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MINUTES OF MEETING  
**BOARD OF TRUSTEES**  
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November 5, 2010

A meeting of the Board of Trustees was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, at 10:15 a.m. on November 5, 2010.

The following Trustees were present: Garban (chairman), Surma (vice chairman), Alexander, Arnelle, Broadhurst, Clemens, Dambly, Deviney, DiBerardinis, Eckel, Frazier, Hayes, Hetherington, Hintz, Hughes, Jones, Joyner, Lubert, Masser, Myers, Peetz, Redding, Riley, Shaffer, Silvis, Spanier, Strumpf, and Suhey; and Trustees Emeriti Brosius, Coppersmith, Junker, Madigan, Rowell, Wise and Wolff.

Present by invitation were faculty representatives Landa Pytel, Hagen and Backer; student representatives Raouda, Ragland and Lozano; staff members Ammerman, Baldwin, DiEugenio, Erickson, Foley, Hanes, Horvath, Kirsch, Mahon, Mulroy-Degenhart, Pangborn, Paz, Poole, Sims, and Weidemann.

Chairman Garban welcomed new members of the Board of Trustees Mark H. Dambly, President, Pennrose Properties, LLC, and Paul H. Silvis, Head Coach, SilcoTek. They were appointed by Governor Rendell and received Senate confirmation on October 12. Chairman Garban also welcomed the University Faculty Senate Officers Jean Landa Pytel, Daniel Hagan and Larry Backer; student representatives Mohaned Raouda, Christian Ragland and Jonathan Lozano.

It was voted to approve the minutes of the meeting of the Board held on September 17, 2010.

**President's Report**

Dr. Spanier's report is included in its entirety:

"This morning I have several items to share, but first I want to note that this week Penn State alumna Kelly Ayotte became the U.S. Senator-elect from New Hampshire. Kelly graduated from Penn State in 1990 with a degree in political science and joins a long list of alumni who have served in federal, state and local government.

"Now on to other news. While we have been enjoying the changing fall colors, some on campus are only focused on a particular color--Green. We are currently engaged in a Strategic Sustainability Process involving campus leaders, external consultants, students and staff. Right now I want to show an excellent short video that illustrates some of our efforts, but before I do allow me to introduce Penn State's Director of the Campus Sustainability Office, Erik Foley. He has been with Penn State for over a year and has made some great strides in bringing together sustainability projects and people. Eric, can you please stand and remain standing while I introduce Penn State Public Broadcasting's Tom Keiter, who served as the writer and director on the video and Catie Grant, who wore many hats as the producer. Tom and Catie, can you also please stand so you can all be recognized? (Applause)

"Thank you. Now, I hope you enjoy the video. [Video shown.]

"Penn State generally earns high marks in national rankings, but one recent ranking has made Penn State the envy of higher education and is a particular source of pride among our alumni. The ranking I'm referring to comes from the *Wall Street Journal* survey that named Penn State No. 1 among recruiters. The newspaper asked recruiters to identify the schools 'whose bachelor degree graduates were the best-trained and educated, and best able to succeed once hired.'

"Since that story ran in September, I can't tell you how many leaders in higher education and business have remarked on the value of that ranking. Given today's tough economic climate, I'm pleased to share that good news with students, families and of course, prospective employers.

"Now I'd like to show you the 30 second television spot we'll be using to get the word out to millions of viewers in the coming months on ABC, CBS, ESPN and during Big Ten Network programs. [Video clip shown.]

"Given our strengths in this area, it's not surprising that Penn State continues to be a top choice among students. Rob Pangborn will give a full admissions report a little later, but I do want to note a couple of highlights.

"This year Penn State has seen record enrollment of almost 96,000 students. We met our enrollment goals across the university, and at University Park alone, we welcomed back 44,000 students. Our incoming class was selected from a record-setting number of applications--115,000. Some of the biggest increases, compared to last year, were in graduate applications, which were up 11 percent; Dickinson School of Law applications were up 31 percent, and Medical School applications were up seven percent.

"We are now focusing on the 2011 admissions cycle, and we have already received more than 34,000 applications for admission.

"Once the students enroll at Penn State, evidence suggests that they are delighted to be here. The 2010 Student Satisfaction Survey recently reported a high level of satisfaction overall. Teaching quality, faculty availability and a sense of belonging at Penn State all received high marks.

"Penn State students also wish to make a lasting impact on campus through a Senior Class Gift. This week, the Class of 2011 voted to create a plaza that honors Lt. Michael P. Murphy, the only Penn State alumnus to win the Medal of Honor, and all other Penn State veterans. Penn Staters have bravely served in the military, dating back to the Civil War, and the University now has the largest ROTC program of any non-military institution. This class gift is a wonderful tribute to our veterans, and it will be a memorable addition to our campus.

"Penn State's research enterprise has had a phenomenal year. According to a recent survey by the National Science Foundation, Penn State rose to ninth place among all the nation's colleges and universities in total research and development expenditures in science and engineering for fiscal 2008-09.

"Penn State also placed in the top of the long-awaited National Research Council rankings, which rated the quality of research doctorate programs in the U.S. The report confirmed that Penn State has dozens of outstanding programs that are among the very best in the nation. Among Penn State's highest ranked programs are: Anthropology, Plant Biology, Kinesiology, Spanish and Nutrition, to name just a few.

"This type of recognition affirms the exceptional quality of our faculty, and Penn State is very fortunate to have some of the very best teachers and researchers in the world.

"Take Steve Benkovic for example. An Evan Pugh professor of chemistry and holder of the Eberly Family Chair in Chemistry at Penn State, Steve was one of 10 researchers named by President Obama to receive the 2010 National Medal of Science, the nation's highest award for lifetime achievement in scientific research. He has been with Penn State since 1965, which incidentally is a year before Joe Paterno became head coach.

"On the other end of the career spectrum is Shaffer Career Development Assistant Professor of Biology Beth Shapiro. I introduced Beth at our meeting last November in recognition of her selection as a MacArthur Fellow. This year she won a National Geographic Emerging Explorers Award and followed it up with a Packard Fellowship for Science and Engineering. The Packard Fellowship of \$875,000 will be paid over five years beginning this month. We're very fortunate to count Steve and Beth among our faculty.

"Moving on to other University news, it has been a celebratory fall on many of our Commonwealth Campuses. Last month we celebrated more than four decades at Penn State Hershey.

"The capstone of the evening was the premier of the film, *Memories and Milestones*, which portrays the history, impact and life-changing work done at Penn State Hershey.

"Notably this year the Medical Center will see its 20 millionth patient, and at the premier we had the pleasure of meeting the hospital's first patient, Nancy Nightwine.

"After Hershey, we headed to Penn State DuBois to help them celebrate their 75th anniversary. It was a wonderful event, and shown here is Dr. Anita McDonald with Tony and Maureen Viglione, who you may remember from our July meeting when they hosted many of us at their house.

"From DuBois we went to Penn State Lehigh Valley, where they rolled out the Blue Carpet to celebrate their new location. Hundreds of people turned out for the event, and we marked the occasion with a new historical marker. The Lehigh Valley continues to grow in population and in business and industry, and this campus is ideally situated to expand the opportunities for higher education in the region.

"At Penn State Fayette, Francis K. Achampong was named chancellor. He had been serving on an interim basis and previously was the director of academic affairs at Penn State Mont Alto.

"Penn State Harrisburg also named a new chancellor, Mukund Kulkarni. He had been serving as interim chancellor since July 1 and was formerly the senior associate dean for academic affairs at Penn State Harrisburg.

"At Penn State Greater Allegheny, Chancellor Curtiss E. Porter has been selected as a recipient of the YWCA's 2010 Racial Justice Award. Dr. Porter will be honored for his efforts to eliminate racism and promote equality.

"My final campus note comes from Penn State Hazleton, which just won the 'Pride of Place' Award from the Greater Hazleton Chamber of Commerce for the extensive beautification efforts on the campus. This is a very nice honor for a beautiful campus.

"When it comes to record-setting academic performance, Penn State student-athletes continue to graduate well above their peers nationwide, according to statistical information released by the NCAA.

"The NCAA's annual study of institutions nationwide revealed that Penn State student-athletes at the University Park campus earned a record Graduation Success Rate of 90 percent compared to a 79 percent average for all Division I institutions. Congratulations to the student-athletes, coaches, academic advisors and support staff members who have made this level of success possible.

"One stand-out student-athlete is Stefen Wisniewski, and this fall he won one of the most prestigious honors available to collegiate football student-athletes. Stefen was selected as one of 16 National Football Foundation and College Hall of Fame Scholar-Athletes from across the NCAA and NAIA divisions. He will receive an \$18,000 scholarship for post-graduate studies and he is a finalist for the William V. Campbell Trophy, which is presented to the nation's premier college football Scholar-Athlete. Stefen is here today and I'd like to ask that he stand. Please join me in some well-deserved recognition for a remarkable young man. (Applause)

"The fall intercollegiate athletics season is well underway, and we're looking forward to our winter sports. Our wrestling team has the strongest schedule in years. Penn State will be taking on our perennial rival Lehigh next weekend, Ohio State comes in December and then Iowa in January. Ticket sales are at an all-time high, and we're looking forward to a great season. Head Coach Cael Sanderson is with us this morning. Cael, please stand, so you can be recognized. (Applause)

"I also want to introduce our new women's gymnastics coaches, Jeff and Rachelle Thompson, who joined us this summer. They were formerly at Auburn University, with Jeff named as two-time SEC Coach of the Year. I encourage you to come out to support the team and to welcome Jeff and Rachelle to State College. Can you both please stand to be recognized? (Applause)

"To finish I have two quick items that cover some of our more unconventional athletes. First, we have our Feature Twirler Matt Freeman, twirling fire during a lightning storm. This dramatic photo, which was taken by student photographer Andy Colwell, won a competition to be on the cover of *Twirl* magazine. Andy and Matt are also here; and I'd like to recognize them both for their exceptional talents in twirling and photography. (Applause)

"Finally...to raise money for THON, 50 members of the Blue Band, led by Dr. Richard Bundy, joined about 4,000 participants to run a 5K. Andy Colwell, who is also a member of the band, did double duty, when he took this photo during the run.

"That concludes my report. I'll be happy to take your questions."

### **Progress Report on *For the Future: The Campaign for Penn State Students***

Mr. Rodney P. Kirsch, Senior Vice President for Development and Alumni Relations, provided a progress report on *For the Future: The Campaign for Penn State Students* and University Development.

### **Informational Report on Enrollment and Student Financial Aid**

Dr. Robert N. Pangborn, Vice President and Dean for Undergraduate Education, presented the annual informational report on Penn State's admissions, enrollment and financial aid, and convened a panel including Ms. Anne L. Rohrbach, Executive Director for Undergraduate Admissions, and Ms. Anna M. Griswold, Assistant Vice President for Undergraduate Education and Executive Director for Student Aid, to respond to questions.

### **Reports from Standing Committees**

#### **A. Committee on Campus Environment**

Chair Hughes reported that a quorum of the Committee on Campus Environment was present with the following members in attendance: Hughes (chair), DiBerardinis (vice chair), Garban and Spanier (ex officio), Alexander, Dambly, Deviney, Hetherington and Suhey. There were no recommendations for action to present to the Board of Trustees.

Chair Hughes reported that since the last meeting the Committee had an opportunity to explore the topic of Threat Assessment. The idyllic setting of a college campus can mask the trouble some individuals suffer and the risks those individuals may pose to the broader community. Identifying, preventing, assessing, managing, and reducing interpersonal and behavioral threats to the safety of students, faculty, staff, and visitors to Penn State is a challenge that now falls to a newly established Threat Assessment Team that is chaired by Steve Shelow, Director of University Police. Joe Puzycki, Assistant Vice President for Student Affairs serves as vice chair of the team.

#### **B. Committee on Educational Policy**

Chair Joyner reported that a quorum of the Committee on Educational Policy was present with the following members in attendance: Joyner (chair), Frazier (vice chair), Garban and Spanier (ex officio), Arnelle, Hayes, Huck, Jones, Metzgar, Myers, Peetz, Riley and Silvis.

Chair Joyner reported that since our last meeting, the Committee had an opportunity to learn about the School of International Affairs, the law school, and collaboration between the two from Philip McConaughay, Dean of the Dickinson School of Law and Chair of the Executive Committee of the School of International Affairs and Tiya Maluwa, H. Laddie Montague Chair in Law and Director of the Penn State School of International Affairs.

**C. Committee on Finance and Physical Plant**

Chair Strumpf reported that a quorum of the Committee on Finance and Physical Plant was present with the following members in attendance: Strumpf (chair), Masser (vice chair), Garban and Spanier (ex officio), Broadhurst, Clemens, Eckel, Hintz, Lubert, Shaffer, and Surma.

Chair Strumpf reported that since the last meeting, the Committee had the opportunity to receive an organizational and financial overview of Housing and Foods, a division of Auxiliary and Business Services led by Gail Hurley and Rich Pearce. Additionally, Joe Doncsecz provided an overview of non-endowed funds.

The Committee on Finance and Physical Plant 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 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 November 5, 2010.

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 subcontract with AccuWeather, Inc. to provide support to the contract entitled, "CDI -Type I: International Collaboration to Study Oceanic Currents Phenomena and Climate Changes Through Cross-Mining and Retrieving Multispectral Satellite Image and Sensor Network Data," in the amount of \$149,997 is approved.

4. RESOLVED, That Bohlin Cywinski Jackson of Wilkes-Barre, Pennsylvania, is the architect of record for the final plans for Henderson Building - Phase II, renovations and additions to Henderson South, University Park.

5. RESOLVED, That the following non-University employee of the Penn State Investment Council is appointed for a term ending 2011:

- Gary Glynn, President and Chief Investment Officer, US Steel and Carnegie Pension Fund (New York, NY)

6. RESOLVED, That the final plans for the new Biological Research Laboratory as designed by the firm of Payette Associates of Boston, Massachusetts, are approved.

BE IT FURTHER RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$23,000,000 from funds available to the University.

7. RESOLVED, That the final plans for the Pollock Dining Commons Renovations as designed by the firm of Mesher Shing McNutt of Seattle, Washington, are approved.

BE IT FURTHER RESOLVED, That authorization to award contracts to construct the project be approved at a cost of \$11,700,000 from funds available to the University.

8. RESOLVED, That room and board charges at all locations be increased as shown on Schedules I through IV attached hereto and which are a part of this resolution. (See Appendix I)
9. RESOLVED, That the Officers of the University are authorized to appoint the firms of Crawford Architects from Kansas City, Missouri, with Bohlin Cywinski Jackson from Wilkes-Barre, Pennsylvania, as architects for the Ice Arena at University Park.

The Committee received the following items for information:

1. Broadcasting Facility at Recreation Hall, University Park
2. Forestry Meadow Wing Slab Remediation, University Park
3. West Campus Chilled Water Plant Upgrades - Cooling Tower Purchase, University Park
4. Scoreboards at Recreation Hall, University Park
5. Hospital South Addition Roof Replacement, The Milton S. Hershey Medical Center
6. Naming of Rooms, Portions of Buildings and Plazas
  - a) A small group study pod (Room 5A) in the Knowledge Commons of Pattee Library at University Park the "Sally L. Schaadt Small Group Study Pod" for a gift from Sally Schaadt.
  - b) The Tutoring Room (Room 132) in the Lasch Football Building the "Christian '97 and Joanna '97 Massetti Tutoring Room" for a gift from the DONWIL Company.
7. Purchase of Dreibelbis Property, University Park
8. Status of Major Construction Programs and Borrowing
9. Conflict of Interest - Disclosure
10. Report on the University's Audited Financial Statements made by Joseph J. Doncsecz, Corporate Controller
11. Photo Report on Selected Construction Projects
  - a) Millennium Science Project
  - b) Gary Schultz Childcare Center in Hort Woods
  - c) Penn State Berks Classroom Building
  - d) Children's Hospital, Penn State Hershey
  - e) Parking Garage, Penn State Hershey
  - f) Otto Behrend Science Building Lab Renovations, Penn State Erie

The Board voted to approve the action items as recommended by the Committee on Finance and Physical Plant. (Trustee Myers abstained from voting on Action Item C.3., and Trustee Surma abstained from voting on Action Item C.5.)

### **Legal Matters**

Vice President and General Counsel Cynthia Baldwin had no items to report.

**Proposed Appointment of a Screening Committee for the Distinguished Alumni Award**

It was voted to authorize the President of the Board to appoint a committee to screen all nominees for the Distinguished Alumni Award, and present a slate at the January 2011 meeting.

The meeting adjourned at 2:48 p.m.

Respectfully,

Paula R. Ammerman  
Associate Secretary  
Board of Trustees