A meeting of the Committee on Finance and Physical Plant was held in the Boardroom of The Nittany Lion Inn, University Park, Pennsylvania, at 1:00 p.m. on September 15, 2006.

The following Committee members were present: Baldwin and Spanier (ex officio), Metzgar (chair), Strumpf (vice chair) Broadhurst, Chaiken, Clemens, Hintz, Peetchatka, Poprik, and Shaffer. Also present were Trustees Alexander, Conti, Daniels, Foulke, Garban, Hayes, Henning, Hetherington, Huber, Jones, Joyner, Junker, Myers, Riley, Rowell, Suhey, and Zahorchak; and Trustees Emeriti Cook, Frey, Huck, Wise, Wolff, Wood, and Zemprelli.

Present by invitation were faculty representative Blasko, Casteel, and Floros; staff members Ammerman, Branigan, Curley, DiEugenio, Dolbin, Erickson, Kirsch, MacCarthy, Pangborn, Paz, Romano, Schultz, Stryker, Thomas, Triponey, Turow, and Weideman; 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 or presented at the meeting:

1. RESOLVED, That Officers of the University are authorized to grant a right-of-way to College Township to construct and maintain an extension to the bike trail along Puddintown Road from its current terminus near the Mount Nittany Expressway to Orchard Road at University Park.

2. RESOLVED, That Officers of the University are authorized to grant a right-of-way to Allegheny Power to construct and maintain overhead electric lines along the eastern end of University property located near Nixon Road in Ferguson Township at University Park.

3. RESOLVED, That Officers of the University are authorized to grant a right-of-way to Allegheny Power to construct and maintain a single pole and anchor guy on University property to serve the new Woodland Hills Development along Fox Hill Road in Patton Township at University Park.

4. RESOLVED, That the Downtown Conference Center at Penn State Altoona is named the "Devorris Downtown Center."

5. RESOLVED, That the proposed Academic Commons at Penn State Wilkes-Barre is named the "Abram Nesbitt, III Academic Commons."

6. RESOLVED, That the former Nesbitt Library at Penn State Wilkes-Barre is named the "John R. Murphy Student Services Center."

7. RESOLVED, That a road at Penn State Erie, The Behrend College, is named "College Drive."

8. 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. Department of Anesthesiology Medical Student Award in Honor Sir Frederick Hewitt

Date Originally Established: May 13, 2002

Source and Nature of Revisions: This award was revised to allow for unawarded money to either be added to the principal or retained for award
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together with monies the following year, as determined by the Director of Education, the Director of the Medical Student Training, and the Chair of the Department of Anesthesiology. Previously, unawarded money was added to the principal.

B. **Beaver Valley Area Chapter of the Penn State Alumni Association Endowed Scholarship**

Date Originally Established: August 8, 2000

Source and Nature of Revisions: Eligibility for this scholarship was revised to include that a student must be a resident of the Beaver campus service area. Additionally, the requirement for applicants to complete a separate scholarship application and submit an essay and letter of recommendation was removed.

C. **George Dewey and Mary J. Krumrine Endowment**

Date Originally Established: December 12, 1986

Source and Nature of Revisions: This endowment was revised to allow for unawarded money to either be added to the principal or retained for award, as determined by the Head of the Department of Art History. Previously, unawarded money was added to the principal.

D. **Penn State Glee Club Endowment Fund**

Date Originally Established: March 31, 1980

Source and Nature of Revisions: The fund name was changed to the "Penn State Glee Club Endowment." Additionally, the "Glee Club Director Endowment" was added to this endowment. Allowable expenditures were expanded to include support of the Penn State Glee Club Program. Previously expenditures were limited to awards and grants to members of the Glee Club.

E. **E. Willard and Ruby S. Miller Faculty Fellows Fund**

Date Originally Established: January 13, 1982

Source and Nature of Revisions: Eligibility for this fund was revised to include all full-time members of the College of Earth and Mineral Sciences faculty. Previously, only full-time members of the faculty under the age of 50 were considered.

F. **E. Willard and Ruby S. Miller Geography Graduate Student Fund**

Date Originally Established: April 9, 1996

Source and Nature of Revisions: This fund was divided to allow for the creation of a Distinguished Graduate Fellowship. The criteria for the Graduate Student Fund did not change.

G. **Dr. Moylan C. Mills Endowment for Cultural Arts at Penn State Abington**

Date Originally Established: July 23, 2002

Source and Nature of Revisions: The endowment name was changed to the "Dr. Moylan C. and Barbara D. Mills Endowment for Cultural Arts at Penn State Abington."
H. **Special Collections Library Exhibitions Program Endowment**

**Date Originally Established:** June 25, 2002

**Source and Nature of Revisions:** The endowment name was changed to the "Sandra K. Stelts and Ronald L. Filipelli Exhibitions Program Endowment for Special Collections."

I. **Student Cabin and Special Facilities Fund**

**Date Originally Established:** June 10, 1994

**Source and Nature of Revisions:** The fund name was changed to the "Student Recreational Facilities/Equipment Fund." Additionally, the purpose of this fund was changed to provide monies for the purchase, construction, and/or maintenance of facilities or equipment that benefit the recreational environment of the student population at University Park. Previously, the fund provided monies for capital expenditures incurred in the maintenance of facilities used by student organizations, for which no general funds are expended.

J. **David Suarez Memorial Scholarship - A Remembrance from his Colleagues at Deloitte Consulting/Deloitte & Touche**

**Date Originally Established:** September 10, 2003

**Source and Nature of Revisions:** The scholarship name was changed to the "David Suarez Memorial Scholarship - A Remembrance from His Colleagues at the Deloitte U.S. Firms." This scholarship was also revised to allow for unawarded money to either be added to the principal or retained for award together with the monies available for expenditure in the following year, as determined by the Office of Student Aid Scholarship Committee. Previously, unawarded money was added to the principal.

K. **Sue Alexander Tressler Memorial Research Fund**

**Date Originally Established:** March 31, 2003

**Source and Nature of Revisions:** This fund was revised to allow for awards to a graduating resident for his/her research project in the area of gynecological oncology. Previously, this fund was limited to support of research in the gynecological oncology area.

L. **Janet A. Williamson Graduate Award in Nursing**

**Date Originally Established:** March 31, 2003

**Source and Nature of Revisions:** Eligibility for this scholarship was expanded to include part-time graduate students who have completed all requirements except the dissertation.

9. **RESOLVED,** That the following five non-University employees of the Penn State Investment Council are appointed for one-year terms:

- Timothy J. Crowe, Managing Director, Anchor Point Capital LLC (Coral Gables, FL)
- Edward R. Hintz, Jr., President, Hintz, Holman & Robillard, Inc. (Chatham, NJ)
- Arthur D. Miltenberger, Vice President and Chief Financial Officer (Retired), R. K. Mellon & Sons (Ligonier, PA)
10. 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 September 15, 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.

11. RESOLVED, That the Officers of the University are authorized to submit to the Legislature, appropriate departments, and offices of the Commonwealth of Pennsylvania, a State Appropriation Request for fiscal year 2007-2008 in the amount of $365,167,000.

12. RESOLVED, That the Officers of the University are authorized to submit to the Legislature, appropriate departments, and offices of the Commonwealth of Pennsylvania, a Capital Budget Request for fiscal year 2007-2008 in the amount of $89,500,000.

13. WHEREAS, it is desirable for the University to acquire property adjoining the University Park campus, along North Atherton Street, from the Smith Partnership and through the acquisition of H. O. Smith & Sons, Inc. comprised of approximately 1.46 acres with structures totaling 36,150 square feet;

RESOLVED, That the Board of Trustees approves the acquisition of properties located at 120, 124 and 128 North Atherton Street from the Smith Partnership for the purchase price of $1,005,000.

BE IT FURTHER RESOLVED, That the Board approves the acquisition of all outstanding common stock of H. O. Smith & Sons, Inc. for the purchase price of $1,884,000, liquidation of H. O. Smith & Sons, Inc, and transfer of the corporation’s properties located at 134-140 and 146 North Atherton Street, and 445-459 Railroad Avenue to the University.

BE IT FURTHER RESOLVED, That the Officers of the University are authorized and directed to take such steps as are necessary to make effective these resolutions.

14. RESOLVED, That the Board of Trustees approves the sale of the 10.885-acre property located at 310 Allen Road, Carlisle, Cumberland County, Pennsylvania, to Cumberland County in the amount of $2,400,000.

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.

15. RESOLVED, That the Board of Trustees approves the sale of the .73-acre property located in The Peninsula development, Silver Spring Township, Cumberland County, Pennsylvania, to C & C Residential Builders, Inc. in the amount of $99,000, with net sale proceeds designated to fund the Joseph D. Snyder Family Athletics Scholarship.

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.
16. RESOLVED, That the final plans for the Academic Commons, Penn State Wilkes-Barre, as designed by the firm of Bohlin Cywinski Jackson of Wilkes-Barre, Pennsylvania, are approved.

BE IT FURTHER RESOLVED, That authorization to obtain bids and award contracts to construct the project be approved at a cost not-to-exceed $8,100,000.

17. RESOLVED, That the final plans for the Parking Deck, Penn State Erie, The Behrend College, as designed by the firm of Weber Murphy Fox of Erie, Pennsylvania, are approved.

BE IT FURTHER RESOLVED, That authorization to obtain bids and award contracts to construct the project be approved at a cost not-to-exceed $4,500,000.

18. RESOLVED, That the final plans for the Dickinson School of Law Building at University Park, as designed by Polshek Partnership of New York, New York, and Office for Planning and Architecture of Harrisburg, Pennsylvania, are approved.

BE IT FURTHER RESOLVED, That authorization to obtain bids and award contracts to construct the project be approved at a cost not-to-exceed $60,000,000.

19. RESOLVED, That the Board of Trustees approves the change in name of Penn State McKeesport to Penn State Allegheny effective July 1, 2007.

20. RESOLVED, That the Board of Trustees approves the acquisition of the .55-acre property located at 1718 Cloverly Lane, Rydal, Abington Township, Montgomery County, Pennsylvania, from Alan E. and Lois G. Kohrt at a cost of $639,400, which includes a negotiated fee for a recently installed municipal sewer connection.

FURTHER RESOLVED, That the Officers of the University are authorized and directed to take such steps as are necessary to make effective this resolution.

(Action Item C.15 was editorially amended to read C&C Residential Builders, Inc., [incorrectly reflected as C&S Residential Builders, Inc. in the materials sent to the Board.] Action Items C.19 and C.20 were presented to the trustees as white sheet items at the Committee on Finance and Physical Plant.)

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

1. Granted Rights-of-Way and Easements
   A. Granted Right-of-Way to the State College Borough Water Authority and the Gamma Phi Chapter of the Fraternity of Phi Gamma Delta to install and maintain a fire service water main to the Phi Gamma Delta Fraternity House on Burrowes Road, University Park.
   B. Granted Right-of-Way to State College Borough to install and maintain stormwater lines along Park Avenue Extension, University Park.
   C. Granted Right-of-Way to University Area Joint Authority to install and maintain sanitary sewer lines at the Circleville Property, University Park.

2. Naming of Rooms, Portions of Buildings and Plazas
   A. The lecture/performance hall in the Academic Commons at Penn State Wilkes-Barre "Barry Hall," in honor of a gift from Rick Barry.


4. Summary and Designation of Gifts Received by the University during the period July 1, 2005 through June 30, 2006.
5. Summary of New Funds, including scholarships, fellowships, etc., accepted by the University during the period June 19, 2006 through August 18, 2006. All of these items conform to established University policies and regulations.

(a) World War II’s Eighth Air Force Libraries Endowment
(b) Joseph and Laura Atkinson Trustee Matching Scholarship in the College of Information Sciences & Technology
(c) A Trustee Matching Scholarship
(d) Jim and Wendy Balthaser Endowed Women’s Volleyball Scholarship
(e) Hugh M. Barclay and the Fayette Campus Founders Trustee Scholarship
(f) Barnett Program Fund for Public Health in the Department of Communications Arts and Sciences
(g) Donald R. Blair Trustee Matching Scholarship
(h) Gertrude A. 'Trudi' Miller-Clements-Booth Trustee Matching Scholarship
(i) Wayne and Elizabeth Breisch Family Endowed Scholarship for Men's Basketball
(j) Dean's Faculty Fellowship in Business
(k) CAI Consulting Solutions Program Fund in the College of Information Sciences and Technology
(l) Joseph and Mary Caputo Alzheimer's Research Award in the Drs. Kienle Center for Humanistic Medicine
(m) Denise Marie Chester Memorial Trustee Matching Scholarship
(n) CET Engineering Services Award for Environmental Programs in Honor of Dr. Charles A. Cole
(o) Cobham plc Trustee Matching Scholarship in the College of Engineering
(p) Charles A. Cole Environmental Program Fund
(q) Philip and Joyce Cook Endowed Scholarship for Football
(r) Lynn Mack-Costello and Joseph Costello Family Fund in the Department of Communication Arts and Sciences
(s) North American Intercollegiate Dairy Challenge Fund in the College of Agricultural Sciences
(t) Keith and Angela Deaven Award in the College of Information Sciences and Technology
(u) Edward and Inez Donley Renaissance Fund Scholarship
(v) Edgar and Dorothy Fehnel Leadership Development Scholarship
(w) Charles and Mary Ellen Fischer Trustee Matching Scholarship in the College of Education
(x) Blake and Linda Gall Trustee Matching Scholarship for the College of Arts and Architecture
(y) Gannett Fleming Award in Honor of Dr. Charles A. Cole
(z) Dorothy Taylor Henderson Dean's Discretionary Libraries Endowment
(aa) Andrew J. Hoffman Fund in the Rock Ethics Institute
(bb) Kappa Alpha Theta Trustee Matching Scholarship
(cc) Audrey J. McGivern Trustee Matching Scholarship
(dd) Marano-Merkel Family Trustee Scholarship
(ee) Bruce R. Miller and Dean D. LaVigne Alumni Association Endowment for Homecoming Parade Awards
(ff) E. Willard and Ruby S. Miller Professorship in Geography
(gg) Ruby S. and E. Willard Miller Professorship in Geography
(hh) Jeanette Ritter Mohnkem Graduate Student Scholarship in Biology
(ii) Penn State Mont Alto International Business Lecture Program
(jj) Arthur P. and Gail A. Pasquarella Scholarship
(kk) Polis Charitable Foundation - Charlotte W. Newcombe Foundation Scholarship for Students with Disabilities
(ll) Reed Riker Graduate Scholarship in Engineering
(mm) Richard H. Ross Family Trustee Scholarship in the College of Agricultural Sciences
(nn) Richard L. Schlegel LGBTQ Awareness Endowment
(oo) Alan H. Schragger Fund for Program Support in the Department of Dermatology
(pp) Joan L. and Malcolm H. Stethman Trustee Matching Scholarship
(qq) Tiley Family Memorial Libraries Endowment
(rr) Turner Practitioner Instructor of Architectural Engineering
(ss) Mark J. Uzelac Family Endowed Scholarship for Men's Swimming
(tt) International Exchange Opportunities Fund for Extension Educators in the College of Agricultural Sciences
(uu) James Thompson Watts Trustee Matching Scholarship in the College of Arts and Architecture
(vv) Honorable Richard W. Webb Undergraduate Fund in the Liberal Arts
6. Summary of major commitments accepted by the University during the period May 1, 2006 through June 30, 2006.

(a) Advisory Board Altoona Campus
(b) American Health Assistance Foundation
(c) Estate of Carolyn Ausherman
(d) Bayer Foundation
(e) Boeing Company
(f) Donald and Virginia Cook
(g) DBI Laboratories Inc.
(h) Estate of James Dipple
(i) McCollister and Nancy Evarts
(j) Four Diamonds Dance Marathon
(k) John and Joan Gaudinsky
(l) Giant Food Stores Inc.
(m) Jake Gittlen Memorial Golf Tournament
(n) Gordon E. and Betty I. Moore Foundation
(o) H.J. Heinz Company Foundation
(p) Lloyd and Dorothy Huck
(q) Immune Tolerance Network
(r) Juvenile Diabetes Foundation
(s) Estate of Jeanette Ritter Mohnkern
(t) John E. Morgan Foundation, Inc.
(u) Ogontz School Trust
(v) Penn State Alumni Association
(w) Rite Aid Corporation
(x) Robert Wood Johnson 1962 Charitable Trust
(y) Thomas and Barbara Slowey
(z) Estate of Helen Sterrett
(aa) Sarah Trolier
(bb) Pauline Turner
(cc) Wal-Mart Stores, Inc.

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

7. A report on the Investment Review of Endowment and Similar Funds as of June 30, 2006 was provided by Mr. David E. Branigan, Executive Director, Office of Investment Management.

8. A photo report of selected construction projects was presented:
   The Fitness Center Expansion, Parking Garage and the Cancer Institute at The Milton S. Hershey Medical Center; REDC at the Penn State - Behrend and the University Park Airport T-Hangars, Rec Hall Wrestling/Student Fitness Center and Food Science Buildings at University Park.

Counsel Courtney reported that the Jennifer Harris case continues to move forward toward trial, which is scheduled for May 2007. The discovery phase of this litigation is ongoing and the University's motion to dismiss certain portions of Ms. Harris's complaint remains pending with the court. We are awaiting the court's decision.

The meeting adjourned at 2:50 p.m.