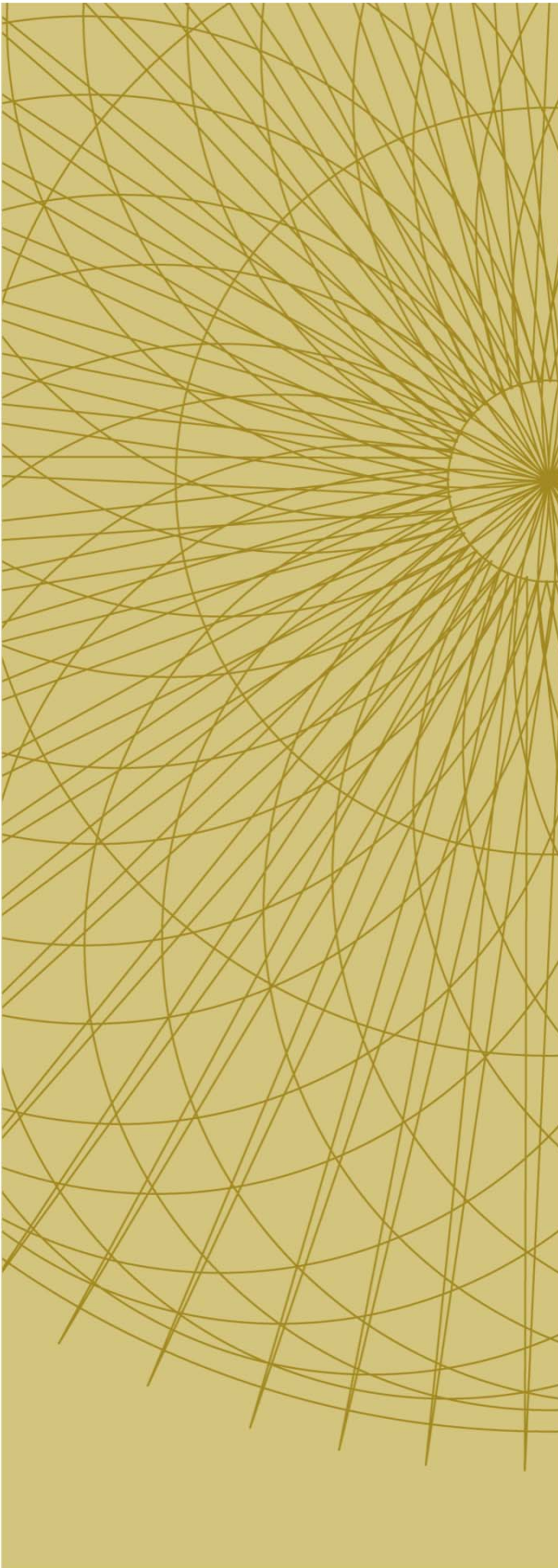


Pennsylvania State System
of Higher Education

Board of Governors'
Quarterly Meeting
Agenda

January 13-14, 2010

Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201
Telephone: (717) 720-4028





Pennsylvania State System of Higher Education

Board of Governors' Quarterly Meeting Agenda

Wednesday, January 13, 2010

1:30 p.m.

Committee Meetings

- Academic and Student Affairs
- Audit
- Finance, Administration, and Facilities
- Human Resources
- Information Technology
- Advancement
- Executive

Thursday, January 14, 2010

9:00 a.m.

Meeting of the Board of Governors

Adjournment



Pennsylvania State System of Higher Education

Board of Governors' Quarterly Meeting Agenda

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010
1:30 p.m.

Agenda Summary

- **Academic and Student Affairs**
 - Core Curriculum Requirements for Admission to PASSHE Universities (INFORMATION)
 - Academic Planning (INFORMATION)
 - Cheyney University Center of Excellence in Communications Media, Fine Arts, and Entertainment Arts Presentation (INFORMATION)

- **Audit**
 - Office of Internal Audit and Risk Assessment Update (INFORMATION)
 - Office of Internal Audit and Risk Assessment 2009-10 Annual Work Plan (ACTION)

- **Finance, Administration, and Facilities**
 - Board of Governors' Policy 1983-02-A: *Purchasing* (ACTION)
 - Board of Governors' Policy 2000-02: *Capital Facilities Planning, Programming, and Funding* (ACTION)
 - Property Acquisition, Mansfield University of Pennsylvania (ACTION)
 - Performance and Classroom Laboratory Project Bond Financing, Slippery Rock University of Pennsylvania (ACTION)
 - Property Acquisition, West Chester University of Pennsylvania (ACTION)
 - Board of Governors' Policy 2010-01: *Expenditures for University Relations* (ACTION)
 - Board of Governors' Policy 2010-02: *Expenditures for Recognition* (ACTION)

- **Human Resources**
 - Review of Board of Governors' Policy 2002-03, *Evaluating Presidents* (INFORMATION)
 - Threat Assessment Workshop (INFORMATION)
- **Information Technology**
 - Information Technology Update (INFORMATION)
- **Advancement**
 - Legislative Update (INFORMATION)
- **Executive**
- **Board**
 - Standing Committee Assignments (ACTION)
 - Resolutions (ACTION)
 - Kathleen M. Shaw
 - Guidio M. Pichini



Pennsylvania State System of Higher Education

Academic and Student Affairs Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010

Agenda

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3. Cheyney University Center of Excellence in Communications Media, Fine Arts, and Entertainment Arts Presentation (INFORMATION).....	9



Committee Members: Aaron A. Walton (*Chair*), Representative Matthew E. Baker, Donna Cooper (designee for Secretary Gerald L. Zahorchak), Richard Kneedler, Senator Jeffrey E. Piccola, Secretary Gerald L. Zahorchak and Kenneth M. Jarin (*ex officio*).

For further information, contact Peter H. Garland at (717) 720-4010.

Academic and Student Affairs Committee Meeting

January 13, 2010

SUBJECT: Core Curriculum Requirements for Admission to PASSHE Universities
(INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Research has consistently shown that a rigorous secondary school curriculum significantly increases the chances for student success in postsecondary education.

PASSHE reviewed other state core curricula to evaluate the strengths and weaknesses and to determine the best fit for the students of Pennsylvania. The proposed core curriculum is intended to provide the basic structure for students to achieve the fundamentals for success in college and it provides the school districts with the flexibility to integrate other content areas that may be instrumental to overall continued success of college-bound students, such as wellness and health, foreign languages, and visual and performing arts.

This proposal (phased in over an appropriate time period) would have a significant influence on increasing the consistency of expectations for high school graduates across the Commonwealth. In addition, this action might decrease the need for remediation and/or developmental courses.

Supporting Documents Included: Core High School Curriculum Proposal for Regular Admission to PASSHE Institutions

Other Supporting Documents Available: N/A

Reviewed by: Council of Presidents, February 18, 2009, October 14, 2009; Chief Academic Officers, September 24, 2009

Prepared by: James D. Moran

Telephone: 717-720-4200

**Core High School Curriculum Proposal for
Regular Admission to PASSHE Institutions
January 13, 2010**

A vigorous high school curriculum includes courses and experiences that facilitate success of all students, and provides students with the skills and knowledge required for college and career success.

The curriculum requirements will be phased in to be fully implemented for the class entering fall 2013 and are not intended to apply to persons attaining high school credentials through a GED. This curriculum will be required for students seeking regular admission to any of the 14 PASSHE institutions. Students who do not meet this requirement may be admitted on a provisional basis at the university's discretion.

Subjects	Number of Years	Proposed Requirements
Language Arts Literacy	4 years	English I, II, III and IV Content may include language, communication, writing, composition, research, logic, technical and business reading and writing, informational text, media, and literature
Math	3 years	Content that incorporates the equivalent of Algebra I, Geometry and a third year course in either Algebra II or a rigorous course based in Probability/Statistics. Mathematics or mathematical-based science taken in senior year is highly recommended.
Science	3 years	Content that incorporates the equivalent of biology (with lab), chemistry (with lab) and other inquiry-based lab or technical science such as physics, engineering, environmental, or earth science.
Social Studies	3 years	Content that incorporates the equivalent of Civics, U.S. History, World History, Geography and Economics and provides students an understanding of the influence of heritage, cultural context, diversity and global perspectives.

Academic and Student Affairs Committee Meeting

January 13, 2010

SUBJECT: Academic Planning (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: A brief report will be made on the status of academic planning activities at the universities and the Office of the Chancellor.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: James D. Moran

Telephone: 717-720-4200

Academic and Student Affairs Committee Meeting

January 13, 2010

SUBJECT: Cheyney University Center of Excellence in Communications Media, Fine Arts, and Entertainment Arts Presentation (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Cheyney University's plans for redesigning academic offerings are anchored in its unique history and academic strengths and traditions. As such, they serve as the foundation for the development of centers of excellence designed to respond to the workforce needs of the Commonwealth while preparing leaders for the region and beyond. A center of excellence is an organizing concept that highlights academic programs, focuses grant activity and scholarly contribution, and directs public engagement and service. President Michelle Howard-Vital and Provost Ivan Banks will make a presentation on Cheyney University's development of a Center of Excellence in Communications Media, Fine Arts, and Entertainment Arts.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: James D. Moran

Telephone: 717-720-4200



Pennsylvania State System of Higher Education

Audit Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010

Agenda

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2. Office of Internal Audit and Risk Assessment 2009-10 Annual Work Plan (ACTION)	13



Committee Members: Paul S. Dlugolecki, (Interim Chair), Richard Kneedler, C.R. “Chuck” Pennoni, Christine J. Toretta and Kenneth M. Jarin (*ex officio*).

For further information, contact Peter H. Garland at (717) 720-4010.

Audit Committee Meeting January 13, 2010

SUBJECT: Office of Internal Audit and Risk Assessment Update (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: In response to the July 2009 restructuring of PASSHE's internal audit operation, the Office of Internal Audit and Risk Assessment (OIARA) has focused efforts during the first half of the 2009-10 plan year on developing departmental staffing, peer education on the risk assessment process, communication of the department's audit initiatives and its new approach in tailoring individual audit work plans to meet the needs of each System institution.

Through internal transfers, two audit professionals joined the Office of Internal Audit and Risk Assessment staff. Both are Certified Public Accountants and bring a wealth of higher education experience to the department. Recruited through Job Posting Notice 2009-16, two individuals have recently been hired. One brings experience in information technology auditing and is licensed as a Certified Public Accountant, Certified Information Systems Security Professional and Certified Information System Auditor. The second individual has earned her MBA and possesses significant work experience with Sarbanes-Oxley and overseeing documentation of internal control structures.

The audit manager's position was reclassified to an audit senior position to afford increased direct internal audit services to the campuses, reduce management layering, and provide a budgetary savings to the System. This position has been filled through an internal process. The individual is a Certified Public Accountant, possesses higher education audit experience and has extensive knowledge of SAP.

During the first half of fiscal year 2009-10, in addition to departmental staffing initiatives, significant research, discussion, and planning were completed resulting in development of a System risk assessment model. A pilot university risk assessment is presently underway at Shippensburg University with anticipated completion to occur in February 2010. A System level risk assessment is ongoing, focusing on risks impacting PASSHE's Human Resources Division.

Since July 2009, the OIARA has completed audit engagements at various universities related to travel policies and reimbursed expenses, parking fines/assessments, and work study employment. Special institutional assignments were also completed pertaining to athletics, an analysis of student accounts receivable balances, and completion of an NCAA agreed upon procedures audit.

Ongoing projects include supporting performance-monitoring visits by the Department of Community and Economic Development of the Workforce Leadership Grant administered through the Office of the Chancellor, tuition and fee waiver audits at three universities, an

institutional payroll office performance audit and a work study employment review. As referenced previously, the two risk assessment projects are continuing.

The Office of Internal Audit and Risk Assessment is now positioned with staffing to move forward during the second half of the plan year, with a goal of providing relevant, value-added internal audit services meeting the independent needs of each PASSHE institution.

Supporting Documents Included: N/A

Other Supporting Documents Available: Board of Governors Policy 1991-06-A, *State System Audit Policy*

Reviewed by: N/A

Prepared by: Dean A. Weber

Telephone: (717) 720-4243

Audit Committee Meeting January 13, 2010

SUBJECT: Office of Internal Audit and Risk Assessment 2009-10 Annual Work Plan (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND:

Board of Governors Policy 1991-06-A, *State System Audit Policy*, requires the Audit Committee review and recommend for approval the Office of Internal Audit and Risk Assessment's Annual Work Plan.

At the July 2009 Board of Governors' meeting, a partial year work plan spanning July through December 2009 was presented and approved. The work plan covering January through June 2010 is now presented for Board action. This method was employed due to the restructuring of PASSHE's internal audit function and recognizing the need for an evolving work plan based on achieving departmental staffing necessary to complete the proposed engagements.

The Office of Internal Audit and Risk Assessment intends to facilitate institutional-based risk assessments. Outcomes will provide university leadership with valuable information affording for customized, risk based internal audit planning.

In the absence of completed risk assessments at each PASSHE University, institutions were requested to provide one or two audit areas for inclusion in the proposed work plan spanning the second half of the plan year. This method is aimed at supporting individualized audit initiatives unique to the needs of each university.

MOTION: That the Board of Governors approve the Office of Internal Audit and Risk Assessment's Annual Work Plan for the period January through June 2010 (attached).

Supporting Documents Included: Office of Internal Audit and Risk Assessment, 2009-10 Annual Work Plan, January – June 2010

Other Supporting Documents Available: Board of Governors Policy 1991-06-A, *State System Audit Policy*

Reviewed by: N/A

Prepared by: Dean A. Weber

Telephone: (717) 720-4243

**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION
OFFICE OF INTERNAL AUDIT and RISK ASSESSMENT
2009-10 ANNUAL WORK PLAN
JANUARY - JUNE 2010**

Carryover 2008-09 Annual Work Plan Projects - Ongoing

Completion of five projects currently in process related to Tuition and Fee Waivers, Work Study Employment and Payroll Operations. Audit work will be completed and final reports of audit outcomes will be issued.

Tuition and Fee Waivers - Limited Scope Review

Verify eligibility and accuracy of tuition and fee waivers received by PASSHE students, employees, and their dependents in accordance with requirements of Board and University policy. Reviews are ongoing at three universities.

Work Study Employment - Limited Scope Review

Confirm awarding, funding, and payment of work study wages to student employees are in compliance with federal, PASSHE and University policies and guidelines. Review is ongoing at one university.

Payroll Operations Audit - Special Project

In response to an institutional request, complete an independent analysis and review of the SAP payroll organizational structure to ensure payments are accurately processed. Review is ongoing at one university.

Risk Assessment Initiatives - Ongoing

Facilitation of a multi-layered risk assessment process with an overarching goal affording prioritized institutional internal audit planning based on recognized levels of risk exposure and impact of potential liabilities. Risk assessments will be completed at the institutional level to afford internal audit planning supporting entity level needs.

University Pilot Risk Assessment

A pilot risk assessment model is being implemented at one PASSHE university. The pilot process is aimed to position the advancement of the risk assessment initiative, affording the opportunity to learn and receive valuable input in refining efforts to be replicated among all PASSHE institutions. This project is well underway.

Human Resources Risk Assessment

A System-level risk assessment is underway supporting efforts of the Human Resources Division. The purpose of the analysis is to provide a matrix of risks related to the function as administered throughout the System. Outcomes will provide a reference mechanism for future reviews/audits ensuring appropriate internal controls are present supporting high risk operations.

New Second Half Fiscal Year 2009-10 Work Plan Initiatives

The following internal audit projects and assessments have been identified by university leadership and the Office of Internal Audit and Risk Assessment aimed at focusing internal audit resources on issues pertinent to each institution.

System-wide Project

An analysis of compliance with Title IX in support of equity in athletics will be conducted at all PASSHE institutions. Outcomes will report on the overall equity in treatment and opportunity between male and female athletic programs at each PASSHE institution.

Institutional Projects

The following internal audit and risk assessment projects are proposed for completion at various PASSHE institutions during the second half of the 2009/10 fiscal year. Prioritized project planning includes a visit to each institution during the period, with completion of at least one (or more) of the below listed audits topics.

- Departmental Collection of Cash/Fees
- I/T Risk Assessment
- University Bookstore
- Department of General Services Billing
- Purchasing Card Transactions
- Electronic Student Refund Program
- Institutional Use of Non-University Funds
- Payment Card Industry Compliance
- Accounting of Student Activity Fees
- Technology Loss/Theft of Sensitive Data
- Athletics
- College of Business Analysis
- Foundations Relative to Positions and Services
- Employee/Visitor Injury Reporting
- Bursar Office Functions
- Payroll Activities

Special Projects

Board of Governors Policy 1991-09-A, *State System Audit Policy*, provides for the Office of Internal Audit and Risk Assessment to conduct special project audits and investigations as requested by the Board of Governors, the Chancellor and University Presidents, as well as outside entities, e.g., the Commonwealth's Auditor General or Inspector General.

Work Force Leadership Grant Assessments

Participate as part of an assessment team, providing financial analysis of program participant's expenditures under the terms and conditions of grant awards provided through the Department of Community and Economic Development and administered through the Pennsylvania State System of Higher Education.



Pennsylvania State System of Higher Education

Finance, Administration, and Facilities Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

January 13, 2010

Agenda

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6.	Board of Governors' Policy 2010-01: <i>Expenditures for University Relations</i> (ACTION).....	38
7.	Board of Governors' Policy 2010-02: <i>Expenditures for Recognition</i> (ACTION).....	40



Committee Members: C.R. “Chuck” Pennoni (Chair), John M. Brinjac (designee for Governor Edward Rendell), Donna Cooper (designee for Secretary Gerald L. Zahorchak), Representative Michael K. Hanna, Senator Vincent J. Hughes, Harold C. Shields and Kenneth M. Jarin (ex officio).

For further information, contact Peter H. Garland at (717) 720-4010.

Finance, Administration, and Facilities Committee Meeting
January 13, 2010

SUBJECT: Board of Governors' Policy 1983-02-A: *Purchasing* (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Board of Governors' Policy 1983-02-A: *Purchasing*, requires updating and editing to revise the legal review requirements for service purchase contracts from \$1,500 to \$5,000. This threshold was established in 1998 and has never been updated.

The current practice of the Department of General Services/Commonwealth of Pennsylvania is that services under \$5,000 do not require bidding documents. PASSHE would still require documents for items under \$5,000 to ensure that expectations/terms and conditions are clearly communicated to suppliers, but would not require legal review. Items over the \$5,000 threshold must be uploaded to the Treasury website, as required by the Right-to-Know law and, therefore, require legal review.

Increasing the threshold to \$5,000 will help to streamline contract processing. However, it is still the responsibility of each University and its respective procurement officers to adhere to procurement policies and laws and uphold the proper expenditure of public dollars.

MOTION: That the Board of Governors approve the revisions to Policy 1983-02-A: *Purchasing*, as attached.

Supporting Documents Included: Draft Revision of Board of Governors' Policy 1983-02-A: *Purchasing*

Other Supporting Documents Available: N/A

Reviewed by: Fiscal and Administrative Vice Presidents, December 2, 2009; Council of Presidents, December 9, 2009

Prepared by: James S. Dillon

Telephone: (717) 720-4100



PA State System of Higher Education Board of Governors

Effective: July 1, 1983

DRAFT REVISION

Page 1 of 1

POLICY 1983-02-A: PURCHASING

See Also:

Adopted: June 6, 1983

Amended: May 14, 1998, and January 14, 2010

A. Purchases up to and including \$10,000

1. Prudent business practices are institutionally established and followed as they relate to purchases up to and including \$10,000.
2. Purchases up to and including \$10,000 shall not require competitive bidding.
3. Service purchase contracts exceeding ~~\$1,500~~ \$5,000 must be reviewed by legal counsel.

B. Purchases over \$10,000

Purchases over \$10,000 must be bid competitively under institutionally established business practices.

C. Institutionally Established Procedures

Each university president will submit to the chancellor within 90 days of the adoption of this policy, the document detailing the established prudent business practices followed by the university in compliance with this policy.

D. Effective Date

July 1, 1983.

Finance, Administration, and Facilities Committee Meeting January 13, 2010

SUBJECT: Board of Governors' Policy 2000-02: *Capital Facilities Planning, Programming, and Funding* (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Board of Governors' Policy 2000-02: *Capital Facilities Planning, Programming, and Funding* requires significant updating and editing to reflect current practices more accurately. Key changes include:

- Revise requirements for alternate funding for Educational and General projects, and capital funding for auxiliary projects to match current Board practices;
- Remove outdated information, such as reference to the Capital Redevelopment Assistance Program funding;
- Delegate approval for small changes to University space; and
- Streamline general text to improve readability.

Attached are two versions of the draft policy. The first version highlights the changes made; the second version shows how the final document would appear.

MOTION: That the Board of Governors approve the revisions to Policy 2000-02: *Capital Facilities Planning, Programming, and Funding*, as attached.

Supporting Documents Included: Two Draft Revisions to Board of Governors' Policy 2000-02: *Capital Facilities Planning, Programming, and Funding*

Other Supporting Documents Available: N/A

Reviewed by: Fiscal and Administrative Vice Presidents, October 21, 2009; Council of Presidents, November 11, 2009

Prepared by: James S. Dillon

Telephone: (717) 720-4100



PA State System of Higher Education Board of Governors

Effective: July 13, 2000

DRAFT REVISION

Page 1 of 8

POLICY 2000-02-A: CAPITAL FACILITIES PLANNING, PROGRAMMING, AND FUNDING

See Also:

Adopted: July 13, 2000
Amended: January 14, 2010

GA. Purpose

This policy establishes:

- ~~1. the requirements for developing and maintaining a capital facilities planning and programming process, identifies approval levels, and provides guidance for allocating Commonwealth capital funding, and assigns responsibilities and procedures for implementing the program within the State System;~~
- ~~2. the requirement for submission of a detailed project planning document with each facilities project submitted for inclusion in a System capital appropriation request or System-financed capital project and assigns responsibilities and procedures for submission, review, and evaluation of the specified information;~~
- ~~3. the procedures for allocating capital appropriation funding identified for allocation by the System for authorized capital appropriation projects;~~
- ~~4. the requirement for pursuing public/private alliances to finance improvements in the quality of student living on a user fee self-liquidating basis;~~
- ~~5. the requirement for pursuing public/private alliances or private sector contributions of at least 50% for new academic facilities; and~~
- ~~6. the requirement for funding economic development facilities projects under the Commonwealth's Capital Redevelopment Assistance Program requirements.~~

B. Background

To support the State System's mission of providing a quality education for its students, quality facilities must be built and well maintained.

Act 188 requires Board of Governors' approval of System building projects submitted to the Office of the Budget Secretary. ~~This policy establishes a~~ The State System has a well established System Capital Facilities Planning and Programming Process (CFP3) for determining capital facilities requirements, ~~a requirement for submission of a~~ submitting detailed planning documents, ~~and to identify the university mission and academic programs to be supported by the project, and a process for allocating on of~~ available funding for projects authorized by the legislature ~~from the requests.~~

~~Modern educational programs inherently are dependent upon the quality of the facilities in which the programs are conducted. To support the State System's mission of providing a quality education for its students, quality facilities must be built and maintained routinely. To this end, the CFP3 must be implemented System-wide to establish a uniform method for determining requirements and allocating limited resources. Limited capital appropriations must be used to support those projects most important to the System and the Commonwealth.~~

Since distribution of the State System's ~~resources~~ funding is determined, in part, by the relative distribution of the general educational space according to the State System's funding allocation formula, changes that ~~impact the formula~~ affect funding must be approved to avoid inadvertent or unwarranted modifications to the distribution.

~~In addition to providing the opportunity for its citizens to obtain a college education at an affordable cost, the Commonwealth's higher education institutions must contribute to training its citizens for the Commonwealth's businesses and public service, and assist in work force development to sustain a competitive posture in today's global marketplace.~~

AC. Policy

1. General—All facilities projects submitted for inclusion in an annual capital ~~appropriation~~ funding request or submitted for funding financing through a State System of Higher Education bond issue must be approved by the Board of Governors according to the capital facilities planning, programming, and funding policies established herein.
2. Capital Facilities Planning—The State System will ~~develop and maintain~~ use a capital facilities planning process ~~for determining~~ to address capital facilities requirements. The process will include, at a minimum, a universally accepted facilities inventory database, a standardized method of auditing and assessing the condition of each facility, a facilities master plan for each university prepared according to published guidelines, and criteria or guidelines for determining space requirements to meet the educational and quality of life standards desired for each university. Only those projects that

satisfy a valid space deficiency, a System or Commonwealth educational requirement, or renew an existing facility for a valid mission requirement will be submitted for Board approval.

The Finance, Administration, and Facilities Committee of the Board will review each project before it is recommended for Board approval.

3. Capital Facilities Programming—All facilities projects submitted for inclusion in a State System capital appropriation request or System-financed capital project will be based on a detailed project justifications and planning documents. The prepared justifications and planning documents will be in response to the published budget guidance ~~published by the Board, the university mission requirements to be supported, and the Commonwealth budget guidance~~, and/or workforce development requirements.

~~Space categorized as general educational space, for which the university will seek funding through the funding formula, may not be made through lease, new construction, building additions, or conversion of space categorized as auxiliary without Board approval.~~

~~The Finance, Administration, and Facilities Committee of the Board will review each project before it is recommended for Board approval.~~

4. Capital Facilities Funding

- a. Capital Funding for Educational Facilities—Annually, the Commonwealth provides an allocation of capital ~~appropriation to funding for~~ some ~~capital facilities projects for~~ System educational facilities projects. Private gifts, grants and partnerships, and System operating funds also have been used to fund capital facilities requirements. Capital ~~appropriations identified for allocation by the System~~ funds are allocated by the Board for authorized capital projects. ~~appropriation projects will be approved by the Board before release by the Budget Office. In FY 1999/2000 the System and the Commonwealth formulated a capital funding plan for System capital facilities projects in the Academic Facilities Renovation Program and the Academic Program Directions and Capital Facilities Investments for Pennsylvania's Future Program. Recognizing the value of these programs, in order to utilize most effectively available capital appropriations at the conclusion of these programs, t~~The Board will submit consider requests for Commonwealth capital ~~appropriations funding of System educational facilities projects~~ according to the following criteria:

- ~~(1) — Except for special circumstances as approved by the Board, projects requested for construction of economic development facilities must serve both the university and the community with shared programming and use, and may be funded under the Commonwealth's guidelines of Capital Redevelopment~~

~~Assistance Program requirements. Fifty (50) percent non-state participation is required with state funds dispersed over multiple years.~~

~~(21) Except for special circumstances as approved by t~~The Board may require universities to contribute funding from alternate sources for some projects to help leverage Commonwealth capital funding depending on project circumstances. ~~public/private alliances or private sector support of at least 50 percent of the project cost will be raised for all new academic facilities that satisfy System educational requirements and/or contribute to global competitiveness and work force needs. Those p~~Projects receiving the greater significant private support will receive a higher priority recommendation for public funding. Public/private alliances or private sector support for academic facilities that satisfy System educational requirements and/or contribute to global competitiveness and workforce needs are strongly encouraged.

~~(32)~~ Full Commonwealth funding may be requested for projects when alternative funding sources cannot meet the life cycle renewal, renovation, or replacement requirements of facilities or supporting infrastructure systems:

- (a) To maintain health and safety standards, and/or operational continuity of utility and support systems;
- (b) To achieve regulatory compliance with existing and/or new legislation; and/or
- (c) For life cycle renewal, renovation, or replacement to maintain safe occupancy, efficient operations, and building code habitability standards of existing facilities.

~~(4) Utility projects may be funded or financed from Educational and General revenue to the extent feasible.~~

~~(53) Except for special circumstances as approved by the Board, System bond financing may be used for general educational facilities when approved by the Board. University financial resources and expected benefits from each project in cost savings/avoidance and improved efficiencies will be taken into consideration. will be used only for mutually agreed joint Commonwealth System programs or as bridge loans until private sector pledges are satisfied.~~

b. Capital Funding for Auxiliary Projects ~~Since 1984, the System has provided b~~Bond financing may be used for System auxiliary projects

funded by student fees or other revenue. The Board ~~must~~ will approve projects submitted for funding through a System bond issue before bond proceeds are released for the project. ~~Due to the magnitude of the requirement, t~~The Board will approve financing of auxiliary facilities projects according to the following criteria:

- (1) New facilities satisfying a valid requirement to improve the quality of student living or university parking structures first must be pursued through public/private alliances and financed on a user fee self-liquidated basis through appropriate not-for-profit entities. ~~Only after such pursuit fails to provide an acceptable public/private alliance will the Board consider approving System bond financing of the project.~~
- (2) The Board may approve System bond financing of projects to renew, renovate, or reconfigure ~~existing Commonwealth-owned~~ auxiliary facilities when it deems that public/private alliances are not practical or feasible.
- (3) Students may elect, through a student referendum, to raise student fees sufficiently to finance construction of new or renovation of existing recreational and student activity facilities on university property through System bond financing or other appropriate not-for-profit entities.
- (4) The Board may elect to use Commonwealth capital funds for an auxiliary project as a last resort when all other funding options are exhausted.

5. Space Management—The Board must approve increases to space inventory categorized as general educational for which universities will seek funding through the allocation formula. This includes, but is not limited to, increases made through lease, new construction, building additions, or conversion of space categorized as auxiliary. The Board delegates to the Chancellor or designee approval authority of annual space changes of less than 1% of a university's general educational inventory.

D. Definitions

- **Auxiliary Facilities**—Those facilities that house and are funded as entities that furnish goods and services to students, faculty, or staff and charge a fee directly related to, although not necessarily equal to, the cost of the service. Examples of auxiliary facilities are parking lots and structures, residence halls, dining halls, student unions, and recreation halls constructed through student fees. ~~These facilities generally are classified as certain general use (categories 630 and 670) and residential (category 900) facilities in the Postsecondary Education Facilities Inventory and Classification Manual.~~

- ~~Capital Redevelopment Assistance Program—a Commonwealth program that provides bond financing of capital facilities that contribute to the economic welfare and revitalization of the Commonwealth.~~
- ~~Detailed Project Planning Document—a comprehensive statement of the nature and concepts of the project. The statement includes site identification, space analysis by facilities categories, utility service availability analysis, and a detailed description of the desired outcome to support the programs to be conducted in the facility. A square foot estimate of the construction costs, total project costs, and annual operating costs associated with the completed project, along with the associated impact on the operating budget, also is included in the statement. A feasibility study may be substituted for the detailed project planning document.~~
- Commonwealth Capital Funding—State funding typically provided from State bond proceeds. Projects must be authorized by the legislature in a capital budget and be valued for at least \$100,000 for bond-funded projects.
- **Facilities Inventory**—A listing of the facilities on each university campus, branch campus, educational center, or other State System entity, including leased space, by building and room category, according to a standard classification and measurement system.
- **Facilities Master Plan**—A planning document that specifies the facilities and their existing or planned locations required to conduct the mission of each State System university based upon the academic, financial, and strategic priorities of the university, as endorsed by the State System.
- **Facilities Project**—A project funded by specific Commonwealth **appropriations funds** or financed by the State System for maintenance, repair, or renovation of existing buildings, structures, or infrastructure; or for construction of new buildings, structures, or infrastructure at State System institutions.
- **Facility Replacement**—Replacement of an existing facility at the same square footage or within approved space guidelines because renewal/renovation of the facility is not feasible, practical to accommodate modern instruction or construction methods, or economically viable, but a facility is required for continued performance of the function conducted in the facility.
- **Feasibility Study**—A thorough study of a proposed facilities project to evaluate its economic, financial, technical, functional, environmental, and cultural advisability, which results in a programmatic diagram of the project showing a possible floor plan and architectural design that satisfies the desired facility requirements.
- **General Educational Facilities**—All facilities, including leased space, other than auxiliary that directly or indirectly support the mission of the State System. The facilities are classified as classroom (~~category 100~~); laboratory (~~category 200~~); office (~~category 300~~); study (~~category 400~~); special use, such as athletic

~~(category 500); general use (category 600); support (category 700); and health care (category 800) facilities.~~

- ~~• **Public/Private Alliances**—Agreements between an entity or entities of the State System and individuals, businesses, corporations, or other organizations that join the parties to share arrangements and responsibilities for financing, operation, and use of public facilities. **In no case will the alliance take on the attributes of a joint venture as prohibited by the Constitution.**~~
- ~~• **System Capital **Appropriation Authorization Request****—The annual facilities projects request submitted by the Board to the General Assembly and the Governor's Office for inclusion in a capital budget project itemization act. **Projects included in a capital budget act not previously approved by the Board will be submitted to the Board for authorization prior to submission for release of funding and will be subject to the requirements of this policy.**~~

~~E. **Procedures and Responsibilities**~~

- ~~1. The chancellor, in consultation with the presidents, will develop and publish a State System capital facilities planning and programming process. The process will include preparation and continuous updating of a facilities inventory, condition assessment, space planning guidelines, and facilities master plan for each university, branch campus, and education center. An electronic database will be used to record and update the data. The System-wide inventory data of existing facilities and the facilities condition assessment of existing facilities will be updated annually in conjunction with the annual capital budget program. State System universities will prepare facilities master plans based upon the published guidelines. Facilities master plans will be updated as required to reflect changes that occur each year. Life cycle renewal profiles will be prepared for each facility and capital renewal project submitted based upon the least cost repair/renovation cycle.~~
- ~~2. The chancellor, in conjunction with the Finance, Administration, and Facilities Committee of the Board, will develop and publish specific requirements to be included in the detailed project planning documents. The requesting university will submit the required planning documents for each project requested in a capital appropriation act or for System bond financing. The Finance, Administration, and Facilities Committee, or the committee's designee, will review the detailed planning documents, along with the documents specified in the annual budget guidance, and identify the projects to be forwarded for Board approval.~~
- ~~3. Annually, by the third quarterly meeting of the Board, the Finance, Administration, and Facilities Committee will publish the facilities planning, programming, and funding criteria for System capital facilities projects.~~
- ~~4. The Finance, Administration, and Facilities Committee will review the capital facilities planning and programming documents submitted by System universities in accordance with this policy for consideration in the annual~~

~~capital appropriation request, and recommend for Board approval, in priority order, the list of capital projects to be included in the annual capital appropriation request or the annual auxiliary facilities program.~~

~~5. Before funding is released for capital appropriation projects for which funding is identified for allocation, the Finance, Administration, and Facilities Committee will review all authorized projects and establish a plan for funding those authorized projects that best satisfy the System's and Commonwealth's needs.~~

~~6. The chancellor will prepare administrative procedures acceptable to the Finance, Administration, and Facilities Committee to implement these procedures.~~

FE. Repeals

Board of Governors' Policy 1995-01, *Capital Facilities Programming and Planning*, and Board of Governors' Policy 1996-02, *Programming of Capital Facilities Projects*, are repealed upon adoption of this policy.

GF. Effective Date

July 13, 2000.



PA State System of Higher Education Board of Governors

Effective: July 13, 2000

DRAFT REVISION

Page 1 of 5

POLICY 2000-02-A: CAPITAL FACILITIES PLANNING, PROGRAMMING, AND FUNDING

See Also:

Adopted: July 13, 2000
Amended: January 14, 2010

A. Purpose

This policy establishes requirements for developing and maintaining a capital facilities planning and programming process, identifies approval levels, and provides guidance for allocating Commonwealth capital funding.

B. Background

To support the State System's mission of providing a quality education for its students, quality facilities must be built and well maintained.

Act 188 requires Board of Governors' approval of System building projects submitted to the Office of the Budget Secretary. The State System has a well established System Capital Facilities Planning and Programming Process (CFP3) for determining capital facilities requirements, submitting detailed planning documents, and allocating available funding for projects authorized by the legislature.

Since distribution of the State System's funding is determined, in part, by the relative distribution of the general educational space according to the State System's allocation formula, changes that affect funding must be approved to avoid inadvertent or unwarranted modifications to the distribution.

C. Policy

1. General—All facilities projects submitted for inclusion in an annual capital funding request or submitted for financing through a State System of Higher Education bond issue must be approved by the Board of Governors according to the capital facilities planning, programming, and funding policies established herein.

2. Capital Facilities Planning—The State System will use a capital facilities planning process to address capital facilities requirements. The process will include, at a minimum, a universally accepted facilities inventory database, a standardized method of auditing and assessing the condition of each facility, a facilities master plan for each university prepared according to published guidelines, and criteria or guidelines for determining space requirements to meet the educational and quality of life standards desired for each university. Only those projects that satisfy a valid space deficiency, a System or Commonwealth educational requirement, or renew an existing facility for a valid mission requirement will be submitted for Board approval.

The Finance, Administration, and Facilities Committee of the Board will review each project before it is recommended for Board approval.

3. Capital Facilities Programming—All facilities projects submitted for inclusion in a State System capital appropriation request or System-financed capital project will be based on detailed project justifications and planning documents. The prepared justifications and planning documents will be in response to the published budget guidance, university mission requirements, and/or workforce development requirements.

4. Capital Facilities Funding

- a. Capital Funding for Educational Facilities—Annually, the Commonwealth provides an allocation of capital funding for some System educational facilities projects. Private gifts, grants and partnerships, and System operating funds also have been used to fund capital facilities requirements. Capital funds are allocated by the Board for authorized capital projects. The Board will consider requests for Commonwealth capital funding according to the following criteria:

- (1) The Board may require universities to contribute funding from alternate sources for some projects to help leverage Commonwealth capital funding depending on project circumstances. Projects receiving significant private support will receive a higher priority recommendation for public funding. Public/private alliances or private sector support for academic facilities that satisfy System educational requirements and/or contribute to global competitiveness and workforce needs are strongly encouraged.

- (2) Full Commonwealth funding may be requested for projects when alternative funding sources cannot meet the life cycle renewal, renovation, or replacement requirements of facilities or supporting infrastructure systems:

- (a) To maintain health and safety standards, and/or operational continuity of utility and support systems;

- (b) To achieve regulatory compliance with existing and/or new legislation; and/or
 - (c) For life cycle renewal, renovation, or replacement to maintain safe occupancy, efficient operations, and building code habitability standards of existing facilities.
 - (3) System bond financing may be used for general educational facilities when approved by the Board. University financial resources and expected benefits from each project in cost savings/avoidance and improved efficiencies will be taken into consideration.
- b. Capital Funding for Auxiliary Projects—Bond financing may be used for System auxiliary projects funded by student fees or other revenue. The Board will approve projects submitted for funding through a System bond issue before bond proceeds are released for the project. The Board will approve financing of auxiliary facilities projects according to the following criteria:
 - (1) New facilities satisfying a valid requirement to improve the quality of student living or university parking structures first must be pursued through public/private alliances and financed on a user fee self-liquidated basis through appropriate not-for-profit entities.
 - (2) The Board may approve System bond financing of projects to renew, renovate, or reconfigure auxiliary facilities when it deems that public/private alliances are not practical or feasible.
 - (3) Students may elect, through a student referendum, to raise student fees sufficiently to finance construction of new or renovation of existing recreational and student activity facilities on university property through System bond financing or other appropriate not-for-profit entities.
 - (4) The Board may elect to use Commonwealth capital funds for an auxiliary project as a last resort when all other funding options are exhausted.
- 5. Space Management—The Board must approve increases to space inventory categorized as general educational for which universities will seek funding through the allocation formula. This includes, but is not limited to, increases made through lease, new construction, building additions, or conversion of space categorized as auxiliary. The Board delegates to the Chancellor or designee approval authority of annual space changes of less than 1% of a university's general educational inventory.

D. Definitions

- **Auxiliary Facilities**—Those facilities that house and are funded as entities that furnish goods and services to students, faculty, or staff and charge a fee directly related to, although not necessarily equal to, the cost of the service. Examples of auxiliary facilities are parking lots and structures, residence halls, dining halls, student unions, and recreation halls constructed through student fees.
- **Commonwealth Capital Funding**—State funding typically provided from State bond proceeds. Projects must be authorized by the legislature in a capital budget and be valued for at least \$100,000 for bond-funded projects.
- **Facilities Inventory**—A listing of the facilities on each university campus, branch campus, educational center, or other State System entity, including leased space, by building and room category, according to a standard classification and measurement system.
- **Facilities Master Plan**—A planning document that specifies the facilities and their existing or planned locations required to conduct the mission of each State System university based upon the academic, financial, and strategic priorities of the university, as endorsed by the State System.
- **Facilities Project**—A project funded by specific Commonwealth funds or financed by the State System for maintenance, repair, or renovation of existing buildings, structures, or infrastructure; or for construction of new buildings, structures, or infrastructure at State System institutions.
- **Facility Replacement**—Replacement of an existing facility at the same square footage or within approved space guidelines because renewal/renovation of the facility is not feasible, practical to accommodate modern instruction or construction methods, or economically viable, but a facility is required for continued performance of the function conducted in the facility.
- **Feasibility Study**—A thorough study of a proposed facilities project to evaluate its economic, financial, technical, functional, environmental, and cultural advisability, which results in a programmatic diagram of the project showing a possible floor plan and architectural design that satisfies the desired facility requirements.
- **General Educational Facilities**—All facilities, including leased space, other than auxiliary that directly or indirectly support the mission of the State System. The facilities are classified as classroom; laboratory; office; study; special use, such as athletic; general use; support; and health care facilities.
- **Public/Private Alliances**—Agreements between an entity or entities of the State System and individuals, businesses, corporations, or other organizations that join the parties to share arrangements and responsibilities for financing, operation, and use of public facilities.

- **System Capital Authorization Request**—The annual facilities projects request submitted by the Board to the General Assembly and the Governor’s Office for inclusion in a capital budget project itemization act.

E. Repeals

Board of Governors’ Policy 1995-01, *Capital Facilities Programming and Planning*, and Board of Governors’ Policy 1996-02, *Programming of Capital Facilities Projects*, are repealed upon adoption of this policy.

F. Effective Date

July 13, 2000.

Finance, Administration, and Facilities Committee Meeting January 13, 2010

SUBJECT: Property Acquisition, Mansfield University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: Mansfield University of Pennsylvania

BACKGROUND: Mansfield University requests approval to purchase two adjoining properties in central downtown Mansfield, Pennsylvania, using System bond financing. The properties are located at 18 North Main Street and 19 East Wellsboro Street. Both properties are within easy walking distance from campus.

The University is interested in purchasing these properties as part of a cooperative effort with the Borough of Mansfield, Mansfield Downtown Development Corporation, and Mansfield University students who are working together to improve the downtown corridor and provide recreation, entertainment, and employment opportunities for students. Mansfield University does not have a student union facility like most universities. They plan to co-develop the site with businesses to provide resources that the campus and community lack, such as a movie theater, café, coffee bar, and bookstore. In the current business model, the University will lease the property to the Mansfield Downtown Development Corporation to develop the site. This approach is providing the stimulus necessary to move the project forward and ensure that development provides the resources that will attract students.

The property at 19 East Wellsboro is a 0.2-acre lot with a two-story, 8,660-gross-square-foot masonry building that is being used as the Borough of Mansfield municipal offices and police garage. At one time, the building also housed the fire department, but that portion of the building is now abandoned. The property is valued at about \$225,000. Structures on this site will be demolished to allow for construction of a movie theater.

The property at 18 North Main Street is a 0.6-acre lot with a 2.5-story, 4,700-gross-square-foot wood frame building containing a real estate development office, recording studio with offices, and apartment. The building was constructed in 1900 and received significant renovations in 2006. The property, which includes a detached two-car garage and parking for six vehicles, is valued at approximately \$445,000. The movie theater is expected to extend onto the rear of this site, using this site for access. The main building will be reconfigured or replaced to support the café, coffee bar, and bookstore development.

MOTION: That the Board of Governors approve Mansfield University's System bond financing and acquisition of properties at 18 North Main Street and 19 East Wellsboro Street, Mansfield, Pennsylvania.

Supporting Documents Included: Aerial View and Photos of Properties

Other Supporting Documents Available: Real Property Acquisition Planning Data

Reviewed by: Mansfield University's Council of Trustees, November 24, 2009

Prepared by: James S. Dillon

Telephone: (717) 720-4100



Aerial View of Mansfield University and Properties Proposed for Purchase



18 North Main Street, Mansfield, Pennsylvania



19 East Wellsboro Street, Mansfield, Pennsylvania

Finance, Administration, and Facilities Committee Meeting
January 13, 2010

SUBJECT: Performance and Classroom Laboratory Project Bond Financing, Slippery Rock University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: Slippery Rock University of Pennsylvania

BACKGROUND: Slippery Rock University requests approval to bond finance \$8 million to supplement funding for its performance and classroom laboratory construction project. The project includes replacement of Miller Auditorium and demolition of McKay Gym.

The University intends to construct a 96,000-square-foot performance and classroom laboratory at an estimated cost of \$40.7 million. Commonwealth capital funding of \$29.1 million is scheduled for release in fiscal year 2010/11 to begin design and construction. The University has cash on hand and donations totaling \$3.6 million. The University desires to fund the remaining balance with System bond financing for a period of 20 years.

Debt service for this project will be funded primarily from University operating funds. The University is well positioned to afford the debt service since debt service totaling twice the cost for this project will be retired by the time payments will begin for this project.

The project will address significant space needs for the dance, theater, music, and fine arts programs at Slippery Rock. The need to address these deficiencies was cited during the last accreditation inspections for the dance and theater programs.

MOTION: That the Board of Governors approve Slippery Rock University's request to bond finance approximately \$8 million to supplement financing for construction of a performance and classroom laboratory.

Supporting Documents Included: N/A

Other Supporting Documents Available: Project Planning Documentation

Reviewed by: Slippery Rock University's Council of Trustees, December 4, 2009

Prepared by: James S. Dillon

Telephone: (717) 720-4100

Finance, Administration, and Facilities Committee Meeting
January 13, 2010

SUBJECT: Property Acquisition, West Chester University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: West Chester University of Pennsylvania

BACKGROUND: West Chester University requests approval to acquire 624 South High Street, West Chester, Pennsylvania. The property fronts the University's Parking Lot B and is one building lot away from Filano Hall (628 South High Street).

The property includes about 0.2 acres with a 5,400-square-foot wood frame and brick house that was most recently used as group home for a health company. The building was constructed around 1900, but is not located within the Borough of West Chester's Historic District. The estimated cost for the property is \$495,000.

In the near term, the University intends to use the facility for temporary faculty offices. Some renovation work will be required along with installation of telecommunication wiring, but the general layout can be used as is. Eventually, the University intends to use this site along with future adjacent acquisitions for a new academic building.

MOTION: That the Board of Governors approve West Chester University's acquisition of the property at 624 South High Street, West Chester, Pennsylvania.

Supporting Documents Included: Map and Photo of Property

Other Supporting Documents Available: Real Property Acquisition Planning Data

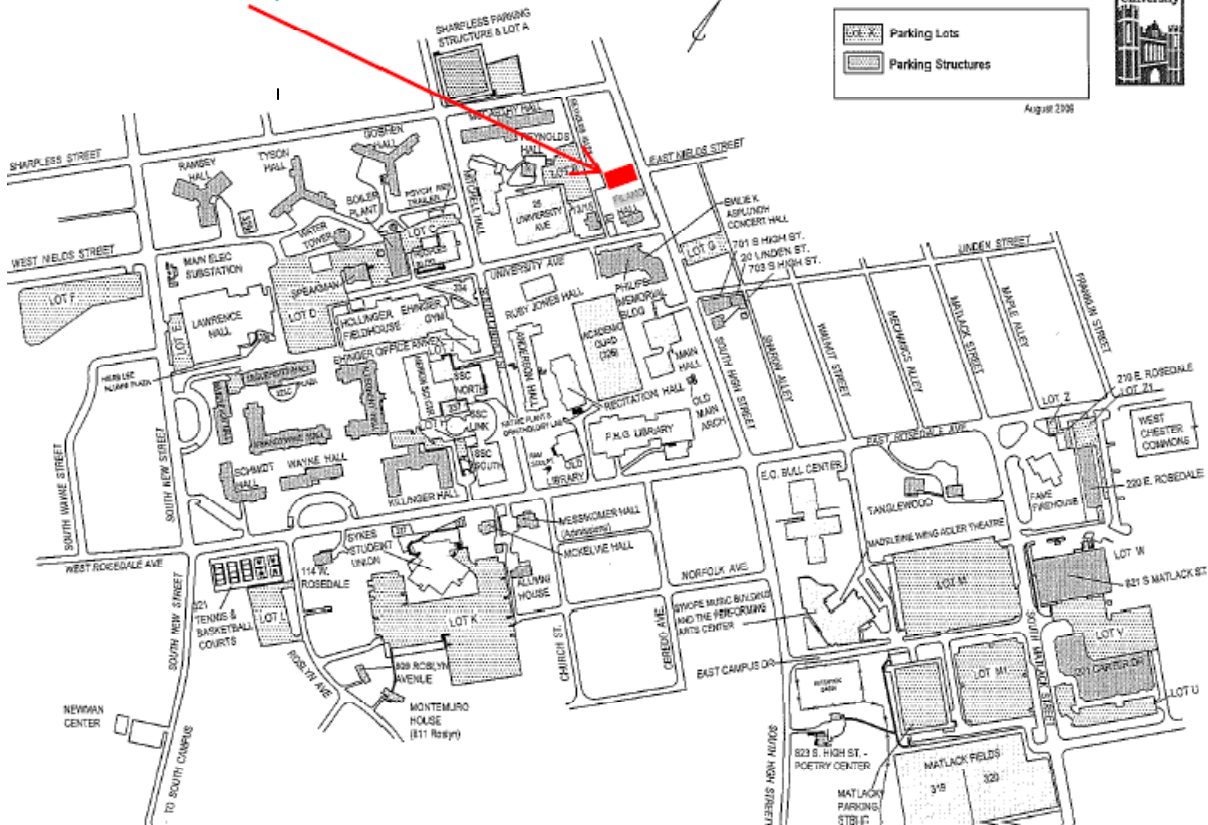
Reviewed by: West Chester University's Council of Trustees, December 17, 2009

Prepared by: James S. Dillon

Telephone: (717) 720-4100

**624 South High Street
West Chester, PA**

North Campus



West Chester University and Property Proposed for Purchase



624 South High Street, West Chester, Pennsylvania

Finance, Administration, and Facilities Committee Meeting
January 13, 2010

SUBJECT: Board of Governors' Policy 2010-01: *Expenditures for University Relations*
(ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: It is typical for universities to produce a variety of promotional materials designed to promote the university and establish connections with a variety of constituencies. The purpose of this policy is to establish criteria for their cost and use.

MOTION: That the Board of Governors approve Policy 2010-01: *Expenditures for University Relations*.

Supporting Documents Included: Board of Governors' Policy 2010-01: *Expenditures for University Relations*

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: James S. Dillon

Telephone: 717-720-4100



PA State System of Higher Education Board of Governors

Effective: January 14, 2010

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POLICY 2010-01: EXPENDITURES FOR UNIVERSITY RELATIONS

See Also:

Adopted: January 14, 2010

Amended:

A. Policy

Fostering good relations between the Pennsylvania State System of Higher Education Universities and the public as well as the Universities' communities is vital to the support and promotion of the State System and the furtherance of its mission.

B. Purpose

To establish guidelines, standards, and limits for programs and items utilized by the University to promote and foster goodwill with the general public and its campus community.

C. Guidelines

The Chancellor, in conjunction with the Presidents may establish criteria for items that promote the System or its Universities. The cost of such promotional items shall be of a de minimis nature. Examples of de minimis value items that may be acceptable under this policy include, but are not limited to, promotional materials with University logos such as mouse pads, disposable pens, notebooks, and greeting cards.

Finance, Administration, and Facilities Committee Meeting
January 13, 2010

SUBJECT: Board of Governors' Policy 2010-02: *Expenditures for Recognition* (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Recognizing individuals who have made important contributions to PASSHE and its universities is an important part of maintaining institutional quality and productivity. Universities recognize employees, students, alumni, volunteers, donors and other campus visitors for their efforts and contributions. This policy establishes standards, guidelines, and limits for recognition programs.

MOTION: That the Board of Governors approve Policy 2010-02: *Expenditures for Recognition*.

Supporting Documents Included: Board of Governors' Policy 2010-02: *Expenditures for Recognition*

Other Supporting Documents Available: N/A

Reviewed by:

Prepared by: James S. Dillon

Telephone: 717-720-4100



PA State System of Higher Education Board of Governors

Effective: January 14, 2010

Page 1 of 3

POLICY 2010-02: EXPENDITURES FOR RECOGNITION

See Also:

Adopted: January 14, 2010

Amended:

A. Policy

Recognition of individuals who have contributed to the mission of the Pennsylvania State System of Higher Education and its Universities as well as those individuals affiliated with the institutions who have achieved exceptional or extraordinary academic or other achievements is vital to the support and promotion of the State System and the furtherance of its mission.

B. Purpose

To establish guidelines, standards, and limits for the use of public funds in recognition programs that acknowledge various individuals and groups that are integral to the operation and mission of the State System and the Universities.

C. Categories

Separate recognition programs and guidelines should be developed for each of the following groups: employees, students, alumni, volunteers, donors, presenters, and certain campus visitors.

D. Program Guidelines

The Chancellor shall provide guidance to the Presidents who shall be responsible for developing recognition programs for their Universities. Such guidance should include parameters establishing whether the recognition event, award or ceremony is reasonable and appropriate; and whether the recognition programs comply with State System standards and practices. In addition, recognition programs shall comply with the following:

- (1) **Employee** recognition programs may be conducted for general employee morale purposes but should also include individualized categories such as **Outstanding Service Achievement** intended to recognize individual employees, teams or groups of employees whose work performance is extraordinary or exemplary. **Retirement** recognizing retirement after 15 or more years of service. **Longevity** recognizing years of State System service in five-year increments. Individual employee awards should not exceed \$100 per employee.
- (2) **Donor, alumni and volunteer** recognition programs should acknowledge both monetary donations to the institution as well as service provided to the institution. Members of an institution's Council of Trustees may also be recognized for the time and resources they have contributed to the Universities. Generally, the costs of donor awards should not exceed \$100 per person.
- (3) **Student** recognition programs should acknowledge academic, artistic, athletic or other similar achievements of students. In addition to extraordinary achievement, student recognition awards should also recognize exemplary service to the University and the community. The costs of student awards should not exceed \$100 per student.
- (4) **Presenter** recognition programs may be developed in order to recognize individuals who speak or present in University programs without charging the University for such participation. Presenters that participate without remuneration may be given small gifts in recognition of their services. Such recognition items shall not exceed \$100 per presenter.
- (5) **Visitor** recognition items may be awarded in conjunction with a visitor's participation in official university events. Recognition items awarded in this category should be limited to special circumstances such as visits from dignitaries, delegations from other institutions or nations and similar contingents. Items awarded pursuant to this category shall not exceed \$100.

E. Ceremonies

Ceremonies may be held in conjunction with all categories of recognition events listed in Section D and may be held as separate events such as a luncheon or at another time of day with refreshments being served. The costs of such events should be modest and guest lists should be commensurate with the level and prestige of the presentation involved.

F. Costs

The cost of awards may not exceed the threshold established for the category of award in this policy. However, the Chancellor, in consultation with University Presidents, may increase the threshold of an award category by an amount not to exceed five percent of the current threshold in any fiscal year. The Chancellor shall notify the Board of Governors of such increase at the Board's next meeting and shall publish notice of such increase on the System's webpage by adding an addendum to this policy noting such increases. Costs associated with recognition programs may be funded from the System's or University's operating budget.

G. Exceptional Circumstances

In general, all recognition awards must comply with the dollar thresholds established in this policy. However, in exceptional circumstances, a University President may provide justification to the Chancellor seeking to exceed the established award limits. With proper justification and upon the concurrence and approval of the Chancellor, recognition awards that exceed the established dollar limits may be given.



Pennsylvania State System of Higher Education

Human Resources Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010

Agenda

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1. Review of Board of Governors' Policy 2002-03, <i>Evaluating Presidents</i> (INFORMATION)	45
2. Threat Assessment Workshop (INFORMATION)	46



Committee Members: Marie Conley Lammando (*Chair*), Paul S. Dlugolecki, Harold C. Shields, Aaron A. Walton and Kenneth M. Jarin (*ex officio*).

For further information, contact Peter H. Garland at (717) 720-4010.

Human Resources Committee Meeting January 13, 2010

SUBJECT: Review of Board of Governors' Policy 2002-03, *Evaluating Presidents*
(INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: The Human Resources Committee has been reviewing Board of Governors' Policy 2002-03 to update the policy to reflect best practices. Members of the Committee met with Chairs of Councils of Trustees, chairs of faculty and university senates, and union leadership on November 2, 2009. Discussions were held with university Presidents on November 11, 2009 and with student government presidents on November 7, 2009.

As a result of these discussions, along with a review of national practices, a draft revised policy has been prepared. An opportunity for any additional comments or suggestions will be provided in the near future with the understanding that the revised policy will be brought to the Board for their consideration at the April Board meeting.

Supporting Documents Included: N/A

Other Supporting Documents Available: Board of Governors' Policy 2002-03, *Evaluating Presidents*

Reviewed by: N/A

Prepared by: Peter H. Garland

Telephone: (717) 720-4010

Human Resources Committee Meeting January 13, 2010

SUBJECT: Threat Assessment Workshop (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Acknowledging that the health, safety and welfare of students is the goal of all educational institutions, the ability to identify and react to threatening situations at the earliest possible moment is critical. To achieve this goal, PASSHE will be conducting an all day Threat Assessment Workshop on Thursday, February 18, 2010 at the C. Ted Lick Center at Harrisburg Area Community College from 9:00 a.m. to 4:00 p.m.

The facilitator for this program is Brett Sokolow, J.D., with the National Center for Higher Education Risk Management. Brett is a nationally recognized speaker in the area of school violence. The organization's webpage is: <http://www.nchem.org/>

Members of the campus community who would benefit most from this training include:

- Presidents
- Vice Presidents for Student Affairs and Finance and Administration
- Members of a University's Threat Assessment Team
- Campus Police
- University Counselors
- Health Care Professionals
- Residency Hall Directors
- Social Equity Directors
- University Ombudspersons
- Campus employees who have contact with individuals in conflict or crisis situations

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: Jacqueline Conforti Barnett

Telephone: 717-720-4016



Pennsylvania State System of Higher Education

Information Technology Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010

Agenda

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1. Information Technology Update (INFORMATION)	48



Committee Members: Paul S. Dlugolecki (*Chair*), John M. Brinjac (designee for Governor Edward Rendell), C.R. “Chuck” Pennoni and Kenneth M. Jarin (*ex officio*).

For further information, contact Peter H. Garland at (717) 720-4010.

Information Technology Committee Meeting
January 13, 2010

SUBJECT: Information Technology Update (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: An update on Information Technology will be provided.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: Arthur C. Stephens

Telephone: 717-720-4140



Pennsylvania State System of Higher Education

Advancement Committee Meeting

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Wednesday, January 13, 2010

Agenda

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1. Legislative Update (INFORMATION)	50



Committee Members: Thomas M. “Doc” Sweitzer (*Chair*), Marie Conley Lammando, Senator Vincent J. Hughes, Joseph F. McGinn and Kenneth M. Jarin (*ex officio*).

For further information, contact Peter H. Garland at (717) 720-4010.

Advancement Committee Meeting
January 13, 2010

SUBJECT: Legislative Update (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: A report is attached on recent legislative activity.

Supporting Documents Included: PASSHE Legislative Tracking Report – January 8, 2010

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: Karen S. Ball

Telephone: (717) 720-4053

PASSHE Legislative Tracking Report
January 8, 2010

I. Transfer and Articulation

HB 1614 (Belfanti)-Amends the Fiscal Code further providing for Transfer and Articulation. Act 50. This legislation was a companion document to the general budget bill enacted in October. It is anticipated that the transfer and articulation section will be amended into the Education Code this spring.

SB 820 (Dinniman)-Amends the Public School Code, further providing for duties of public institutions of higher education, for the Transfer and Articulation Oversight Committee, and participation by independent and state-related institutions of higher education. Voted out of the Senate Education Committee. Re-referred to the Senate Appropriations Committee.

HB 11 (Roebuck)-Amends the Public School Code to, among other things, provide for duties of public institutions of higher education, for Transfer and Articulation Oversight Committee and for participation by independent and state-related institutions of higher education. Amended and reported from House Education Committee. Re-referred to House Appropriations Committee.

HB 1659 (Houghton)-Amends the Public School Code further providing for duties of public institutions of higher education, for Transfer and Articulation Oversight Committee and for participation by independent institutions of higher education and state-related institutions. On the House Voting Schedule.

II. Tuition Relief/Control

HB 443 (Smith)-Act providing for a fixed tuition rate schedule by institutions of higher education for undergraduate students. Introduced and referred to the House Education Committee.

HB 1317 (Santoni)-Video Lottery. Act providing for tuition relief and for a video lottery program; establishing penalties; and making appropriations. This bill contains the Governor's original tuition relief proposal. Was reported from the House Gaming Oversight Committee. Re-referred to the House Appropriations Committee.

HB 1339 (Goodman)-Amends Title 51 (Military affairs) providing a Tuition Refund Program for PA National Guard members; imposing duties on the DMVA and PHEAA; and making an appropriation. Introduced and referred to Committee on House Veterans Affairs and Emergency Preparedness.

HB 1585 (Goodman)-Amends Title 51 (Military Affairs) providing for tuition refund under certain circumstances. Introduced and referred to Committee on House Veterans Affairs and Emergency Preparedness.

SB 78 (Greenleaf)-Amends the Police Officer, Firefighter, Correction Employee and National Guard Member Child Beneficiary Act, extending benefit to surviving spouses, for act title, definitions, Postsecondary Education and General Assembly report. Introduced and referred to Senate Education Committee.

SB 653 (Piccola)-Act providing for tuition controls on Commonwealth colleges and universities and for duties of the Pennsylvania Higher Education Assistance Agency; making an appropriation; and making a related repeal. Introduced and referred to Senate Education Committee.

SB 881 (Piccola)-Act providing for the establishment of the Tuition Control Study Commission to study tuition controls on Commonwealth colleges and universities; and requiring the Commission to issue a report of its findings to the General Assembly. Re-referred to Senate Appropriations.

III. Textbooks

SB 929 (Dinniman)-An Act providing for the sale of certain course materials at institutions of higher education, for responsibilities of faculty and for college textbook rental pilot programs. Establishing the College Textbook Policies Advisory Committee. Re-referred to the Senate Appropriations Committee.

IV. Bonuses and Salary Information

SB 103 (Eichelberger)-An Act providing for banning bonuses provided to employees of Commonwealth agencies. Referred to the Senate State Government Committee.

SB 107 (Pileggi)-An Act requiring the posting of certain governmental salary information on the Internet. Tabled in the Senate.

HB 355 (Roae)-An Act providing for banning bonuses provided to employees of Commonwealth agencies. Referred to the House State Government Committee.

V. Alcohol Liability and Gaming

SB 488 (Rafferty)-Amends Title 18 (Crimes & Offenses) in provisions relating to minors, further providing for the offense of purchase, consumption, possession or transportation of liquor or malt or brewed beverages. On the House Voting Schedule.

SB 711 (Earll)-Amends Title 4 (Amusements) authorizing the PA Gaming Control Board to approve table games. Includes language directing proceeds to several community colleges and a medical school.



Pennsylvania State System of Higher Education

Board of Governors

Quarterly Meeting of the Board of Governors Pennsylvania State System of Higher Education

Boardroom, First Floor
Administration Building
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110-1201

Thursday, January 14, 2010
9:00 a.m.

Agenda

Call to Order and Roll Call of the Members

Pledge of Allegiance

Approval of the Minutes of the October 8, 2009, November 3, 2009 and December 7, 2009 Meetings.

Remarks of the Chair..... Chairman Kenneth M. Jarin

Report of the Chancellor..... Dr. John C. Cavanaugh

Public Comments

Committee Reports with Related Actions

- A. **Academic and Student Affairs**..... Mr. Aaron A. Walton
1. Core Curriculum Requirements for Admission to PASSHE Universities
 2. Academic Planning
 3. Cheyney University Center of Excellence in Communications Media, Fine Arts, and Entertainment Arts Presentation

- B. **Audit**Mr. Paul S. Dlugolecki (Interim Chair)
 - 1. Office of Internal Audit and Risk Assessment Update
 - 2. Office of Internal Audit and Risk Assessment 2009-10 Annual Work Plan

- C. **Finance, Administration, and Facilities** Mr. C.R. "Chuck" Pennoni
 - 1. Board of Governors' Policy 1983-02-A: *Purchasing*
 - 2. Board of Governors' Policy 2000-02: *Capital Facilities Planning, Programming, and Funding*
 - 3. Property Acquisition, Mansfield University of Pennsylvania
 - 4. Performance and Classroom Laboratory Project Bond Financing, Slippery Rock University of Pennsylvania
 - 5. Property Acquisition, West Chester University of Pennsylvania
 - 6. Board of Governors' Policy 2010-01: *Expenditures for University Relations*
 - 7. Board of Governors' Policy 2010-02: *Expenditures for Recognition*

- D. **Human Resources** Ms. Marie Conley Lammando
 - 1. Review of Board of Governors' Policy 2002-03, *Evaluating Presidents*
 - 2. Threat Assessment Workshop

- E. **Information Technology**Mr. Paul S. Dlugolecki
 - 1. Information Technology Update

- F. **Advancement** Mr. Thomas M. "Doc" Sweitzer
 - 1. Legislative Update

- G. **Executive** Chairman Kenneth M. Jarin

- Board Action** Chairman Kenneth M. Jarin
 - 1. Standing Committee Assignments
 - 2. Resolutions
 - Kathleen M. Shaw
 - Guido M. Pichini

- Other Business** Chairman Kenneth M. Jarin

Announcements

Adjournment



Board Members: Kenneth M. Jarin (*Chair*), Representative Matthew E. Baker, Nick J. Barcio, John M. Brinjac (designee for Governor Edward G. Rendell), Marie Conley Lammando, Donna Cooper (designee for Secretary Gerald L. Zahorchak), Paul S. Dlugolecki, Representative Michael K. Hanna, Senator Vincent J. Hughes, Richard Kneedler, Jamie L. Lutz, Jonathan B. Mack, Joseph F. McGinn, C.R. “Chuck” Pennoni (*Vice Chair*), Senator Jeffrey E. Piccola, Governor Edward G. Rendell, Harold C. Shields, Thomas M. “Doc” Sweitzer, Christine J. Toretta, Aaron A. Walton (*Vice Chair*), Mackenzie M. Wrobel and Secretary Gerald L. Zahorchak

For further information, contact Peter H. Garland at (717) 720-4010.

Board of Governors' Meeting
January 14, 2010

SUBJECT: Standing Committee Assignments (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: To include new Board members on the Committees of the Board and a new Chair for the Audit Committee.

MOTION: That the Board of Governors approve the Standing Committee Assignments as shown in the *Standing Committee Assignments* document distributed at the Quarterly Board meeting, effective January 14, 2010.

Supporting Documents Included: N/A

Other Supporting Documents Available: *Standing Committee Assignments*

Reviewed by: N/A

Prepared by: Peter H. Garland

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