

MINUTES OF MEETING

C. COMMITTEE ON FINANCE AND PHYSICAL PLANT

VOLUME 227

July 14, 2006

A meeting of the Committee on Finance and Physical Plant was held in the Rose Garden Room of The Park Hyatt, Philadelphia, Pennsylvania, at 11:00 a.m. on July 14, 2006.

The following Committee members were present: Baldwin and Spanier (ex officio), Metzgar (chair), Broadhurst, Clemens, Hetherington, Hintz, Poprik, and Shaffer. Also present were Trustees Alexander, Chaiken, Conti, DiBerardinis, Eckel, Foulke, Garban, Hayes, Henning, Huber, Jones, Joyner, Junker, Myers, Peechatka, Riley, Rowell, and Wolff; and Trustees Emeriti Frey, Huck, Robinson, and Wolff.

Present by invitation were faculty representative Blasko, Casteel, and Floros; student representatives Livingston, and Stathes; staff members Ammerman, Curley, DiEugenio, Dolbin, Erickson, Kirsch, MacCarthy, Mahon, Nagle, Paz, Pell, Romano, Schultz, Steele, Stryker, Triponey, Turow, Weidemann and Zehngut; 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 proposed Operating Budget for the University for the fiscal year beginning July 1, 2006, as shown in Attachment I and Schedules I - V which are attached hereto and made a part hereof, is approved. (See Appendix II)
2. RESOLVED, That tuition and fees at all locations are, effective 2006-2007 school year, as shown on the statements attached hereto and which are a part of this resolution. (See Appendix III)
3. RESOLVED, That the new connector road at The Milton S. Hershey Medical Center is named "Hope Drive."
4. RESOLVED, That the Classroom Building at Penn State Delaware County Campus is named the "Edward S. J. Tomezsko Classroom Building."
5. WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal Hotel Liquor License, and

WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal of Sunday Sales Permit for the sale of alcoholic beverages at The Nittany Lion Inn, and

WHEREAS, It is the desire of The Pennsylvania State University to be granted a renewal of Amusement Permit,

THEREFORE BE IT RESOLVED, That applications of License and Permits to expire January 31, 2008, be filed with The Pennsylvania Liquor Control Board and that Kenneth S. Babe, Corporate Controller, and Gary C. Schultz, Senior Vice President for Finance and Business/Treasurer, be authorized and any and all are authorized to execute the necessary applications and bond, and any other papers required by the Pennsylvania Liquor Control Board.
6. 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 IV):

- editorial amendments
- A. Anthony P. Altieri, Jr. and Patricia L. Altieri Scholarship
Date Originally Established: March 19, 1999
Source and Nature of Revisions: This scholarship was revised by removing reference to a Charitable Gift Annuity. The scholarship will now be fully funded by a direct gift.
- B. Teaching Fellow Award: Alumni Association and Student Award Recognizing Teaching Excellence
Date Originally Established: April 3, 1998
Source and Nature of Revisions: This guideline was revised to clarify how the endowment is to be awarded.
- C. Frank and Lillie Mae Dachille Memorial Award in Geochemistry
Date Originally Established: September 20, 1992
Source and Nature of Revisions: The award name was changed to the "Frank and Lillie Mae Dachille Memorial Award in Geochemistry."
- D. Howard K. Johnston Memorial Wrestling **Graduate Scholarship Endowment**
Date Originally Established: May 20, 1991
Source and Nature of Revisions: This graduate scholarship was revised to allow for any person associated with the Penn State Wrestling Program to be eligible. Previously, the scholarship was restricted to graduate students. The scholarship name was changed to the "Howard K. Johnston Memorial Wrestling Endowment."
- E. Knoppers Classics and Ancient Mediterranean Studies Study Abroad Endowment
Date Originally Established: August 16, 1999
Source and Nature of Revisions: The endowment name was changed to "Knoppers Classics and Ancient Mediterranean Studies Study Abroad Endowment." Expenditures are now determined by the Classics and Mediterranean Studies Awarding Committee. Previously, the head of the department determined expenditures. The endowment was also expanded to include scholarship support for undergraduate and graduate students who are participating in the study abroad program. Lastly, a termination clause was added stating that if the Classics and Ancient Mediterranean Studies Department is terminated, funds for this endowment shall be transferred to the Religious Studies Program in the College of the Liberal Arts.
- F. Anita and George Lesho Scholarship
Date Originally Established: January 25, 2002
Source and Nature of Revisions: The eligibility for this scholarship was expanded to include students from Bishop O'Hara High School in Lackawanna County, Pennsylvania. Previously, these students were not considered as a first preference.

- G. Stuart S. and Lori Levin Scholarship in the College of the Liberal Arts
Date Originally Established: November 12, 2004
Source and Nature of Revisions: The amount of funds was revised to include an additional bequest of \$100,000.
- H. Reed B. and Mabel W. Riker Golf Scholarship
Date Originally Established: March 17, 1992
Source and Nature of Revisions: The scholarship name was changed to the "Reed B. Riker Golf Scholarship." The eligibility was revised to restrict recipients to students who intend to pursue a career as a professional golfer. Previously, the scholarship was restricted to students who did not intend to pursue a career as a professional golfer.
- I. Louis E. and Patricia Harvey Silvi Scholarship in Hotel, Restaurant and Institutional Management
Date Originally Established: November 24, 1992
Source and Nature of Revisions: The scholarship was revised to include a bequest of \$1,077,952. Also, the scholarship was revised to include the donor's wishes of awarding larger scholarship amounts to fewer recipients. Previously, this was not stated in the scholarship guidelines.
- J. Elliot S. Vesell Professorship in Pharmacology
Date Originally Established: October 8, 2001
Source and Nature of Revisions: The title of the holder of this professorship was revised to the "Elliot S. Vesell Professor in Pharmacology." Previously, the title of the holder of this professorship was the "Elliot S. Vesell Professorship in Pharmacology."
7. 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 July 14, 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.
8. RESOLVED, That the sketch/preliminary plans for the Academic Commons, Penn State Wilkes-Barre, as designed by the firm of Bohlin Cywinski Jackson of Wilkes-Barre, Pennsylvania, are approved.
9. RESOLVED, That the final plans for the Lecture Hall Addition to the Research and Economic Development Center (REDC), 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 \$2,500,000 from funds available to the University.
10. RESOLVED, That the Board of Trustees approves the acquisition of the .22 acre property located at 305 East Second Avenue, DuBois, Clearfield County, Pennsylvania, from Mark A. Rosenberg for the purchase price of \$63,000.

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.

11. RESOLVED, That the Officers of the University are authorized to appoint Bower Lewis Throver Architects of Philadelphia, Pennsylvania, as architect for the Business Classroom Building at Penn State Worthington Scranton.

(Action Items C.1 and C.2 were discussed at a joint session of the Committee on Educational Policy and the Committee on Finance and Physical Plant held on July 14, 2006, at 10:55 a.m. Dr. Graham B. Spanier, President of the University, provided a report on the proposed 2006-2007 Operating Budget including the strategic planning process and program priorities in the budget. [To view a complete copy of the presentation, visit: <http://www.budget.psu.edu/BudgetPresentation/2006-07/200607BudgetPresentation.asp>.] Action Item C.4 was editorially amended to read the "Edward S. J. Tomezsko Classroom Building.")

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

1. Demolition of Lions Court, Penn State Beaver
2. Construction of a Maintenance Building, Penn State Erie, The Behrend College
3. Naming of Rooms, Portions of Buildings, and Plazas
 - A. An interview room in the Bank of America Career Services Center in honor of a gift from ConocoPhillips. The plaque should read "*This Room Funded By A Gift from Conoco Phillips [Company Logo].*"
 - B. Room 147 in the Franco Building at Penn State Berks the "*Candace Spigelman Writing Fellows Room and Student Lounge,*" in honor of the late Professor Candace Spigelman for a gift from friends and family.
 - C. The Sensory Analysis Suite in the Food Science Building the "*H.J. Heinz Laboratory for Sensory Evaluation,*" in honor of a gift from the H.J. Heinz Company. The plaque should read "*H.J. Heinz Laboratory for Sensory Evaluation named in honor of a generous gift from the H.J. Heinz Company Foundation.*"
 - D. Naming of various spaces in the Forest Resources Building as follows:
 - 1) Room 228 the "*Weaber Wood Physics Laboratory*" in honor of a gift from the Weaber Corporation. The plaque should read "*Weaber Wood Physics Laboratory: A Gift from the Weaber Corporation. In recognition of Dr. Paul R. Blankenhorn (PSU '66, '68, SRF '72), Professor of Wood Technology and Associate Director, for his teaching and his research contributions to Pennsylvania's wood industry and allied professions.*"
 - 2) Room 232 the "*Barlett Tree Expert Ibberson Chair Office*" in honor of a gift from the F.A. Bartlett Tree Expert Company. The plaque should read "*Bartlett Tree Expert Ibberson Chair Office: A gift from the F.A. Bartlett Tree Expert Company of Stamford, Connecticut in recognition of our Urban Forestry faculty and their contributions to the profession.*"
 - 3) Room 201 the "*Penn York Lumbermen's Office in Wood Products*" in honor of a gift from the Penn York Lumbermen's Club. The plaque should read "*Penn York Lumbermen's Office in Wood Products: A gift from the Penn York Lumbermen's Club in recognition of the academic strengths of our Wood Products program.*"
 - 4) Room 213 the "*Danzer Group Marketing Laboratory.*" The plaque should read "*Danzer Group Marketing Laboratory: A gift from the Pennsylvania members of Danzer Group of North American Companies; Bradford Forest, Interforest Lumber Corporation, Interforest Veneer, and The David R. Webb Company.*"

- 5) Room 215 the "Hoverter Operations Research Laboratory." The plaque should read "Hoverter Operations Research Laboratory: A gift from The Lawrence L. and Julia Z. Hoverter Charitable Foundation in recognition of their pioneer efforts within Pennsylvania's hardwood lumber industry."
- 6) Room 210 the "George Faculty Office." The plaque should read "George Faculty Office: A gift from Albert C. George (SFR '38), president, New Freedom Lumber Company (1953-98), in memory of his wife, M. Isabel George (HHD '40) and in appreciation of his Penn State education and continued professional and personal ties with our University."
- 7) Room 005 the "York Group Wood Performance Laboratory." The plaque should read "York Group Wood Performance Laboratory: A gift from the York Group in recognition of the Wood Products faculty research and outreach contributions to their industry."
- 8) Room 112 the "Steimer Auditorium." The plaque should read "Steimer Auditorium: A gift from John T. (SFR '49) and Nancy G. Steimer in appreciation of his Penn State education and their professional and personal ties with our University."
- 9) Room 107 the "Jack Good Classroom." The plaque should read "Jack Good Classroom: A gift from the F.A. Bartlett Tree Expert Company. In recognition of John C. 'Jack' Good (SFR '41) and his many years of company leadership, support to our School and University, and contributions to the urban forestry profession."
- 10) Room 104 the "Collins Wood Products Laboratory." The plaque should read "Collins Wood Products Laboratory: A gift from The Collins Companies of Portland, Oregon, and Kane Hardwood of Kane, PA, during the shared 150-year anniversaries of The Collins Companies and Penn State."
- 11) Room 103 the "Kocjancic Forest Water and Soils Laboratory." The plaque should read "Kocjancic Forest Water and Soils Laboratory: A gift from Edward F. (SFR '54) and Patricia L. Kocjancic in appreciation of his Penn State education and their professional and personal ties with our University."
- 12) Room 121 the "Pennsylvania Forestry Association Director's Office." The plaque should read "Pennsylvania Forestry Association Director's Office: A gift from the PFA membership in honor of the previous generations of foresters and in memory of Clarence H. Smalley (SFR '41)."
- 13) Room 120 the "Wolfinger Director's Conference Room." The plaque should read "Wolfinger Director's Conference Room: A gift from Harold H. 'Sandy' (SFR '65) and Connie E. Wolfinger in appreciation of his Penn State education and their continued professional and personal ties with our University."
- 14) Rooms 321-326, 326A and 327B the "Schatz Tree Genetics Research Center." The plaque should read "Schatz Tree Genetics Research Center: A gift from Louis W. Schatz (SFR '34) and his family in appreciation of his Penn State education and continued personal ties with our University."
- 15) Rooms 329C, D and E the "Sharpe Water Research Laboratories." The plaque should read "Sharpe Water Research Laboratories: In recognition of Dr. William E. 'Bill' Sharpe, (SFR '66, '68), Professor of Forest Hydrology, for his research and his extension contributions to the citizens of Pennsylvania."
- 16) Room 306 the "Strauss Faculty Office." The plaque should read "Strauss Faculty Office: A gift from the Brothers of Tau Phi Delta. In recognition of Dr. Charles H. Strauss (SFR '58, PSU '68, '74), Professor of Forest Economics and Director, for his 40 years as faculty advisory and board member to our fraternity."

- 17) Room 310 the "Horn Faculty Office." The plaque should read "Horn Faculty Office: A gift from Kenneth C. Kane (SFR '82) and Jeffrey S. Kochel (SFR '72). In recognition of Keith D. Horn (SFR '55), president, Horn Consulting Company, and his leadership to the forestry profession."
 - 18) Room 332 the "Association of Consulting Foresters Ibberson Chair Office." The plaque should read "Association of Consulting Foresters Ibberson Chair Office: A gift from David E. Anundson (SFR '66), Robert J. Carlberg (SFR '91), Robert C. McColly (SFR '72), Harry Murphy (SFR '43), Mark R. Webb (SFR '73), and the Penn Chapter of the Association of Consulting Foresters."
 - 19) Room 305 the "Rorabaugh Faculty Office." The plaque should read "Rorabaugh Faculty Office: A gift from Robert D. (SFR '72) and Barbara J. Rorabaugh in appreciation of his Penn State education and their continued professional and personal ties with our University."
 - 20) Room 311 the "Underhill Faculty Office." The plaque should read "Underhill Faculty Office: A gift from Lowell T. (SFR '56) and Lois B. Underhill in appreciation of his Penn State education and their continued professional and personal ties with our University."
 - 21) Room 211 the "Matson Faculty Office." The plaque should read "Matson Faculty Office: A gift from the Matson Lumber Company in honor of the leadership of Robert D. Matson, president (1955-2005)."
 - 22) Room 316 the "W.W. Ward Silviculture Laboratory." The plaque should read "W.W. Ward Silviculture Laboratory: A gift from Robert H. and Kaye M. Bommer (SFR, PSU '56) and Charles H. and Carol F Strauss (SFR '58, PSU '68, '74). In recognition of Dr. Wilber W. Ward (SFR '40, '52), Professor of Silviculture and Director, for his teaching, research, and administrative contributions to our School."
 - 23) Room 432 the "Society of American Foresters Goddard Chair Office." The plaque should read "Society of American Foresters Goddard Chair Office: A gift from the members of the Pennsylvania Chapter of the Society of American Foresters in appreciation of their professional ties with our School and University."
 - 24) Room F101 the "Pennsylvania Forest Products Association Atrium." The plaque should read "Pennsylvania Forest Products Association Atrium: Members of PFFPA contributed hardwood lumber for the paneling, beams, and architectural woodwork within this building. Additional manufacture was donated by Lewis Lumber Products, Inc., Catawissa Lumber and Specialty Company, Conestoga Wood Specialties Corp., Wood-Mode-Inc., and RigidPly Rafters."
 - 25) Rooms 108, 109 the "Edwards Family Student Center." The plaque should read "Edwards Family Student Center: A gift from Bruce M. (SFR '71) and Jean C. (PSU '71) Edwards in appreciation of their Penn State educations and their professional and personal ties with our University."
 - 26) Room 333 the "Bramble and Byrnes Memorial Faculty Office." The plaque should read "Bramble and Byrnes Memorial Faculty Office: A gift from Dr. Henry D. (SFR '56, '58) and Marilyn Q. (PSU '56) Gerhold. In recognition of Dr. Wm. C. Bramble, Professor of Forestry and Director (1937-58), and Dr. Wm. R. Byrnes, Associate Professor of Forestry (1950-62)."
4. Status of Major Construction Programs and Borrowing
 5. Summary of new funds, including scholarships, fellowships, etc., accepted by the University during the period April 17, 2006 through June 16, 2006. All conform to established University policies and regulations:
 - (a) Penn State Alumni Association First-Year Enrichment Program for Student-Athletes

- (b) Ambridge Wolves Club Trustee Matching Scholarship
 - (c) Nancy and Irwin Aronson Holocaust Study Center Program Fund
 - (d) Bayer Graduate Fellowship in Material Science
 - (e) Bayer International Internship Scholars
 - (f) John J. and Matilda R. Beath Trustee Matching Scholarship
 - (g) Lois High Berstler Research Endowment Fund
 - (h) Lois High Berstler Scholarship
 - (i) C & G Savings Bank Endowed Enhancement Fund for the Entrepreneurship Program
 - (j) Larry Duda Award for Outstanding Graduate Student Performance in Chemical Engineering, Sponsored by Arkema Inc.
 - (k) Ethics in Business Annual Scholarship
 - (l) Maria Schjerbech Evans Trustee Matching Scholarship
 - (m) M. Elaine Eyster, M.D. Professorship
 - (n) Fenza Gaynor Family Endowment for Cancer Research
 - (o) Aline and Orrin Frink Trustee Matching Scholarship
 - (p) Ralph Petrino/Gilbane Building Company Award in Architectural Engineering
 - (q) Kathryn E. Glas Trustee Matching Scholarship
 - (r) Alexander Kalenak, M.D. Professorship in Orthopaedics
 - (s) Herbert E. Longenecker Trustee Matching Scholarship
 - (t) William Marciniak Memorial Award
 - (u) Richard L. and Lois A. Mattern Endowed Swimming Scholarship
 - (v) John E. Morgan Trustee Matching Scholarship
 - (w) David L. Nahrwold Professorship in Surgery
 - (x) Eva Davies Noll and Ray C. Noll, Jr. Endowed Scholarship for Field Hockey
 - (y) Arthur W. Page Center Endowment in the College of Communications
 - (z) Robert B. Patterson Memorial Endowed Scholarship of the Penn State Club of Northern New Jersey
 - (aa) Myron A. and Anita E. Pinkus Charitable Foundation Trustee Scholarship in the College of Agricultural Sciences
 - (bb) Robert L. and Mary Lee Schneider Trustee Scholarship in the College of Communications
 - (cc) Simpson-Marcher-Petersen Endowed Scholarship Fund in the College of the Liberal Arts
 - (dd) Adam Eugene Dutz Memorial Scholarship, Established by Bernard Dutz and Diane Slusser Dutz
 - (ee) Stephen R. Smith and Eileen Baumgarten Smith Graduate Scholarship in the Smeal College of Business
 - (ff) Stephen R. Smith and Eileen Baumgarten Smith Graduate Scholarship in the College of Education
 - (gg) John and Nancy Steimer Endowed Scholarship for Men's Basketball
 - (hh) Gerald Bernard Maxwell Stein Libraries Endowment
 - (ii) Erland and Ellen Stevens Trustee Matching Scholarship in the College of Earth and Mineral Sciences
 - (jj) James B. Thomas Trustee Matching Scholarship in the College of Information Sciences and Technology
 - (kk) Richard E. Tressler Career Development Professorship in Materials Science and Engineering
 - (ll) Pauline M. Turner Distinguished Graduate Fellowship in the College of Education
6. Summary of major commitments accepted by the University during the period March 1, 2006 to April 30, 2006.
- (a) Advisory Board Altoona Campus
 - (b) Alfred P. Sloan Foundation
 - (c) American Diabetes Association, Incorporated
 - (d) Arrow International Cardiac Assistance
 - (e) Barnes & Noble College Bookstores
 - (f) Biosan, Inc.
 - (g) Burgart/Franzen Family Memorial Trust
 - (h) Comer Science and Education Foundation
 - (i) Computer Aid Incorporated
 - (j) Corporation for Public Broadcasting
 - (k) David and Lucile Packard Foundation
 - (l) E. Ruth Breitweiser Dunning
 - (m) Gregory and Renee Elinsky

- (n) Bert Elsbach
- (o) Ford Foundation
- (p) Harold and Wilman Frey
- (q) John Frink & Erica Miller
- (r) General Motors Corporation
- (s) Gilbane Building Company
- (t) Jake Gittlen Memorial Golf Tournament
- (u) Dallas and Kristina Hartman
- (v) Donald and Jean Hoke
- (w) IBM Corporation
- (x) Brook and Dawn Lenfest
- (y) Lycoming Clinton-Counties Commission for Community Action (STEP), Incorporated
- (z) National Academies
- (aa) Pennsylvania Interest on Lawyers Trust Account
- (bb) Estate of Harold Pfreimer
- (cc) Robert Wood Johnson Foundation
- (dd) Sanofi Pasteur Foundation
- (ee) Richard Shafritz
- (ff) Joseph and Inez Snyder
- (gg) Richard and Susan Sokolov
- (hh) Spencer Foundation
- (ii) Estate of Phyllis Thomas
- (jj) Thrasher Research Fund
- (kk) Toro Company
- (ll) John and Ann Wolf
- (mm) West Penn Power Sustainable Energy Fund

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

7. Mr. Arthur J. Nagle, Chair of the National Council on Penn State Philanthropy, presented an informational report on University Development.
8. A photo report of selected construction projects was presented:
The Fitness Center Expansion, Parking Garage and the Connector Road at The Milton S. Hershey Medical Center; and the Food Sciences Building and Medlar Field at Lubrano Park at University Park.

Counsel Courtney reported that the Alfred Fluehr litigation, the first amendment case, has been resolved to the mutual satisfaction of both parties. The settlement agreement has not been signed yet but will occur in the near future.

The Jennifer Harris case remains pending. She has filed an amended complaint in federal court. Penn State has filed an amended motion to dismiss certain portions of the complaint, and the motion remains pending. The case is on track to go to trial in May of 2007.

The meeting adjourned at 2:45 p.m.