A meeting of the Committee on Finance and Physical Plant was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, at 1:38 p.m. on May 15, 2009.

The following Committee members were present: Broadhurst and Spanier (ex officio), Strumpf (chair), Henning (vice chair), Chaiken, Clemens, Eckel, Lubert, Metzgar, and Surma. Also present were Trustees Alexander, Amelle, Baldwin, Garban, Hayes, Hetherington, Hintz, Huber, Hughes, Jones, Joyner, Junker, Masser, Myers, Poprik, Quigley, Riley, Shaffer, and Suhey; and Trustees Emeriti Brosius, Huck, Robinson, Rowell, and Wise.

Present by invitation were faculty representatives Coraor and Hannan; student representatives Borsuk-Woodman and Keirans; staff members Ammerman, Bechtel-Wherry, DiEugenio, Dolbin, Doncsecz, Erickson, Horvath, Kirsch, Mahon, Pangborn, Paz, Pell, Poole, Romano, Schultz, Sims, Stryker, and Weidemann; and Mr. Courtney of McQuaide Blasko.

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:

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 requested by the donors.

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 15, 2009.

   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 Residence C at Penn State Mont Alto is named "George Perry House."
4. 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, 2009, total budget amounts at the level of the adjusted 2008-09 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>$1,538,853,000</td>
<td>$94,114,000</td>
<td>$1,722,197,000</td>
</tr>
<tr>
<td>Agricultural Federal Funds</td>
<td>19,144,000</td>
<td></td>
<td>19,144,000</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td>512,660,000</td>
<td>22,423,000</td>
<td>611,083,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises*</td>
<td>306,608,000</td>
<td>22,503,000</td>
<td>333,118,000</td>
</tr>
<tr>
<td>Total</td>
<td>$2,377,265,000</td>
<td>$139,040,000</td>
<td>$2,685,542,000</td>
</tr>
<tr>
<td>Milton S. Hershey Medical Center</td>
<td></td>
<td></td>
<td>$939,265,000</td>
</tr>
<tr>
<td>Total Funds</td>
<td></td>
<td></td>
<td>$3,624,807,000</td>
</tr>
</tbody>
</table>

*Includes increase in room and board charges as approved by the Board of Trustees, November 21, 2008.

5. WHEREAS, the assets of The Renaissance Fund are primarily managed by The Pennsylvania State University. The Renaissance Fund is a Pennsylvania Nonprofit Corporation organized for the purpose of awarding grants, loans, and other forms of financial aid to prospective and enrolled undergraduate students of the University;

WHEREAS, representatives of The Renaissance Fund desire to merge into The Pennsylvania State University pursuant to a Term Sheet which sets forth the principles, terms, and conditions for the merger of The Renaissance Fund with The Pennsylvania State University;

WHEREAS, the Board of Trustees has received information regarding the proposed merger, including a Term Sheet;

WHEREAS, at its meeting on November 18, 2008, the Board of The Renaissance Fund adopted an Agreement and Plan of Merger with The Pennsylvania State University, and authorized its officers to execute an Agreement and Plan of Merger and Articles of Merger with The Pennsylvania State University;

WHEREAS, the Office of the Attorney General of the Commonwealth of Pennsylvania issued a No Objection Letter to the proposed merger on February 20, 2009;

WHEREAS, the officers of the University believe that the merger of The Renaissance Fund is in the University’s best interest and will serve the interests of the Commonwealth of Pennsylvania.
THEREFORE, BE IT RESOLVED, That the Board of Trustees hereby approves the merger of The Renaissance Fund with The Pennsylvania State University and adopts as proposed the Agreement and Plan of Merger, pursuant to Section 5924 of the Pennsylvania Nonprofit Corporation Law, in substantially the same form as set forth in the Term Sheet.

FURTHER, BE IT RESOLVED, That the Board of Trustees empowers and directs the officers of the University to execute the Agreement and Plan of Merger and any related merger documents, to file with the Commonwealth of Pennsylvania and appropriate county office any and all articles, amendments, certificates and all other forms and related documents required to complete and implement the merger of the two corporations.

6. RESOLVED, That the Board of Trustees approves the acquisition of the property containing approximately 6.55 acres located in Derry Township, Dauphin County, Pennsylvania, from Bruce H. and Doris L. Winters for $280,000.

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.

The following items were presented for the information of the trustees:

1. Greenhouse at Chemical Ecology Laboratory, University Park
2. University Area Joint Authority Pump Station, University Park
3. Naming of Rooms, Portions of Buildings and Plazas
   a. The bedroom suites in the fifth floor of Aaron Building at Penn State Altoona “The Sutter Suites” for a commitment from Richard C. Sutter.
   b. The orthopedic physicians office in Lasch Football Building the "Semion Family Orthopedic Physicians Office" for a pledge from Christopher Semion.
   c. The men's basketball office complex the "Joseph J. Chemerys Conference Room" for a realized bequest from John Chemerys.
   d. A conference room in the Hershey Heart and Vascular Institute at The Milton S. Hershey Medical Center for a gift from the family of Robert Hamilton. The plaque should read: "Penn State Hershey Heart and Vascular Institute, Robert D. Hamilton Library/Conference Room."
4. Status of Major Construction Programs and Borrowing

The following reports were presented at the meeting (visual presentations were given):

5. Report on Status of Appropriation Request
6. Review of the physical plant at Penn State New Kensington, site of the July 9-10, 2009 meeting.
7. A photo report on the progress of selected construction projects was presented: the renovation of Trickett Hall and the new Lewis Katz Hall in Carlisle, the Cancer Institute at The Milton S. Hershey Medical Center, and the Millennium Science Complex, University Park.
With respect to the March 11, 2009 decision of the United States District Court for the Middle District of Pennsylvania, granting full and final summary judgment on behalf of the University in the litigation filed by Dr. Beverly Lindsay, who is a professor in the College of Education and former Dean of the Office of International Programs, Counsel Courtney reported that Dr. Lindsay filed a notice of appeal with the Third Circuit Court of Appeals on April 9.

Additionally, Counsel Courtney gave an update on the Phi Delta Theta litigation. On March 20, 2009 the Centre County Court of Common Pleas entered an order denying Phi Delta Theta's motion to dismiss the University's complaint filed against it. On April 27, the court entered an order granting the motion of the national Phi Delta Theta Fraternity to intervene in the pending litigation between Penn State and the local Phi Delta Theta Fraternity.

The meeting adjourned at 2:00 p.m.