



Board of Governors Meeting

Thursday, April 5, 2018

Shippensburg University of Pennsylvania
Anthony F. Ceddia Union Building

- 9:30 a.m. Board of Governors Meeting
1. Call to Order / Roll Call of Board Members
 2. Pledge of Allegiance
 3. Public Comments
 4. Remarks from SCUPA
 5. Chair Report
 6. Chancellor Report
 7. Approval of the minutes for the January 25, 2018; March 14, 2018; and March 23, 2018, meetings. (ACTION)
 8. Welcome/video presentation by host campus
 9. Student Business plan competition winners
 10. Ali-Zaidi Award Presentation (Page 4)
 11. Ratification of the SPFPA Memorandum - ACTION (Page 9)
 12. Governance and Leadership Committee Update
 13. University Success Committee (ACTION ITEMS)
 1. Policy Reform for System Redesign—Revisions (Page 12)
 - a. 1991-05-A: *Delegation of Authority for State System Real Property* (Page 13)
 - b. 2000-02-A: *Capital Facilities Planning, Programming, and Funding* (Page 15)

2. Leveraging University Strengths
 - a. Property Acquisition, Bloomsburg University of Pennsylvania (Page 21)
 - b. Housing Acquisition and Financing, Shippensburg University of Pennsylvania (Page 24)
 - c. Mansfield University of Pennsylvania Alternative Tuition Rates (Page 26)
3. Collaborative Allocation of Resources
 - a. Bond Issue (Page 28)
 - b. Authorization to Issue Refunding Bonds (Page 42)
14. Student Success Committee (ACTION ITEMS)
 1. Student Success Mission (Page 45)
 2. Academic Program(s) Commitment (Page 46)
15. System Redesign Discussion: Updates from Task Groups
16. Panel Discussion: Leveraging One of the State System's Richest Assets-Student Data (Page 47)
17. Budget Update (Page 48)
18. Interim President Appointment for Edinboro University (ACTION)
19. Presidential Appointment for Millersville University (ACTION)
20. Resolutions (ACTION)
21. New Business
22. Adjournment

(Executive session will be called as needed)

Board Members: Cynthia D. Shapira (*Chair*), Senator Ryan P. Aument, Audrey F. Bronson, Secretary Sarah E. Galbally (Governor Wolf's designee), Molly E. Gallagher, Representative Michael K. Hanna, Shaina M. Hilsey, Donald E. Houser Jr., David M. Maser (*Vice Chair*), Barbara McIlvaine Smith, Marian D. Moskowitz, Thomas S. Muller, Secretary of Education Pedro A. Rivera, Senator Judith L. Schwank, Harold C. Shields (*Vice Chair*), Samuel H. Smith, Brian H. Swatt, Neil R. Weaver, and Governor Thomas W. Wolf.

For further information, contact Randy A. Goin Jr. at (717) 720-4010.

Board of Governors Meeting
April 5, 2018

SUBJECT: Annual Syed R. Ali-Zaidi Award for Academic Excellence (PRESENTATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Created in 2000 by the State System Foundation, the Syed R. Ali-Zaidi Award for Academic Excellence is conferred upon a graduating senior from one of the State System universities. This award was founded by Dr. Syed R. Ali-Zaidi, a charter member of the Board of Governors. Funding for this academic excellence award was made possible through gifts from Dr. Ali-Zaidi, Highmark Inc., and the State System Foundation, Inc. Dr. Ali-Zaidi wishes to inspire and honor State System students who exhibit excellence in their pursuit of knowledge. The State System Foundation's vision is to be a meaningful partner to the State System by providing resources to impact student success, cultivating lifelong learning opportunities, strengthening our communities, and better equipping the future workforce of the Commonwealth.

The Foundation is committed to excellence in fundraising and relationship building efforts that align with System priorities and needs. Its primary focus is on enhancing student persistence and completion rates, which describe student success. It has ambitious goals that are outlined in its new Five-Year Strategic Plan. The Foundation will increase fundraising efforts by ten percent every year for the next five years in order to help more students succeed in our public university system.

Candidates for the 2018 award were recommended by their university president at the conclusion of a campus application and selection process that was open to all graduating seniors. Multiple selection criteria included outstanding academic scholarship, including prizes, honors, and honorary societies; participation in extra/co-curricular activities; and a two-page essay by the nominee addressing how the university has prepared him or her for the next career step.

This year, a review panel appointed by the chancellor considered 14 nominees in accordance with the criteria outlined above. Bradley Foreman, a student at Shippensburg University of Pennsylvania, was selected as the recipient of the 2018 Syed R. Ali-Zaidi Award for Academic Excellence and will receive a check for \$1,000, along with a commemorative medallion.

These students are truly the best of the best and as such the 13 finalists will each receive a 2018 Syed R. Ali-Zaidi Award for Academic Excellence Finalist Certificate signed by the chancellor and chair of the Student Success Committee of the Board.

Supporting Documents Included: Shippensburg President Nomination Letter, Résumé

Other Supporting Documents Available: N/A

Reviewed by: David Maser, Chair of Student Success Committee and Marian Moskowitz, Vice Chair of Student Success Committee

Prepared by: Kathleen M. Howley

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Office of the President

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January 5, 2018

Dr. Karen Whitney, Interim Chancellor
PA's State System of Higher Education
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110

Dear Dr. Whitney:

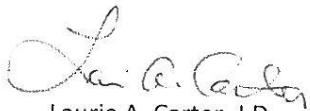
Shippensburg University is very proud to nominate Mr. Bradley Foreman for the 2018 Syed R. Ali-Zaidi Award for Academic Excellence.

Mr. Foreman is expected to graduate from Shippensburg University in May 2018 with a Bachelor of Science in Physics and minors in Chemistry, Biology, Mathematics, Spanish, French, and Military Science. Bradley has an overall 3.8 GPA and has achieved the Dean's List every semester since his freshman year in 2014. In addition to Bradley working on the student newspaper and SU radio station, he also performs community outreach and recently completed a study abroad in France during the summer of 2017.

On behalf of Shippensburg University, the College of Arts & Sciences, members of its faculty and others here, I strongly recommend for consideration for the 2018 Syed R. Ali-Zaidi Award for Academic Excellence, Mr. Bradley Foreman.

If you have further questions, please feel free to contact me.

Sincerely,



Laurie A. Carter, J.D.
President

LAC/rm

Bradley Foreman

105 Springhouse Rd. Shippensburg, PA 17257 • 206.407.45.60 • bf9781@ship.edu

Undergraduate Physics major with astronomical aspirations

Academic Experience

Shippensburg University

Bachelor of Science, Physics, expected May 2018
Minors: Chemistry, Biology, Mathematics, Spanish, French, Military Science
Study abroad: France, Summer 2017

2014-present
GPA 3.806

Extracurricular Experience

NASA-Ames Internship

Summer 2017

Deputy Director, Military Programs

- Oversaw processing, met administrative needs, and provided mentorship for all Military Programs interns at NASA-Ames
- Coordinated resources and personnel among Military Programs interns with other Silicon Valley organizations.
- Conducted research on CANADARM2 simulator in Fatigue Countermeasures Lab.
- Engineered inaugural system and associated code to analyze participant data

NASA-Ames Internship

Summer 2016

Research Intern

- Paired with scientists at NASA-Ames Research Center to research and develop experiments relating to the effect of microgravity on biological processes.
- Composed literature review on the efficacy of various systems for simulating microgravity (seeking publication).
- Analyzed and presented findings on potential Department of Defense uses of research.

Volunteer Experience

Robert Rosencranz for Seattle City Council

Jan. 2009-June 2009

Volunteer Coordinator

- Recruited volunteers and compiled data for a City Council candidate
- Researched tools and systems for effective volunteer programs
- Organized volunteer events and work sessions

El Rancho San Juan Bosco (Tecate, BC, México)

May 2007-Oct. 2007

Cook/Janitor/Teacher

- Worked as a cook and janitor for an orphanage with 50 boys
- Taught English classes to supplement public education

Work Experience

WSYC 88.7- SU Student Radio

2015-present

DJ

- Founded and hosted South Central Pennsylvania's first and only Hispanic radio show
- Reported current events relating to Latino culture, including politics, sports and entertainment

The Slate- SU Student Newspaper

2014-present

Web Editor

- Prepared and formatted weekly issue of The Slate for upload to the website
- Implemented and oversaw transition to new site design and coordinated web and multimedia staff training for use of associated software
- Created multi-lingual section for students to practice their language skills in an operationally relevant way

Reserve Officers' Training Corps

2014-present

MS V Cadet

- Led training and social events for over 100 cadets in Raider Battalion

- Performed data compilation, analysis, and projections for all perennial Battalion events

MD Army National Guard	2013-2015	Blackhawk Repair Specialist
-	Graduated Advanced Individual Training as Distinguished Honor Graduate	
-	Released from service in 2015 as E-4 Specialist	
Law Office of Daniel R. Whitmore	2012-2013	Multi-Faceted Legal Assistant
-	Legal Assistant – Handled research and paperwork for various clients' cases, filing, phones	
-	Interpreter – Translated form and client letters to/from Spanish, interpreted client meetings with attorney	
-	IT Manager – Converted office to virtual filing system, moved office and set up all hardware and software, designed proprietary software for the office to make workflow more efficient.	

Achievements/Honors and Skills

- 2017 OPI results: Advanced High Spanish, Intermediate High French and Intermediate Mid Russian
- SECRET clearance since 2013
- Programming experience: Visual BASIC, Python, R Studio, Java and Swift; Mathematica and MathCAD.
- American Legion Military Excellence Medal, 2017
- APSCUF Study Abroad Scholarship Recipient, 2017
- PA Space Grant Consortium Scholarship Recipient, 2016-'17
- AT&T STEM Scholarship Recipient, 2016
- Armed Forces Communications and Electronics Association Honor Award Recipient, 2016
- Project GO Russian Scholarship recipient, 2015
- 3 year ROTC Line Scholarship Recipient, 2014-'17
- Dean's List Fall 2014, Spring 2015, Fall 2015, Spring 2016, Fall 2016, Spring 2017
- Distinguished Honor Graduate, UH-60 Blackhawk Repair school, July 2014
- Academic clubs: Ship-SEDS, Physics Club, Chemistry Club, Chess Club
- Athletics: Club Roller Hockey, Intramural volleyball (Captain), basketball, softball (Captain), roller hockey (Captain) and soccer

Community Outreach Experience

- Research presentation experience: NASA-Ames Research Center – May 2016, June 2017, July 2017
- Shippensburg University – October 2016, April 2017, August 2017, November 2017
- SpaceVision (SEDS-USA) – November 2016 (West Lafayette, IN), November 2017 (Cape Canaveral, FL)
- Ascension (SEDS-Canada) – March 2017 (Toronto, ON)
- Translated *The Astronaut Instruction Manual*, a best-selling children's book on Amazon, into Spanish to expand impact on underrepresented communities in the space industry.
- Funded and organized High Altitude Balloon launch for Shippensburg High School and Luhrs Elementary school students, 2017
- Led weekend Math Circle sessions for 4th and 5th graders, 2016-present
- Department tutor for Chemistry, 2016-present
- TA for General Chemistry, Spring 2018

Active Memberships

- Students for the Exploration and Development of Space (SEDS)
- Space Generation Advisory Council (SGAC)
- American Society for Gravitational and Space Research (ASGSR)

- **Armed Forces Communications and Electronics Association (AFCEA)**
- **The Mars Society**
- **The Mars Generation**
- **Association of the United States Army (AUSA)**
- **Sigma Pi Sigma Physics honor society**

Board of Governors Meeting
April 5, 2018

SUBJECT: Ratify the International Union, Security, Police and Fire Professionals of America (SPFPA) Memorandum of Understanding (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: In accordance with Act 188 of 1982 as amended Section 20-2005-A, the Office of the Chancellor of Pennsylvania's State System of Higher Education (State System) completed meet and discuss for a new SPFPA memorandum of understanding (supervisory bargaining unit) for the period September 1, 2017, through August 31, 2020. The attached summary details the key changes that resulted from meet and discuss. The estimated fiscal impact of the SPFPA memorandum was included in the cost estimates when the Board of Governors ratified the SPFPA agreement (non-supervisory unit) on January 25, 2018.

Ratification by the Board of Governors is necessary prior to implementing these changes for State System employees.

MOTION: That the Board of Governors ratify the SPFPA memorandum of understanding and authorize the Chair of the Board of Governors and the Chancellor to execute the appropriate documents.

Supporting Documents Included: SPFPA Memorandum Summary

Other Supporting Documents Available: N/A

Prepared by: Andrew C. Lehman

Telephone: 717-720-4030

**Summary of Major Provisions of the Memorandum of Understanding
Between
Pennsylvania's State System of Higher Education (State System) and International
Union, Security, Police, and Fire Professionals of America (SPFPA)
September 1, 2017 – August 31, 2020**

Term of Understanding

September 1, 2017 to August 31, 2020

Salaries and Wages

Police Supervisors:

- General Pay Increase of two percent (2.0%) effective October 1, 2017.
- Map to new pay schedule effective first full pay period in March 2018.
(NOTE: Aids in Recruitment and Retention of Police Officers)

Highlights of new pay schedule are as follows:

- Increased starting rate (Old Step 4 is New Step 1).
- Reduced number of pay steps from 20 to 12.
- Percent change between each of Steps 1-4 and 10-12 on new pay schedule is doubled from approximately 2.25% to 4.5%. Percent change between all others remains approximately 2.25%.
- Employees not seeing an increase in base pay as a result of being mapped to the new pay schedule will receive a cash payment of two and one-quarter percent (2.25%) of annual base salary rounded to the nearest dollar.
- General Pay Increase of two and one-half percent (2.50%) effective September 1, 2018.
- One Step Service Increment effective first full pay period in February 2019.
- Salary reopener in memorandum year beginning September 1, 2019 allowing for discussions with respect to general pay increases and/or service increments and/or regional market-based pay.

Security Officers 2:

- General Pay Increase of two percent (2.0%) effective September 1, 2017.
- One Step Service Increment effective first full pay period in January 2018.
- General Pay Increase of two and one-half percent (2.50%) effective September 1, 2018.

- One Step Service Increment effective first full pay period in January 2019.
- Salary reopener in memorandum year beginning September 1, 2019 allowing for discussions with respect to general pay increases and/or service increments and/or regional market-based pay.

Health Benefits

Maintained “me too” provision providing SPFPA benefits as structured in accordance with the management benefits program.

Hours of Work

Posting requirements for changes to work schedules are reduced from two weeks to ten days in advance.

Seniority

Change furlough bumping provisions as follows:

- *New Provision* – In the event of furlough, first-level supervisory SPFPA employees who previously held positions in the rank-and-file unit may utilize Bargaining Unit seniority earned while in those positions to bump into classifications previously held within the unit.
- *Eliminate Provision* – Eliminate ability of Management/Non-represented employees who previously held positions in the supervisory unit to bump into the unit in the event of furlough.

Miscellaneous Provisions

New Provision – The parties recognize the members of the supervisory unit as “essential employees” for the purpose of applying Management Directive 530.17 (related to office closings).

Court Time

Increase minimum pay for court time from one to two hours at the employee’s regular straight time hourly rate.

Board of Governors Meeting

April 5, 2018

SUBJECT: Policy Reform for System Redesign—Revisions (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: As part of the System Redesign efforts, the System is reviewing all Board of Governors policies to ensure they are appropriate in providing strategic Board oversight while streamlining processes for the universities.

As part of this review, the following facilities management policies have been identified for revision:

- a. 1991-05-A: *Delegation of Authority for Leasing State System Real Property as Lessor and Granting Easements or Licenses for Use of State System Real Property*
- b. 2000-02-A: *Capital Facilities Planning, Programming, and Funding*

These current policies require the Board to be informed of or approve many real property issues that are routine or minor in nature.

Board of Governors Policy 1991-05-A: *Delegation of Authority for State System Real Property* (as it will be renamed), is currently limited to delegated authority related to leases, licenses, and easements. The proposed revision expands the delegated authorities to the university presidents and/or the chancellor. The proposed revision to this policy allows management and execution of these routine issues at a level commensurate with their importance.

Board of Governors Policy 2000-02-A: *Capital Facilities Planning, Programming, and Funding*, identifies the roles and authority for major capital investments in university facilities. The proposed revision to the policy expands some of the authority of the chancellor or designee in the implementation of the allocated capital funds and space classifications. These minor changes will allow the universities and the Office of the Chancellor to be more flexible and responsive to capital funding adjustments and space utilization improvements.

The policy changes allow greater flexibility and quicker execution of facilities projects and real property transactions with appropriate oversight.

MOTION: That the Board of Governors approve amendments to Board of Governors Policy 1991-05-A: *Delegation of Authority for State System Real Property*, and to Board of Governors Policy 2000-02-A: *Capital Facilities Planning, Programming, and Funding*, as attached.

Supporting Documents Included: Board of Governors Policy 1991-05-A: *Delegation of Authority for State System Real Property*; and Board of Governors Policy 2000-02-A: *Capital Facilities Planning, Programming, and Funding*

Other Supporting Documents Available: N/A

Reviewed by: University Success Committee

Prepared by: James S. Dillon

Telephone: (717) 720-4100



PA's State System of Higher Education Board of Governors

Effective: October 17, 1991

Page 1 of 42

Policy 1991-05-A: *Delegation of Authority for ~~Leasing~~ ~~State System Real Property as Lessor and Granting~~ ~~Easements~~ ~~or Licenses for Use of State System Real Property~~*

See Also: *Commonwealth Procurement Code;*
PASSHE State System's Facilities Manual and
PASSHE State System's Procurement Manual

Adopted: October 17, 1991
Amended: April 10, 2014,
April XX, 2018

A. Purpose

This policy assigns ~~authority~~ authorities ~~for related to~~ leasing, acquisition, and disposal of ~~as lessor, granting easements, or granting licenses for use of~~ State System real property interests.

B. Definitions

Easement—Allows the limited use of real property by written agreement; the term may be permanent.

License—Allows the limited use of real property by written agreement for a specified period of time.

Real Property—As used in the context of this policy, includes only the real estate (land), and fixed improvements made thereon, including all buildings and structures, infrastructures, and utility systems.

C. Policy

~~On behalf of the Board of Governors, the chancellor shall authorize State System universities to lease real property of the State System as lessor, including granting easements and licenses, i~~n accordance with 24 P.S. §20-2003-A and A.1, and amendments thereto, when such actions are required and determined to be in the best interest of the State System, the Board of Governors delegates the following authorities:

1. University presidents or designees are authorized to lease real property of the State System as lessor or lessee.
2. Universities are authorized to enter into and grant easements and licenses within the authority allowable in 24 P.S. §20-2003-A.1 and 71 P.S. §194, as applicable. The Board will be informed of any easement actions requiring legislative authorization.
3. Universities may acquire (purchase) real property costing up to \$1 million with review and approval of the chancellor. Acquisitions valued greater than \$1 million may be made with the approval of the Board.
4. Universities may demolish university- and System-owned buildings on campus with the review and approval of the chancellor or designee. Demolition of buildings titled in the name of the Commonwealth requires approval by the Department of General Services with endorsement by the chancellor or designee.
5. Disposal (sale) of university- or System-titled real property requires approval of the General Assembly in accordance with 24 P.S. §20-2018-A. Disposal of Commonwealth-titled property shall be accomplished following procedures established by the Department of General Services, with endorsement by the chancellor or designee.

For all transactions above, universities and the Office of the Chancellor will follow all applicable statutes and regulations as well as all applicable procedures identified in the PASSHE State System's Facilities Manual, PASSHE's Procurement Manual, and the Commonwealth Procurement Code will be followed as applicable. This policy does not direct or alter the authority of other state agencies.



PA's State System of Higher Education Board of Governors

Effective: July 13, 2000

Page 1 of ~~x~~6

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

See Also:

Adopted: July 13, 2000
Amended: January 14, 2010,
April XX, 2018

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. To support the State System's mission of providing a quality education for its students, quality facilities must be built and well maintained. The State System ~~uses~~ has an ~~well~~ established ~~System C~~capital ~~F~~facilities ~~P~~planning and ~~P~~programming ~~P~~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.~~

B. 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 centers constructed through student fees.

- **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 for continued performance of the function conducted in the 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.
- **Feasibility Study**—A thorough study of a proposed facilities project to evaluate its economic, financial, technical, functional, environmental, and cultural advisability, resulting in a programmatic diagram of the project showing a possible floor plan and architectural design that satisfy 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 healthcare facilities.
- **Public/Private Alliances**—Agreements between or among 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.

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 General Educational Facilities**—Annually, the Commonwealth provides an allocation of capital funding for some System general 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 in a capital spending plan. The chancellor or designee may make adjustments to the plan as necessary for its implementation. 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~~ chancellor or designee 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.~~

Board of Governors Meeting

April 5, 2018

SUBJECT: Leveraging University Strengths—Property Acquisition, Bloomsburg University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: Bloomsburg University of Pennsylvania

BACKGROUND: Bloomsburg University requests approval to purchase the property known as 1099 Lightstreet Road, Bloomsburg, Pennsylvania.

The property comprises three parcels of land totaling about 3.6 acres with a single family home, detached garage, a large barn, and other small outbuildings. The property abuts, and provides an alternate access to, a 64-acre parcel owned by the university. The alternate access provides additional options to develop the 64-acre parcel and would be helpful should the university choose to sell the properties at some time in the future. Currently, the university intends to use the property for the Environmental, Geographical, Geological Science program in the College of Science and Technology.

The two-story, wood-frame, 1,800-square-foot single family home was built around 1900, with an addition constructed in 1920. The garage is a 2,500-square-foot, two-and-a-half story concrete and stone building with some wood framing. The two-story barn is also wood frame, totaling 3,680 square feet.

The estimated value of the property is \$240,000. This acquisition is consistent with the university's facilities master plan.

MOTION: That the Board of Governors approve Bloomsburg University of Pennsylvania's request to purchase the property known as 1099 Lightstreet Road, Bloomsburg, Pennsylvania.

Supporting Documents Included: Map and photographs of the property

Other Supporting Documents Available: Property Acquisition Planning Documentation

Reviewed by: University Success Committee; Bloomsburg University's Council of Trustees

Prepared by: James S. Dillon

Telephone: (717) 720-4100



Bloomsburg University of Pennsylvania



**Single Family Home at 1099 Lightstreet Road
Bloomsburg, Pennsylvania**



**Barn at 1099 Lightstreet Road
Bloomsburg, Pennsylvania**

Board of Governors Meeting

April 5, 2018

SUBJECT: Leveraging University Strengths—Housing Acquisition and Financing, Shippensburg University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: Shippensburg University of Pennsylvania

BACKGROUND: Shippensburg University requests approval to acquire six student residence halls on campus property. The residence halls were constructed by Shippensburg University Student Services, Incorporated (SUSSI), on property leased from the university using a privatized student housing development and finance model approved by the Board of Governors. It appears advantageous for the university to acquire the buildings with State System bond financing at this time.

The residence halls were constructed in two phases from 2011 to 2013 to replace outdated and obsolete on-campus student housing. The six buildings total 703,500 square feet and contain 826 rental units with 1,836 beds.

The buildings, constructed at a cost of \$134.8 million, currently have outstanding debt of approximately \$130.7 million; acquisition of the buildings will require the university to use System bond funds to refinance the debt. By applying this strategy over the 27-year term, the university expects to reduce debt service payments by about \$28 million (nominal), and avoid an estimated \$25 million (nominal) in operating costs such as reductions in bond covenants and insurance. The savings achieved from this transaction will allow the university to minimize room rental rate changes and provide a Housing Institutional Aid fund.

MOTION: That the Board of Governors approve Shippensburg University of Pennsylvania's acquisition of on-campus student residence halls from Shippensburg University Student Services, Incorporated, and bond financing of the current debt.

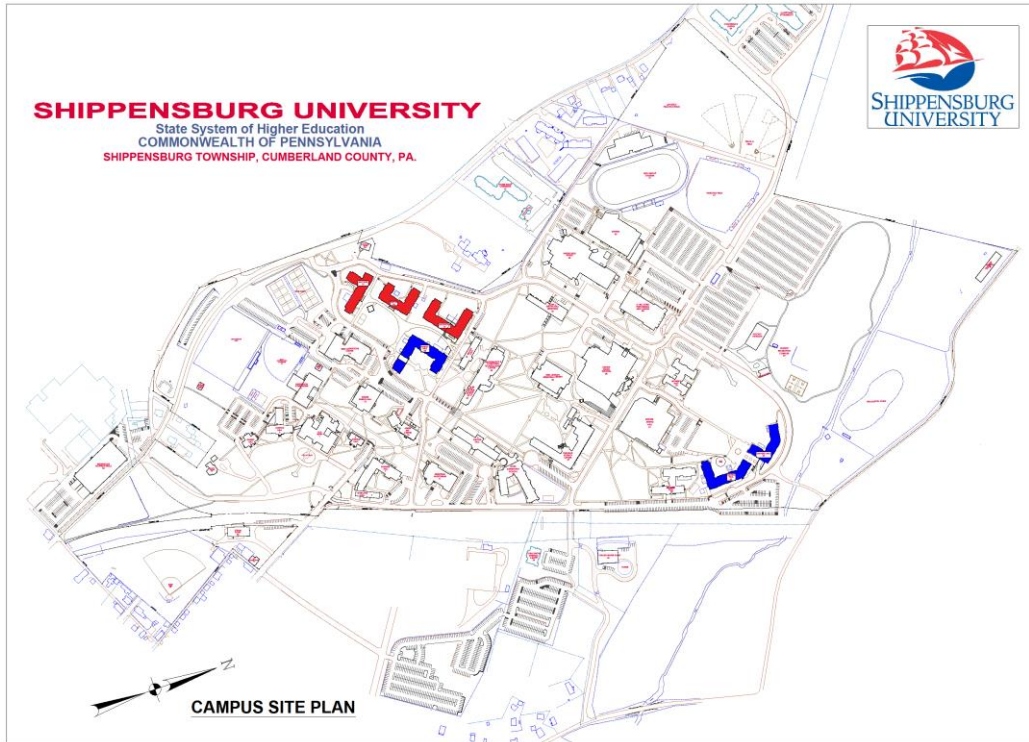
Supporting Documents Included: Property map and photo

Other Supporting Documents Available: Real property acquisition planning data

Reviewed by: Shippensburg University's Council of Trustees; University Success Committee

Prepared by: James S. Dillon

Telephone: (717) 720-4100



Shippensburg University of Pennsylvania Main Campus



Shippensburg University of Pennsylvania

Board of Governors Meeting

April 5, 2018

SUBJECT: Leveraging University Strengths—Alternative Tuition Rate Structure, Mansfield University of Pennsylvania (ACTION)

UNIVERSITIES AFFECTED: Mansfield University of Pennsylvania

BACKGROUND: In January 2018, the Board of Governors was informed about the current tuition pricing structure at Mansfield University of Pennsylvania, which employs various tuition rates for out-of-state students. Rates are based on the academic achievement of each student, and all undergraduates are charged tuition on a per-credit basis, with a four-year tuition rate guarantee. The combined impact of these two pricing strategies working in tandem is a 2017-18 tuition schedule with 27 distinct rates for undergraduates. As a new cohort is added next year, the tuition schedule will increase to 34 rates.

The combination of these two pilots has resulted in a pricing strategy that is confusing to students and families, and is difficult to administer. The university has been working with an external consultant to determine how to replace this pricing conundrum with a strategy that will help both students and the university to be successful. Given the necessity to implement changes to the pricing strategy in time to effect fall 2018 enrollment decisions, the Board delegated the approval of Mansfield's transitional 2018-19 tuition rate structure to the University Success Committee and the Executive Committee of the Board.

In accordance with Board of Governors Policy 1999-02-A: *Tuition*, Mansfield University seeks to freeze its 2018-19 tuition rates for new in-state and out-of-state undergraduate students at the same rate as charged to the 2017-18 new student cohort. The university has developed this transitional pricing strategy for 2018-19, and given the necessity to market a new strategy in time to affect fall 2019 enrollment inquiries and decisions, anticipates finalizing a formal pricing strategy for 2019-20 by summer 2018.

MOTION: That the University Success Committee and the Executive Committee of the Board of Governors approve the alternative tuition plan for Mansfield University of Pennsylvania to charge the 2018-19 cohort of new students the same tuition rates charged to the 2017-18 cohort, effective fall 2018.

Supporting Documents Included: Mansfield University of Pennsylvania's 2018-19 In-State and Out-of-State Undergraduate Tuition Proposal

Other Supporting Documents Available: Board of Governors Policy 1999-02-A: *Tuition*; Board of Governors meeting materials, July 2014, January 2015, January 2017, April 2017, and January 2018

Reviewed by: Mansfield University's Council of Trustees; Office of the Chancellor; University Success Committee

Prepared by: James S. Dillon

Telephone: (717) 720-4100

**Request for Alternative Tuition Strategy
Mansfield University of Pennsylvania
2018-19 In-State and Out-of-State Undergraduate Tuition Proposal**

Overview of Current Rate Structure

Mansfield University has been operating two alternative pricing strategies that were originally approved as tuition pilots in 2014 and 2015. The current price structure includes a per-credit tuition rate with a four-year price guarantee for all in-state and out-of-state students. This pilot pricing, combined with the six out-of-state pricing tiers, results in seven new price points each year for new cohorts. Neither pricing strategy met the anticipated goals for enrollment and revenue; both have resulted in confusion and significant administrative challenges.

The university believes continuing these pricing models is harmful to the university and not in the best interest of students. However, to return to the previous pricing practices would result in an unsustainable reduction in revenue to the university. The university is working with a consultant to determine the most appropriate short- and long-term pricing strategies, based on the university's regional enrollment demographics and pricing sensitivity, and national best practices for net price.

Mansfield's Partnership

EAB Enrollment Services is working with Mansfield to create a more coherent and supportable pricing and discounting strategy. This partnership involves a detailed examination of Mansfield's yield and retention patterns, developing predictive algorithms, and working with the admissions and financial aid staff to ensure all recommendations adhere to institutional and state policies.

The problem is that managing over 30 different price points for undergraduates is internally challenging—for the billing office, the budget office, and financial aid, among others. It is also confusing to the students Mansfield wishes to enroll. While families understand the concept of one tuition price and different scholarship amounts, it is more difficult for an admissions officer to explain many different tuition rates for the same educational product, with fewer scholarships.¹

The analysis is being conducted in two phases, with limited short-term recommendations for undergraduate students entering Mansfield in fall 2018. Significant changes in pricing are not recommended for the new fall cohort, as this class has been recruited based on the existing price structure and it takes time to operationalize new pricing strategies and to communicate changes appropriately to prospective students, current students, alumni, faculty, and staff.

Pricing Recommendations

Given that prospective students will commit to the university this spring for fall 2018 enrollment and that financial aid packaging has already begun, Mansfield University is seeking approval to keep the 2018-19 cohort tuition rates at the same level as tuition rates charged to the 2017-18 cohort, for both in-state and out-of-state students. This will begin to address affordability and prevent additional tuition price points in an already challenging structure.

This transitional, short-term pricing strategy will be in place for 2018-19 only. In summer 2018, a long-term tuition pricing strategy will be presented for consideration for 2019-20 and beyond.

¹ EAB: Preliminary Recommendations 02/26/18 Mansfield University, page 3.

Board of Governors Meeting

April 5, 2018

SUBJECT: Collaborative Allocation of Resources—Bond Issue (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: In accordance with previous actions by the Board of Governors approving facilities projects and their financing, and based on requirements of the Internal Revenue Service, the Board must approve a resolution to authorize the issuance of bonds. The proposed bond issue will provide fixed-rate tax-exempt and taxable financing for the items listed below. The total bond issue is not expected to exceed project cash borrowing of \$217 million.

1. Acquisition of student housing at Shippensburg University of Pennsylvania from Shippensburg University Student Services, Inc. (SUSSI).
2. Construction of a mixed-use facility incorporating educational classroom, office, and laboratory space, as well as auxiliary dining and parking space at West Chester University of Pennsylvania.
3. Contingency and issuance costs.

In keeping with the State System's practice of minimizing expense and risk, the bond issue will be competitively bid. Since the System does not possess statutory bond authority, the bonds will be issued through the Pennsylvania Higher Educational Facilities Authority. The bonds will be a general obligation of the System. The attached *Pennsylvania's State System of Higher Education Taxable/Tax-Exempt Bond Issue History* outlines the System's bond issue financing history and plan for fiscal year 2018-19.

MOTION: That the Board of Governors adopt the attached resolution authorizing the issuance of bonds up to a maximum project cash of \$217 million.

Supporting Documents Included: Resolution; *Pennsylvania's State System of Higher Education Taxable/Tax-Exempt Bond Issue History*

Other Supporting Documents Available: N/A

Reviewed by: University Success Committee

Prepared by: James S. Dillon

Telephone: (717) 720-4100

**Resolution Authorizing the Issuance of Bonds
by the Pennsylvania Higher Educational Facilities Authority**

WHEREAS, the State System of Higher Education of the Commonwealth of Pennsylvania (the "System") desires that the Pennsylvania Higher Educational Facilities Authority (the "Authority") issue its State System Revenue Bonds in one or more series of taxable or tax-exempt bonds (the "Bonds") to finance up to \$217 million of project cash to pay the costs of (1) acquisition of student housing at Shippensburg University of Pennsylvania from Shippensburg University Student Services, Inc.; (2) construction of a mixed-use facility incorporating classrooms, office, and laboratory space, as well as a new dining facility and parking garage at West Chester University of Pennsylvania; and (3) contingency and issuance costs (the "Projects"); and

WHEREAS, the Authority will lend the proceeds of the Bonds to the System to finance the costs of the Projects and pay the expenses incident to issuance of the Bonds; and

WHEREAS, the System may make expenditures relating to clauses (1) through (3) of the definition of the Projects contained above prior to issuance of the Bonds, and the System desires to preserve the ability to reimburse itself with proceeds of the Bonds for any amounts expended for the Projects; and

WHEREAS, the obligation of the System to repay the Bonds will be described in and evidenced by a Loan Agreement, as supplemented (the "Loan Agreement"), between the Authority, as lender, and the System, as borrower, pursuant to which the System will pledge the full faith and credit of the System as security for repayment of the obligation; and

WHEREAS, the Loan Agreement will be assigned by the Authority as security for the Bonds pursuant to a Trust Indenture, as supplemented (the "Indenture"), between the Authority and a trustee; and

WHEREAS, the Authority will, by public invitation, solicit and receive competitive bids from underwriters for the purchase of the Bonds, which bids will contain, among other terms, proposed interest rates on the Bonds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of the System (the "Board") hereby approve the issuance of the Bonds by the Authority, in an amount in project cash not to exceed \$217 million for the Bonds, the proceeds of which will be used to undertake the Projects and pay the costs of issuance of the Bonds; and be it

RESOLVED, that the Board hereby delegate to the chancellor or vice chancellor for administration and finance the power to accept bids for purchase of the Bonds from underwriters and to determine the principal amount of the Bonds to be issued by the Authority, but not in excess of the amount described above, the rates of interest, dates of maturity, provisions for optional or mandatory redemption, and other details, such approval to be evidenced by acceptance of the bid for purchase of the Bonds by the Authority and the System; and be it

RESOLVED, that the Board hereby authorize the pledging of the System's full faith and credit to repayment of the Bonds, as provided in the Loan Agreement, and hereby authorize and direct the chancellor or vice chancellor for administration and finance to execute, acknowledge, and deliver, and any Responsible Officer to attest such signature to a supplement to the Loan

Agreement in such form as the officers executing it may approve, such approval to be conclusively evidenced by execution thereof; and be it

RESOLVED, that any Responsible Officer is hereby authorized and empowered to approve the content of the Preliminary Official Statement and the Official Statement of the Authority relating to issuance of the Bonds as to information concerning the System and its affairs; and be it

RESOLVED, that any Responsible Officer is hereby authorized and directed to take such further action and to execute and deliver such other instruments and documents as may, in his or her judgment or upon advice of counsel, be necessary or advisable to effect issuance of the Bonds by the Authority, the intent of this Resolution, and the transactions contemplated.

Secretary to the Board

Chair of the Board

Date

**Pennsylvania's State System of Higher Education
Taxable/Tax-Exempt Bond Issue History**

April 2018

Current Debt Structure

Pennsylvania's State System of Higher Education

Bond Issues

The Series A bonds were issued July 23, 1985, for a par value of \$31.0 million to finance the Indiana University of Pennsylvania cogeneration plant. Scheduled amortization started in June 1988, and was to run through June 1994. Serial interest rates ranged from 6.50 percent to 8.20 percent.

The Series B bonds were issued June 25, 1986, for a par value of \$26.0 million to finance 47 capital projects System-wide. Scheduled amortization started in June 1987 and concluded in June 1994. Serial interest rates ranged from 4.60 percent to 7.10 percent. Series B bonds called for a debt service reserve fund of \$3.9 million to be used to pay the last principal and interest payment. This fund earned an interest rate higher than the cost of borrowing, resulting in realized investment income of \$1 million. Universities with projects that participated in the bond issue received a prorated share of the debt service reserve fund investment income. The Series B issue allowed refinancing of existing capital leases for a savings of \$1.2 million. Also, by financing capital projects, the universities could invest the operating capital in the Short-Term Investment Fund at an interest rate higher than the financing cost, providing investment income and flexibility.

The Series C bonds were issued July 29, 1987, for a par value of \$38.2 million to finance residence halls at Bloomsburg and Kutztown Universities of Pennsylvania and to refund the Series A bonds. Serial interest rates ranged from 4.40 percent to 7.60 percent.

The Series D bonds were issued July 28, 1990, for a par value of \$58.8 million to finance student unions at Clarion, Lock Haven, and Shippensburg Universities of Pennsylvania, and a residence hall at West Chester University of Pennsylvania. This bond issue also provided refinancing of State System internal loans for interest savings of \$1.3 million. The Series D bonds launched the Reimbursement Program, which provided \$17.7 million of capital financing. Serial interest rates ranged from 5.90 percent to 7.15 percent.

The Series E bonds were issued June 27, 1991, for a par value of \$54.8 million to finance student unions at Bloomsburg, California, Clarion, East Stroudsburg, Edinboro, Kutztown, Lock Haven, Millersville, and Shippensburg Universities of Pennsylvania, and a residence hall at West Chester University of Pennsylvania. This bond issue included \$12.3 million of capital reimbursement bonds. Serial interest rates ranged from 4.70 percent to 7.10 percent.

The Series F bonds were issued December 15, 1992, for a par value of \$35.2 million to finance student unions, energy conservation equipment, and the renovation of dining halls at various State System universities. This bond issue provided \$19 million of capital reimbursement bonds. Serial interest rates ranged from 2.70 percent to 6.15 percent.

The Series G bonds were issued December 15, 1992, for a par value of \$14.2 million to refund the Series C bonds maturing on and after September 1, 1996. This refunding issue provided present value savings of \$825,000 to Bloomsburg and Kutztown Universities of Pennsylvania for their student housing projects. Serial interest rates ranged from 2.70 percent to 6.15 percent.

The Series H bonds were issued May 18, 1993, for a par value of \$15.9 million to finance a computer purchase and energy conservation equipment at various State System universities. This bond issue provided \$13.6 million of capital reimbursement bonds. Serial interest rates ranged from 2.70 percent to 5.80 percent.

The Series I bonds were issued May 18, 1993, for a par value of \$61.4 million to refund the Series D bonds maturing on and after June 15, 1993. This refunding issue provided present value savings of \$2.4 million to various State System universities. Serial interest rates ranged from 2.70 percent to 5.80 percent.

The Series J bonds were issued March 16, 1994, for a par value of \$28.3 million to finance a recreation center, a fiber-optic network, a smokestack and engine retrofit, and student unions at various State System universities. This bond issue provided \$14.4 million of capital reimbursement bonds. Serial interest rates ranged from 3.35 percent to 5.75 percent.

The Series K bonds were issued March 16, 1994, for a par value of \$55.4 million to refund the Series E bonds maturing on and after June 15, 1994. This refunding issue provided present value savings of \$1.8 million to various State System universities. Serial interest rates ranged from 2.95 percent to 5.70 percent.

The Series L bonds were issued July 14, 1994, for a par value of \$45.9 million to finance a recreation center, computer equipment, student housing, and student unions at various State System universities. This bond issue provided \$26.8 million of capital reimbursement bonds. Serial interest rates ranged from 3.75 percent to 6.30 percent.

The Series M bonds were issued March 14, 1995, for a par value of \$35.4 million to finance instructional equipment purchased at Clarion University of Pennsylvania, energy conservation measures at two universities, and renovations to various residence halls and dining facilities at Indiana University of Pennsylvania. This bond issue provided \$29.3 million of capital reimbursement bonds. Serial interest rates ranged from 4.50 percent to 5.98 percent.

The Series N bonds were issued April 2, 1996, for a par value of \$44.5 million to finance construction of a recreation center at Mansfield University of Pennsylvania, renovation of a residence hall at Kutztown University of Pennsylvania and a dining hall at Indiana University of Pennsylvania, installation of a campus-wide fiber-optic network at California University of Pennsylvania, and installation of a PBX phone system at Millersville University of Pennsylvania. This bond issue provided \$30.5 million of capital reimbursement bonds. Serial interest rates ranged from 3.65 percent to 5.85 percent.

The Series O bonds were issued June 25, 1997, for a par value of \$46.7 million to finance construction of a recreation center and student housing at Slippery Rock University of Pennsylvania; road and site utilities development at Indiana University of Pennsylvania; various computer and telecommunication purchases at Clarion, Kutztown, and Millersville Universities of Pennsylvania; and a property acquisition at West Chester University of Pennsylvania. This bond issue provided \$17.7 million of capital reimbursement bonds. Serial interest rates ranged from 3.77 percent to 5.35 percent.

The Series P bonds were issued February 25, 1998, for a par value of \$72.9 million to refund a portion of the Series F bonds and a portion of the Series L bonds maturing on and after December 15, 2002, and June 15, 2004, respectively. This refunding issue provided present value savings of \$3.9 million to the State System. Serial interest rates ranged from 3.50 percent to 4.40 percent.

The Series Q bonds were issued June 30, 1998, for a par value of \$22.7 million to finance construction of a recreation center at Clarion University of Pennsylvania; a dining hall addition at Millersville University of Pennsylvania; a comprehensive electrical upgrade at Shippensburg

University of Pennsylvania; various computer and telecommunication purchases at Millersville, Indiana, and Shippensburg Universities of Pennsylvania; and facilities renovations and the acquisition of equipment and furnishings by various State System universities. Serial interest rates ranged from 3.82 percent to 5.05 percent.

The Series R bonds were issued June 17, 1999, for a par value of \$31.1 million to finance an addition to the student center at California University of Pennsylvania, renovation of and addition to the dining facilities at Kutztown University of Pennsylvania, renovation of a library to a student union at Mansfield University of Pennsylvania, purchase and installation of computer and telecommunications equipment at Shippensburg and Clarion Universities of Pennsylvania, purchase and installation of fiber-optic wiring at Clarion University of Pennsylvania, purchase of a building to be used by the Culinary School at Indiana University of Pennsylvania, and facilities renovations at various State System universities. Serial interest rates ranged from 3.40 percent to 5.24 percent.

The Series S bonds were issued June 21, 2000, for a par value of \$51.7 million to finance the design and construction of on-campus apartments at Bloomsburg University of Pennsylvania; design and construction of renovations and additions to the dining accommodations and student union facilities at Kutztown University of Pennsylvania; renovations of student union facilities at California University of Pennsylvania; design and renovation of academic facilities at System universities; purchase and installation of computer and telecommunications equipment at Bloomsburg, Edinboro, and Slippery Rock Universities of Pennsylvania; and purchase of lab equipment at Mansfield University of Pennsylvania. Serial interest rates ranged from 4.54 percent to 5.81 percent.

The Series T bonds were issued July 12, 2001, for a par value of \$69.6 million to finance the design and construction of recreation centers at East Stroudsburg and Lock Haven Universities of Pennsylvania; installation of a central chiller at Indiana University of Pennsylvania; renovation and maintenance of facilities at California University of Pennsylvania; construction of student housing at Bloomsburg University of Pennsylvania; technology initiatives at Clarion, Edinboro, and West Chester Universities of Pennsylvania; installation of residence hall sprinklers; design and renovation of academic facilities at System universities; and a shared administrative computer system. Serial interest rates ranged from 2.50 percent to 5.09 percent.

The Series U bonds were issued August 8, 2002, for a par value of \$14.4 million to finance the Academic Facilities Renovation Program; renovation and maintenance of facilities at Bloomsburg, California, Edinboro, and Mansfield Universities of Pennsylvania; expansion of the fire detection system at Indiana University of Pennsylvania; and design and renovation of a recreation center at East Stroudsburg University of Pennsylvania. Serial interest rates ranged from 1.61 percent to 4.92 percent.

The Series V bonds were issued August 8, 2002, for a par value of \$25.2 million to finance the acquisition and installation of residence hall sprinklers at all the universities and the continued implementation of the shared administrative computer system. This was the System's first variable rate issue, with terms of 20 years for the sprinklers and 7 years for the shared administrative computer system. Weekly resets of interest rates and monthly payments of interest were established for this issue.

The Series W bonds were issued October 15, 2002, for a par value of \$69.1 million to refund the Series H bonds, the Series J bonds, and the Series M bonds. This refunding issue provided present value savings of \$3.8 million to the State System. Serial interest rates ranged from 1.70 percent to 4.41 percent.

The Series X bonds were issued May 29, 2003, for a par value of \$80.9 million to refund the Series G bonds and the Series I bonds. The refunding issue provided a present value savings of \$6.2 million to the State System. The Series X bonds also issued new money for auxiliary facilities renovations and construction at Bloomsburg, California, Indiana, Kutztown, Mansfield, Millersville, and Shippensburg Universities of Pennsylvania; academic facilities renovation and general campus improvements at Bloomsburg and California Universities of Pennsylvania; installation of fire alarm systems at Indiana University of Pennsylvania; and property acquisitions at East Stroudsburg University of Pennsylvania. Serial interest rates ranged from 0.99 percent to 4.33 percent.

The Series Y bonds were issued June 19, 2003, for a par value of \$25.4 million to finance the acquisition and installation of residence hall sprinklers at all the universities and the continued implementation of the shared administrative computer system. This was the System's second variable rate issue, with terms of 20 years for the sprinklers and 7 years for the shared administrative computer system. Weekly resets of interest rates and monthly interest payments were established for this issue.

The Series Z bonds were issued March 17, 2004, for a par value of \$71.8 million to refund the Series K bonds and the Series N bonds. The refunding issue provided a present value savings of \$6.6 million to the State System. Serial interest rates ranged from 1.00 percent to 4.43 percent.

The Series AA bonds were issued July 8, 2004, for a par value of \$28.8 million to finance auxiliary facilities renovations and construction at Bloomsburg, California, Indiana, Kutztown, Mansfield, Millersville, and Shippensburg Universities of Pennsylvania; academic facilities renovations and general campus improvements at Bloomsburg, California, and Kutztown Universities of Pennsylvania; energy savings improvements at Shippensburg University of Pennsylvania; installation of fire alarm systems at Indiana University of Pennsylvania; and property acquisitions at East Stroudsburg University of Pennsylvania. Serial interest rates ranged from 1.66 percent to 5.00 percent.

The Series AB bonds were issued July 8, 2004, for a par value of \$21.0 million to finance the acquisition and installation of residence hall sprinklers at all the universities and the continued implementation of the shared administrative computer system. This was the System's third variable rate issue, with terms of 20 years for the sprinklers and 7 years for the shared administrative computer system. Weekly resets of interest rates and monthly interest payments were established for this issue.

The Series AC bonds were issued July 7, 2005, for a par value of \$52.7 million to finance auxiliary facilities renovations and construction at Bloomsburg, Cheyney, Edinboro, Indiana, Kutztown, Millersville, and Shippensburg Universities of Pennsylvania; academic facilities renovations and general campus improvements at California, Cheyney, Indiana, Kutztown, Shippensburg, and Slippery Rock Universities of Pennsylvania; network equipment upgrade at Clarion University of Pennsylvania; continued installation of fire alarm systems at Indiana University of Pennsylvania; and property acquisitions at East Stroudsburg University of Pennsylvania. Serial interest rates ranged from 2.66 percent to 4.50 percent.

The Series AD bonds were issued July 7, 2005, for a par value of \$7.3 million to finance the acquisition and installation of residence hall sprinklers at all the universities. This was the System's fourth variable rate issue, with a term of 20 years for the sprinklers. Weekly resets of interest rates and monthly interest payments were established for this issue.

The Series AE bonds were issued July 6, 2006, for a par value of \$103.3 million to finance auxiliary facilities renovations and construction at Bloomsburg, Cheyney, East Stroudsburg, Edinboro, Kutztown, Lock Haven, Millersville, and Shippensburg Universities of Pennsylvania; academic facilities renovations and general campus improvements at East Stroudsburg, Kutztown, and Millersville Universities of Pennsylvania; and energy savings improvements at Edinboro and West Chester Universities of Pennsylvania. Serial interest rates ranged from 3.70 percent to 4.82 percent.

The Series AF bonds were issued July 10, 2007, for a par value of \$68.2 million to finance auxiliary facilities renovations and construction at California, Clarion, East Stroudsburg, Kutztown, Shippensburg, and West Chester Universities of Pennsylvania; Academic Facilities Renovation Program and other academic facilities at East Stroudsburg, Indiana, and Kutztown Universities of Pennsylvania; and energy savings improvements at East Stroudsburg and West Chester Universities of Pennsylvania. Serial interest rates ranged from 3.80 percent to 4.60 percent.

The Series AG bonds were issued March 27, 2008, for a par value of \$101.3 million to refund the Series O bonds, the Series P bonds, and the Series Q bonds. The refunding issue provided a present value savings of \$6.9 million to the State System. Serial interest rates range from 2.10 percent to 4.70 percent.

The Series AH bonds were issued July 17, 2008, for a par value of \$140.8 million to finance auxiliary facilities renovations and construction at Bloomsburg, California, Kutztown, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; academic facilities at California, East Stroudsburg, Kutztown, and Millersville Universities of Pennsylvania; and energy savings improvements at Bloomsburg, Cheyney, Lock Haven, Mansfield, Millersville, and Slippery Rock Universities of Pennsylvania. Serial interest rates range from 1.75 percent to 4.77 percent.

The Series AI bonds were issued August 7, 2008, for a par value of \$32.1 million to refund the System's variable rate bonds: the Series V bonds, the Series Y bonds, the Series AB bonds, and the Series AD bonds. Serial interest rates range from 2.00 percent to 4.66 percent.

The Series AJ bonds were issued July 9, 2009, for a par value of \$124.0 million to finance auxiliary facilities renovations and construction at Bloomsburg, California, Kutztown, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; academic facilities at California, East Stroudsburg, Kutztown, and Millersville Universities of Pennsylvania; and energy savings improvements at Bloomsburg, Cheyney, Lock Haven, Mansfield, Millersville, and Slippery Rock Universities of Pennsylvania. Serial interest rates range from 0.49 percent to 5.17 percent.

The Series AK bonds were issued September 3, 2009, for a par value of \$47.3 million to refund the Series R bonds and the Series S bonds. The refunding issue provided a present value savings of \$4.8 million to the State System. Serial interest rates range from 0.70 percent to 4.00 percent.

The Series AL bonds were issued July 8, 2010, for a par value of \$135.4 million to finance auxiliary facilities renovation and construction at Bloomsburg, Mansfield, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; academic facilities renovation and construction at California, East Stroudsburg, Edinboro, Indiana, Kutztown, Millersville, and Shippensburg Universities of Pennsylvania; and student information

systems purchase and implementation at California, Clarion, East Stroudsburg, Shippensburg, and Slippery Rock Universities of Pennsylvania. Serial interest rates range from 0.40 percent to 4.50 percent.

The Series AM bonds were issued July 12, 2011, for a par value of \$119.1 million to finance auxiliary facilities renovation and construction at Bloomsburg, Indiana, Lock Haven, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; academic facilities renovation and construction at California, East Stroudsburg, and Millersville Universities of Pennsylvania; and student information systems purchase and implementation at East Stroudsburg University of Pennsylvania. Serial interest rates range from 0.27 percent to 4.64 percent.

The Series AN bonds were issued March 20, 2012, for a par value of \$76.8 million to refund the Series U bonds, the Series W bonds, and the Series X bonds. The refunding issue provided a present value savings of \$13.8 million to the State System. Serial interest rates range from 0.25 percent to 2.22 percent.

The Series AO bonds were issued July 8, 2013, for a par value of \$30.9 million to finance (taxable) auxiliary facilities renovation and construction at Indiana University of Pennsylvania, and (tax-exempt) academic facilities renovation and construction at California and Mansfield Universities of Pennsylvania. Taxable serial interest rates range from 0.80 percent to 5.20 percent, and tax-exempt serial interest rates range from 0.28 percent to 4.66 percent.

The Series AP bonds were issued May 7, 2014, for a par value of \$46.1 million to refund the Series Z bonds and the Series AA bonds. The refunding provided a present value savings of \$5.8 million to the State System. Serial interest rates range from 0.30 percent to 2.65 percent.

The Series AQ bonds were issued on May 7, 2015, for a par value of \$95.0 million to current refund the Series AC bonds and advance refund the Series AE bonds. The refunding provided a present value savings of \$9.1 million to the State System. Serial interest rates range from 0.45 percent to 3.84 percent.

The Series AR bonds were issued September 10, 2015, for a par value of \$102.4 million to finance auxiliary facilities renovation and construction at Bloomsburg, California, and Millersville Universities of Pennsylvania; upgrade of a steam plant at Bloomsburg University of Pennsylvania; and the purchase by California University of Pennsylvania of on-campus student housing from Student Association, Incorporated.

The Series AS bonds were issued June 7, 2016, for a par value of \$47.3 million to advance refund the Series AF bonds. The refunding provided a present value savings of \$7.5 million to the State System. Serial interest rates range from 0.70 percent to 3.22 percent.

The Series AT bonds were issued September 7, 2016, for a par value of \$298.1 million to finance (taxable) auxiliary facilities renovation and construction at Indiana University of Pennsylvania, and (tax-exempt) renovation of an academic facility at Slippery Rock University of Pennsylvania, upgrade of information technology infrastructure at Slippery Rock University of Pennsylvania, upgrade of the steam plant at Bloomsburg University of Pennsylvania, construction of student housing facilities at Bloomsburg University of Pennsylvania, acquisition of student housing at Lock Haven University of Pennsylvania from Lock Haven University Foundation, acquisition of student housing at Edinboro University of Pennsylvania from Edinboro University Foundation, and acquisition of student housing at Mansfield University of Pennsylvania from Mansfield Auxiliary Corporation.

The Series AU bonds were issued September 14, 2017, for a total par value of \$128.3 million to finance the renovation of academic and athletic facilities at Indiana University of Pennsylvania, renovation of academic facilities at Slippery Rock University of Pennsylvania, construction of a guaranteed energy savings act (“GESA”) project at Slippery Rock University of Pennsylvania, and construction of a parking structure at West Chester University of Pennsylvania. Also included were funds to advance refund most of the Series AH bonds (\$91.6 million) using both tax-exempt and taxable bonds. The refunding provided a present value savings of \$10.8 million and \$1.2 million to the State System, respectively. Serial interest rates range from 0.95 percent to 3.32 percent for the tax-exempt portion and 1.48 percent to 2.92 percent for the taxable portion.

Of the original \$2.9 billion principal amount issued, through principal repayment and refunding of bond issues, approximately \$1.1 billion is outstanding as of March 1, 2018.

Pennsylvania's State System of Higher Education Bond Issue History

Issue	True Interest Cost	Originally Issued	Original BP Issue	Principal Paid Through 3/1/18	Balance Remaining on State System Books 3/1/18
Series A	7.99%	July 23, 1985	\$31,000,000	\$31,000,000	\$0
Series B	6.67%	June 25, 1986	25,990,000	25,990,000	0
Series C	6.78%	July 29, 1987	38,240,000	38,240,000	0
Series D	7.19%	July 28, 1990	58,800,000	58,800,000	0
Series E	6.93%	June 27, 1991	54,845,000	54,845,000	0
Series F	5.97%	December 15, 1992	35,210,000	35,210,000	0
Series G	5.97%	December 15, 1992	14,170,000	14,170,000	0
Series H	5.54%	May 18, 1993	15,940,000	15,940,000	0
Series I	5.54%	May 18, 1993	61,425,000	61,425,000	0
Series J	5.49%	March 16, 1994	28,285,000	28,285,000	0
Series K	5.49%	March 16, 1994	55,430,000	55,430,000	0
Series L	6.20%	July 14, 1994	45,855,000	45,855,000	0
Series M	5.93%	March 14, 1995	35,395,000	35,395,000	0
Series N	5.86%	April 2, 1996	44,455,000	44,455,000	0
Series O	5.37%	June 25, 1997	46,745,000	46,745,000	0
Series P	4.97%	February 25, 1998	72,880,000	72,880,000	0
Series Q	4.76%	June 30, 1998	22,675,000	22,675,000	0
Series R	5.01%	June 17, 1999	31,050,000	31,050,000	0
Series S	5.49%	June 21, 2000	51,720,000	51,720,000	0
Series T	4.66%	July 12, 2001	69,555,000	69,555,000	0
Series U	4.30%	August 8, 2002	14,400,000	14,400,000	0
Series V	Variable	August 8, 2002	25,200,000	25,200,000	0
Series W	4.31%	October 15, 2002	69,105,000	69,105,000	0
Series X	3.32%	May 29, 2003	80,910,000	80,910,000	0
Series Y	Variable	June 19, 2003	25,350,000	25,350,000	0
Series Z	3.88%	March 17, 2004	71,760,000	71,760,000	0
Series AA	4.45%	July 8, 2004	28,750,000	28,750,000	0
Series AB	Variable	July 8, 2004	20,970,000	20,970,000	0
Series AC	4.14%	July 7, 2005	52,650,000	52,650,000	0
Series AD	Variable	July 7, 2005	7,310,000	7,310,000	0
Series AE	4.57%	July 6, 2006	103,290,000	103,290,000	0
Series AF	4.66%	July 10, 2007	68,230,000	68,230,000	0
Series AG	3.97%	March 27, 2008	101,335,000	65,265,000	36,070,000
Series AH	4.43%	July 17, 2008	140,760,000	132,110,000	8,650,000
Series AI	4.13%	August 7, 2008	32,115,000	16,135,000	15,980,000
Series AJ	4.37%	July 9, 2009	123,985,000	34,465,000	89,520,000
Series AK	3.15%	September 3, 2009	47,310,000	26,855,000	20,455,000
Series AL	3.72%	July 8, 2010	135,410,000	68,990,000	66,420,000
Series AM	4.00%	July 12, 2011	119,085,000	24,190,000	94,895,000
Series AN	1.54%	March 20, 2012	76,810,000	23,110,000	53,700,000
Series AO-1 (Tax-Exempt)	4.20%	July 8, 2013	12,340,000	1,435,000	10,905,000
Series AO-2 (Taxable)	4.73%	July 8, 2013	18,575,000	2,705,000	15,870,000
Series AP	2.34%	May 7, 2014	46,110,000	6,825,000	39,285,000
Series AQ	2.88%	May 7, 2015	94,975,000	8,565,000	86,410,000
Series AR	3.71%	September 10, 2015	102,365,000	4,295,000	98,070,000
Series AS	2.63%	June 7, 2016	47,280,000	850,000	46,430,000
Series AT (Tax-Exempt)	3.00%	September 7, 2016	279,050,000	4,300,000	274,750,000
Series AT (Taxable)	3.03%	September 7, 2016	19,060,000	600,000	18,460,000
Series AU (New Money)	2.86%	September 14, 2017	36,625,000	0	36,625,000
Series AU (Tax-Exempt)	2.58%	September 14, 2017	76,490,000	0	76,490,000
Series AU (Taxable)	2.62%	September 14, 2017	15,145,000	0	15,145,000
			\$2,932,415,000	\$1,828,285,000	\$1,104,130,000

**State System of Higher Education
Proposed 2018 Bond Issue Summary
Proposed Series AV**

Tax-Exempt Bond Issue

Project	Type	Term (Years)	BOG Approved	Amount
West Chester (The Commons-E&G)	E&G	25	January 2017	\$48,000,000
West Chester (The Commons-Parking)	Auxiliary	25	January 2017	6,000,000
West Chester (The Commons-Dining)	Auxiliary	25	January 2017	14,527,000
Contingency and Issuance Costs at 1.50%				<u>1,027,905</u>
Total Tax-Exempt Debt Issue				<u><u>\$69,554,905</u></u>

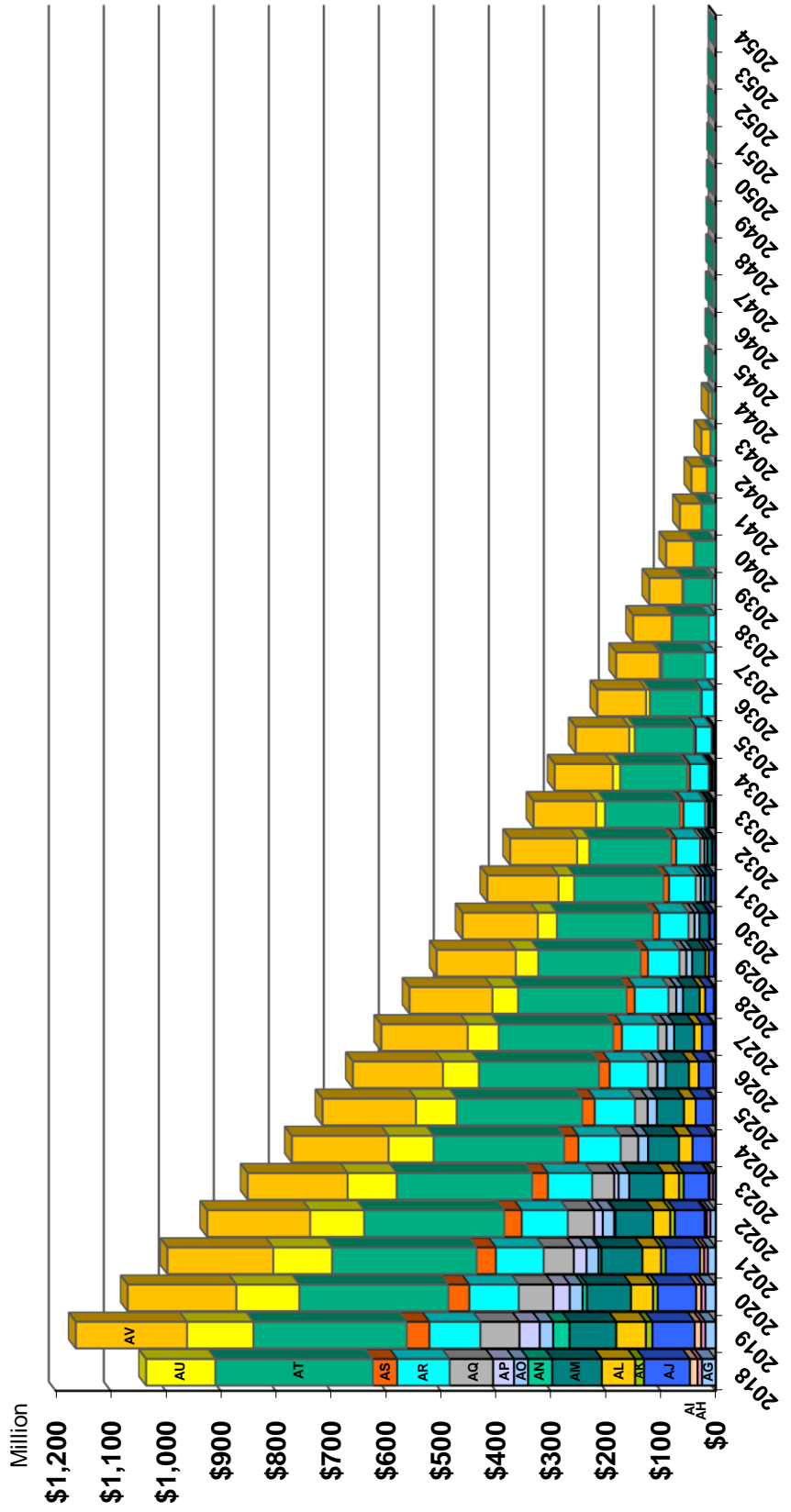
Taxable Bond Issue

Project	Type	Term (Years)	BOG Approved	Amount
Shippensburg Student Housing Acquisition	Auxiliary	27	April 2018	\$145,059,163
Contingency and Issuance Costs at 1.50%				<u>2,175,887</u>
Total Taxable Debt Issue				<u><u>\$147,235,050</u></u>
Total Bond Issue				\$216,789,955

System Debt Outstanding by Bond Issue

Fiscal Years Ending 2018–2054

Including Proposed Series AV



Bond Series Indicated by Letter

Board of Governors Meeting
April 5, 2018

SUBJECT: Collaborative Allocation of Resources—Authorization to Issue Refunding Bonds (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: In the current interest rate environment, opportunities arise to refund all or part of certain State System bond issues. The window of opportunity often opens and closes in a matter of days, and missing the window could cost the System millions of dollars in lost debt service savings. The Treasury staff monitors these market conditions and alerts the Board of Governors when the environment may provide debt service savings. The Internal Revenue Service requires the governing board to pass a resolution authorizing issuance of bonds. It is prudent management for the Board to authorize the chancellor to direct issuance of bonds only when market conditions provide significant savings. It is common for this type of resolution to contain minimum savings limits and an expiration date so control of the bond issuance process is maintained. This Board action will authorize the Office of the Chancellor to issue refunding bonds during fiscal year 2018-19 based upon market conditions to maximize present value savings, provided that the net present value savings equal or exceed 4 percent, and will establish an expiration date for this authorization of June 30, 2019.

In keeping with the State System's practice of minimizing expense and risk, the bond issue will be competitively bid. Since the System does not possess statutory bonding authority, the bonds will be issued through the Pennsylvania Higher Educational Facilities Authority. The bonds will be a general obligation of the System.

MOTION: That the Board of Governors adopt the attached resolution to authorize future issuance of refunding bonds when market conditions permit and after the vice chancellor for administration and finance consults with the chair of the University Success Committee.

Supporting Documents Included: Resolution Authorizing Issuance of Refunding Bonds by the Pennsylvania Higher Education Facilities Authority

Other Supporting Documents Available: N/A

Reviewed by: University Success Committee

Prepared by: James S. Dillon

Telephone: (717) 720-4100

Resolution Authorizing Issuance of Refunding Bonds by the Pennsylvania Higher Educational Facilities Authority

WHEREAS, the State System of Higher Education of the Commonwealth of Pennsylvania (the "System") desires that the Pennsylvania Higher Educational Facilities Authority (the "Authority") undertake a project (the "Project") consisting of the issuance of bonds (the "Refunding Bonds") to refund all or a portion of various series of bonds issued by the Authority on behalf of the System (the "Prior Bonds"); and

WHEREAS, the Board of Governors of the System (the "Board") has determined that it is desirable to authorize the chancellor to proceed with the issuance of the Refunding Bonds when market conditions permit, as long as the net present value savings on the Refunding Bonds equal or exceed 4 percent, and that this authorization will expire June 30, 2019; and

WHEREAS, the Authority will lend the proceeds of the Refunding Bonds to the System to finance the costs of the Project and to pay expenses incidental to issuance of the Refunding Bonds; and

WHEREAS, the obligation of the System to repay the Refunding Bonds will be described in and evidenced by a Loan Agreement, as supplemented (the "Loan Agreement"), between the Authority, as lender, and the System, as borrower, pursuant to which the System will pledge the full faith and credit of the System as security for repayment of the obligation; and

WHEREAS, the Loan Agreement will be assigned by the Authority as security for the Refunding Bonds pursuant to a Trust Indenture, as supplemented (the "Indenture"), between the Authority and the accepted trustee; and

WHEREAS, the Authority will, by public invitation, solicit and receive competitive bids from underwriters for the purchase of the Refunding Bonds, which bids will contain, among other terms, proposed interest rates on the Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorize the chancellor to proceed with issuance of the Refunding Bonds by the Authority when market conditions permit, provided that the net present value savings on the Refunding Bonds equal or exceed 4 percent, and that this authorization will expire June 30, 2019; and be it

RESOLVED, that the Board hereby delegate to the chancellor or vice chancellor for administration and finance the power to accept bids for purchase of the Refunding Bonds from underwriters and to determine the principal amount of the Refunding Bonds to be issued by the Authority, the rates of interest, dates of maturity, provisions for optional or mandatory redemption, and other details, such approval to be evidenced by acceptance of the bid for purchase of the Refunding Bonds by the Authority and the System; and be it

RESOLVED, that the Board hereby authorize pledging the System's full faith and credit to repayment of the Refunding Bonds, as provided in the Loan Agreement, and hereby authorize and direct the chancellor or vice chancellor for administration and finance to execute, acknowledge, and deliver, and any Responsible Officer, as defined in the Indenture, to attest such signature to a supplement to the Loan Agreement in such form as the officers executing it may approve, such approval to be conclusively evidenced by execution thereof; and be it

RESOLVED, that any Responsible Officer is hereby authorized and empowered to approve the content of the Preliminary Official Statement and the Official Statement of the Authority relating to issuance of the Refunding Bonds as to information concerning the System and its affairs; and be it

RESOLVED, that any Responsible Officer is hereby authorized and directed to take such further action and to execute and deliver such other instruments and documents as may, in his or her judgment or upon advice of counsel, be necessary or advisable to effect issuance of the Refunding Bonds by the Authority, the intent of this Resolution, and the transactions contemplated.

Secretary to the Board

Chair of the Board

Date

Board of Governors Meeting
April 5, 2018

SUBJECT: Student Success Mission (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: The Board of Governors recently approved three key strategic priorities: 1) **Ensuring Student Success**, 2) Leveraging University Strengths, and 3) Transforming the Leadership/Governance Structure.

Developing a clearly articulated statement defining student success and identifying the metrics necessary to measure it are the key steps in providing clarity to what Ensuring Student Success really means. The timeline for completing these steps includes having the Board affirm the Student Success statement as the Student Success Mission at its April 4-5, 2018 meeting and the metrics for measuring student success at its July 2018 meeting.

The Student Success task group conferred with system personnel and university leadership, including presidents, chief academic officers, chief student affairs officers, and faculty. In addition, the Student Success statement was posted for public comment on the State System's website to ensure an open, transparent, and inclusive process.

Student Success is not an initiative but rather the System and the universities' core business. Therefore, it is the recommendation that the Board affirm the Student Success statement as our Student Success Mission.

Proposed Student Success Mission:

Our 14 State System Universities provide access to high-value, relevant educational experiences that prepare our students in a timely manner for pathways to successful lives and careers.

MOTION: That the Board of Governors affirm the proposed Student Success Mission.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: Student Success Committee of the Board

Prepared by: Kathleen M. Howley

Telephone: (717) 720-4200

Board of Governors Meeting

April 5, 2018

SUBJECT: Academic Program(s) Commitment (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: As part of policy reform for System redesign, the Board of Governors delegated its authority to the chancellor for the approval of new undergraduate and graduate degree programs (January 25, 2018). It was during these discussions that a commitment related to academic programs was needed that would serve as an overarching statement to the existing evidenced-based and efficient program review and approval process. This language would appear on the System website where students search for programs, on the System intranet that houses the program proposal templates, and other areas related to academic programs.

Proposed Academic Program(s) Statement:

The high-value and relevant academic programs of Pennsylvania's State System of Higher Education universities prepare our students for success in their lives and careers in our global society.

MOTION: That the Board of Governors affirm the proposed Academic Program(s) Statement.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: Student Success Committee of the Board

Prepared by: Kathleen M. Howley

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Board of Governors Meeting

April 5, 2018

SUBJECT: Leveraging One of the State System's Richest Assets - Student Data (PANEL DISCUSSION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Effective use of data, analytics, and information is critical to increasing student success and regional responsiveness. Pennsylvania's State System of Higher Education has been on a journey to leverage one of its richest assets: *student data*. This presentation will start with a live demonstration of a dynamic infrastructure that leverages this asset and supports decision-making through the full student lifecycle.

Dr. Sue Mukherjee, assistant vice chancellor for the Office of Educational Intelligence, will introduce the Board of Governors to this progressive infrastructure and moderate a panel of university subject matter experts who will illuminate how this platform of student and workforce intelligence is influencing decision-making, planning, and engagement within universities in the context of the System Redesign priorities. Panelists will include West Chester University President Dr. Christopher M. Fiorentino and Indiana University of Pennsylvania Assistant Vice Provost for Undergraduate Student Success Dr. Michele Norwood.

Supporting Documents Included: N/A

Other Supporting Documents Available: N/A

Reviewed by: N/A

Prepared by: Kathleen M. Howley

Telephone: (717) 720-4200

Board of Governors Meeting
April 5, 2018

SUBJECT: Budget Update (INFORMATION)

UNIVERSITIES AFFECTED: All

BACKGROUND: At its October 2017 meeting, the Board of Governors approved a fiscal year 2018/19 Educational and General (E&G) appropriation request of \$526.2 million, to fully fund the System's projected financial requirements for the upcoming fiscal year. On February 6, 2018, Governor Wolf recommended an E&G appropriation for the State System of \$468.1 million, a 3.3 percent, or \$15.0 million, increase over the amount received this fiscal year.

Additional information regarding the System's 2018/19 budget requirements and the budget process will be presented at the Board of Governors meeting.

Supporting Documents Included: None

Other Supporting Documents Available: <http://systemredesign.passhe.edu/>

Reviewed by: N/A

Prepared by: James S. Dillon

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