trickett Hall and the new Lewis Katz Hall of the Dickinson School of Law in Carlisle; and the Student Health Center and Lewis Katz Building of the Dickinson School of Law at University Park. (A visual presentation was made.)

Counsel Courtney reported that there were no pending legal matters at this time.

The meeting adjourned at 2:16 p.m.