

1. Informational Report of the Cost Savings Task Force

(See also Agenda Item 5, Page EP 6)

Dr. Rodney A. Erickson, Executive Vice President and Provost of the University, and Mr. Gary C. Schultz, Senior Vice President for Finance and Business/Treasurer, will present an informational report on the Cost Savings Task Force at a joint meeting of the Committee on Educational Policy and the Committee on Finance and Physical Plant.

2. Operating Budget for the University for the Fiscal Year Beginning July 1, 2005

(See also Agenda Item 6, Page EP 6)

Dr. Graham B. Spanier, President of the University, will provide a report on the 2005-2006 Operating Budget and Dr. Rodney A. Erickson, Executive Vice President and Provost of the University, will report on the strategic planning process and program priorities in the budget at a joint meeting of the Committee on Educational Policy and the Committee on Finance and Physical Plant.

3. Consideration of Proposed Operating Budget for the University for the Fiscal Year Beginning July 1, 2005

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That the proposed Operating Budget for the University for the fiscal year beginning July 1, 2005, as shown in Attachment I and Schedules I - V which are attached hereto and made a part hereof, is approved. (See Attachment 1)

(Operating Budget attachment and schedules will be distributed to Trustees under separate cover.)

4. Proposed Tuition and Fees Effective 2005 Fall Semester, The Pennsylvania State University

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That tuition and fees at all locations is, effective 2005-2006 school year, as shown on the statements attached hereto and which are a part of this resolution. (See Attachment 2)

(Tuition statement attachment will be distributed to Trustees under separate cover.)

AGENDA ITEMS 5 - 9 ARE INCLUDED FOR INFORMATIONAL PURPOSES ONLY. ADDITIONAL INFORMATION WILL NOT BE PRESENTED AT THE MEETING.

5. Granted Rights-of-Way and Easements

The Board of Trustees is informed that officers of the University have granted rights-of-way and easements for the following:

- A. Granted Right-of-Way to State College Borough Water Authority for maintenance of existing waterline service facilities along Corl Street, University Park.

6. Naming of Rooms, Portions of Buildings, and Plazas

The Facilities Naming Committee has made certain recommendations to the President on the naming of rooms, portions of buildings, and plazas. In accordance with the Policy on Naming University Facilities, the Board of Trustees is informed that the President has approved the following naming actions.

- A. Coaches' offices in the new baseball park for Milton and Lois Morgan, Jr., in honor of a gift. The plaque should read "Milton K. Morgan, Jr. and Lois T. Morgan Baseball Coaches' Offices, In appreciation for their contribution to Intercollegiate Athletics."
- B. Various spaces in the new Food Science Building as follows:
 - 1) Renaming of Room 134 the "Blommer Chocolate Company Dry Pilot Plant." The previous name was "Blommer Chocolate Dry Pilot Plant."
 - 2) Room 201 the "Hershey Employees Conference Room," in honor of a gift from Hershey employees.
 - 3) Room Q209 the "Philip and Elsie Keeney Balcony Commons," in honor of a combined gift from Bill Gill, Phil Keeney, and Phil Keeney Jr.
 - 4) Rooms 202-217 the "Josephson Family Administrative Offices," in honor of a gift from Donald B. Josephson.
 - 5) Room 320 the "Barry and Rosemary Zoumas Research Laboratory," in honor of a gift from Barry and Rosemary Zoumas.
 - 6) Room 421 the "James G. Turner Research Laboratory," in honor of a gift from Turner Dairy Farms.
 - 7) Room 420 the "Howard and Mahala Thoele Research Laboratory," in honor of a gift from Carol Thoele-Williams.
 - 8) Room 410 the "Charles C. Brosius Research Laboratory," in honor of a gift from Charles C. Brosius.
 - 9) Room 409 the "Karl and Felecia Girton Research Laboratory," in honor of a gift from Karl and Felecia Girton.
- C. Second floor meeting room in the new Outreach Building the "James H. Ryan Room," in honor of James H. Ryan, Vice President Emeritus for Outreach.

7. Status of Department of General Services and University Major Construction Programs

(See Appendix I)

8. Summary of New Funds

Appendix II summarizes the new funds, including scholarships, fellowships, etc., accepted by the University during the period April 18, 2005 through June 17, 2005. All of these items conform to established University policies and regulations and are submitted for the information of the Committee.

(See Appendix II)

9. Summary of Major Commitments

Appendix III summarizes the major commitments accepted by the University during the period March 1, 2005 through April 30, 2005. These items are submitted for the information of the Committee.

(See Appendix III)

AGENDA ITEMS 10 - 13 ARE ROUTINE MATTERS FOR APPROVAL WHICH WILL BE PRESENTED AS A GROUP TO THE COMMITTEE ON FINANCE AND PHYSICAL PLANT. NO PRESENTATION WILL BE MADE.

10. Proposed Employment of an Architect for an Addition to the Research and Economic Development Center (REDC), Penn State Erie, The Behrend College

The University proposes to construct an addition to the Research and Economic Development Center (REDC), which is currently under construction, to include a lecture hall and support spaces. The addition will be similar in design to the existing building. The REDC was originally designed by the team of Weber Murphy Fox of Erie, Pennsylvania, and NBBJ of Columbus, Ohio. Due to the special nature of this project, the Office of Physical recommends that the architect selection process be waived and that Weber Murphy Fox of Erie, Pennsylvania, continue its work for the lecture hall addition.

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That in view of the special nature of this project, the usual architect selection process be waived.

BE IT FURTHER RESOLVED, That the Officers of the University are authorized to employ the firm of Weber Murphy Fox of Erie, Pennsylvania, to design the proposed additions to the Research and Economic Development Center.

(See Appendix IV)

11. **Proposed Renewal of The Nittany Lion Inn Liquor License, Liquor Permit for Sunday Sales and Amusement Permit**

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

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, 2007, 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.

12. **Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 18, 2005 through June 17, 2005)**

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

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:

A. **Silvio and Edith Crespo Faculty Award in Chocolate Research**

Date Originally Established: July 22, 2003

The College of Agricultural Sciences requested that consideration for this award be limited to faculty members in the Department of Food Science in the College of Agricultural Sciences. This limitation was inadvertently omitted from the original document.

B. **Dennie L. DeWitt Memorial Baseball Scholarship**

Date Originally Established: August 3, 2001

The donor requests that consideration for this scholarship be changed to outstanding student-athletes who have a proficiency in softball. Formerly, it was designated as baseball.

12. Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 18, 2005 through June 17, 2005) (Continued)

C. Scott M. Eckert Memorial Conservation Trustee Scholarship

Date Originally Established: January 12, 2005

The donor requests that consideration for this scholarship be given to students enrolled in an agricultural forest resources/environmental resource management major. The donor also requests that language be included in the guidelines stating that: (1) the management of the endowed funds shall be in accordance with the requirements of the Uniform Principal and Income Act; and (2) the University may not, without prior approval of the Cumberland County Court of Common Pleas, change the purposes or eligibility for this scholarship in a manner that would alter or frustrate the purposes for which the memorial Conservation Fund was established. Formerly, consideration for this scholarship was given to all students enrolled at Penn State Mont Alto and the University had the authority to make changes in these guidelines which were necessary to ensure the fulfillment of the stated objectives without the prior approval of the Cumberland County Court of Common Pleas.

D. Scott M. Eckert Memorial Conservation Undergraduate Research Fund

Date Originally Established: January 11, 2005

The donor requests that language be included in Section 5, Endowment Management, stating that the management of endowed funds shall be in accordance with the requirements of the Uniform Principal and Income Act. Formerly, this was not addressed in the guidelines. The donor also requests that language be included in the guidelines stating that the University may not, without prior approval of the Cumberland County Court of Common Pleas, change the purposes or eligibility for this scholarship in a manner that would alter or frustrate the purposes for which the memorial Conservation Fund was established. Formerly, the University had the authority to make changes in these guidelines which were necessary to ensure the fulfillment of the stated objectives without the prior approval of the Cumberland County Court of Common Pleas.

E. Charles and Vickie Grier Undergraduate Research Fund in Biochemistry and Molecular Biology

Date Originally Established: July 9, 2002

The donors request that language be added in the purpose to reflect that monies will be provided to the Department of Biochemistry and Molecular Biology for stipends for undergraduate students. Formerly, the guidelines did not stipulate a department in the Purpose section.

12. Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 18, 2005 through June 17, 2005) (Continued)

F. Mittie B. Hightower Memorial Scholarship

Date Originally Established: July 16, 2001

The donor requests that: (1) the Amount of Fund section reflect that a minimum of \$1,500 will be contributed annually; and (2) the Eligibility section reflect that consideration will be given to students in a four-year program in the allied health fields or sciences at Penn State New Kensington and that preference will be given to students in the nursing program. Formerly, the guidelines stated that a minimum of \$500 will be contributed annually, and that consideration would be given to students in the nursing program.

G. Penn State Hillel Building Term Endowment

Date Originally Established: October 22, 1996

The donor requests that the Expenditures section be revised to reflect that an amount up to, but not exceeding, \$100,000 annually from the principal shall be available for expenditure towards Penn State Hillel operating expenses as determined by the Board of Directors of Penn State Hillel. Formerly, this was not addressed in the guidelines.

H. Hintz Honors Scholars Endowment in the College of the Liberal Arts

Date Originally Established: August 4, 1999

The donors request that the Term of Award section be revised to reflect that the scholarship shall be renewed providing the recipient continues to meet the conditions of eligibility and funds are available. Formerly, the guidelines stated that the scholarship may be renewed.

I. Helen Skade Hintz Nutrition Scholarship

Date Originally Established: August 10, 1988

The donors request that: (1) the name be changed to the Helen Skade Hintz Biobehavioral Health Scholarship; (2) the eligibility section be revised to reflect that consideration shall be given to all full-time undergraduate students; and (3) the eligibility section be revised to reflect the Department of Biobehavioral Health. Formerly, eligibility was for full-time freshman and sophomore students and the scholarship was limited to those in the applied nutrition option.

12. Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 18, 2005 through June 17, 2005) (Continued)

J. Edward R. and Helen Skade Hintz Graduate Educational Enhancement Fellowships in the College of Health and Human Development

Date Originally Established: May 18, 1998

The donors request that: (1) the first preference be changed to students enrolled in the Department of Biobehavioral Health and the Department of Human Development and Family Studies; and (2) language be added to the Amount of Award section stating that annual awards shall be given at a minimum of \$2,000 per student. Formerly, first preference was given to students enrolled in the Department of Nutrition, Department of Human Development and Family Studies, or the School of Hotel, Restaurant and Recreation Management and there was no minimum award amount.

K. Arthur P. Honess Memorial Fund

Date Originally Established: December 23, 1981

The donor requests that the endowment be converted into two new separate endowment funds and the Arthur P. Honess Memorial Fund will cease to exist: (1) Arthur P. Honess Memorial Award will retain all existing eligibility and selection criteria specified in the original endowment; and (2) Arthur P. Honess Memorial Museum Support Fund will support special projects of the Mineral Industries Museum.

L. Herschel W. And Eileen Wirtshafter Leibowitz Lectureship in Psychology in the College of the Liberal Arts

Date Originally Established: November 20, 1995

Donors request that the Amount of Fund be revised to reflect that an additional \$25,000 is expected to be received from the future estate of Herschel and Eileen Leibowitz. Formerly, the guidelines stated that an additional \$50,000 was expected.

M. Kim L. Masser Memorial Scholarship for the College of Agricultural Sciences in the Department of Agricultural and Biological Engineering

Date Originally Established: November 20, 2002

The donor requests that the guidelines be revised so that incoming freshman may also be awarded this scholarship. Formerly, recipients were required to have been previously enrolled in the Department of Agricultural and Biological Engineering.

N. Edward B. Nelson Undergraduate Research Fund in Biochemistry and Molecular Biology

Date Originally Established: June 25, 2002

The donor requests that language stating expenditures may also include scholarly travel, special projects, supplies, books and other forms of research support be removed from the guidelines.

12. Summary of Revisions to Existing Scholarships, Fellowships, Etc. (For the period April 18, 2005 through June 17, 2005) (Continued)

O. Riversville Foundation Enrichment Scholarship

Date Originally Established: February 13, 2004

The donor requests that guidelines be revised to reflect that the gift will be contributed on an annual basis and that the required grade point average be lowered to 2.8. Formerly, the scholarship required a grade point average of 3.0 and the gift was to be made as one payment.

P. Daniel and Beatrice S. Walden American Studies Program Fund

Date Originally Established: June 8, 1999

The donors request that the name of the scholarship be changed to the Daniel and Beatrice S. Walden Jewish Studies Program Fund.

Q. Quentin and Louise Wood Honors Scholars Program

Date Originally Established: March 24, 2005

The donors request that a preference be added for students majoring in Petroleum and Natural Gas Engineering who have a 3.3 grade point average or higher. Formerly, the guidelines included a grade point average requirement of 3.5.

13. Acknowledgments of Endowments, Funds, and Other Major Commitments

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolutions:

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 15, 2005.

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.

AGENDA ITEMS 14 - 19 WILL BE PRESENTED FOR ACTION OR INFORMATION IN SERIATIM AT THE MEETING.

14. Proposed Appointment of an Architect, University Health and Counseling Services Building, University Park

The Subcommittee on Architect/Engineer Selection will make a report and recommendation on the appointment of an architect for the University Health and Counseling Services Building, University Park.

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolution:

RESOLVED, That the Officers of the University are authorized to appoint The Hillier Group of Philadelphia, Pennsylvania, as architect for the University Health and Counseling Services Building at Penn State University Park.

(Resolution presented at the meeting.)

15. Proposed Purchase of Middletown Area School District Property, Middletown Borough

The University has the opportunity to acquire property adjoining the Penn State Harrisburg campus from the Middletown Area School District, Middletown Borough, Dauphin County. The acquisition provides the opportunity for future development and eliminates the possibility of adverse ownership.

The 6.47-acre property includes the school district's former 24 classroom Demey Elementary School facility located on North Catherine Street, Middletown Borough, and has been offered to the University for \$840,000. The property has been inspected by the Office of Physical Plant and Penn State Harrisburg, and found to be in satisfactory condition. The acquisition will be made from funds available to the University.

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees approves the acquisition of 6.47 acres located on North Catherine Street, Middletown Borough, Dauphin County, Pennsylvania, from the Middletown Area School District for the purchase price of \$840,000 from funds available 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 this resolution.

16. Proposed Sale of University Property to The Winter Group, LLC, Harrisburg

In October 1988, the University leased "The Downtown Center" in metropolitan Harrisburg, Dauphin County, and thereafter exercised an option to purchase the property in 1989.

Located at 234 North Third Street, the 1,837 square foot facility is no longer conducive to administrative and programmatic uses by Penn State Harrisburg and the University overall, with such uses now being consolidated at the University's nearby "Eastgate" facility. The University listed the property for sale in November 2004, and has received an offer of \$407,500 from The Winter Group, LLC.

16. Proposed Sale of University Property to The Winter Group, LLC, Harrisburg (Continued)

Will the Committee on Finance and Physical Plant recommend to the Board of Trustees adoption of the following resolutions:

RESOLVED, That the Board of Trustees approves the sale of The Downtown Center located at 234 North Third Street, Harrisburg, Dauphin County, to ~~The Winter Group, LLC~~, **Mark S. and Jacqueline L. Singel** for a sale price of \$407,500.

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.

(Editorially amended at meeting.)

17. Informational Report on University Development

Rodney P. Kirsch, Vice President for Development and Alumni Relations, will present an informational report on University Development.

18. Photo Report on Selected Construction Projects

A photo report on the progress of selected construction projects will be presented at the meeting.

19. Pending Legal Matters

An informational report will be presented on pending legal matters relating to policies normally considered by the Committee on Finance and Physical Plant.