

**Board of Governors
of
Pennsylvania's State System of Higher Education**

Meeting Minutes

212th Meeting
Thursday, April 9, 2015
Boardroom, First Floor
Administration Building
2986 North Second Street
Harrisburg, PA 17110-1201

9:00 a.m.

ATTENDING

Board of Governors:

Representative Matthew E. Baker
Theresa L. Barnaby (Acting Secretary of Education's designee)
Marie Conley
Christopher H. Franklin (via conference call)
Sarah E. Galbally (Governor Wolf's designee)
Todd M. Garrett
Chelsea E. Getsy
Representative Michael K. Hanna
Ronald G. Henry
Jonathan B. Mack
David M. Maser
Daniel P. Meuser
Guido M. Pichini (Chair)
Pedro A. Rivera (Acting Secretary of Education)
Senator Judith L. Schwank (via conference call)
Robert S. Taylor
Senator Scott Wagner (temporary replacement for Senator Alloway, Jr.)
Aaron A. Walton

Senator Richard L. Alloway, II, and Jane Earll were absent.

Office of the Chancellor:

Frank T. Brogan (Chancellor)
James S. Dillon
Peter H. Garland
Randy A. Goin, Jr.
Kathleen M. Howley
Andrew C. Lehman

Also in attendance from the Office of the Chancellor: Alicia A. Brumbach, Ginger S. Coleman, Michael S. Ferguson, Audrey J. Guistwhite, Jennifer E. Hoover-Vogel, Lois M. Johnson, Kenneth D. Marshall, Sue Mukherjee, Victoria L. Sanders, Lisa A. Sanno, Dean A. Weber, and Eric J. Zeglen.

Also in attendance: Jennifer S. Hartman, Chief Executive Officer, PASSHE Foundation Board,

University Presidents in attendance: John M. Anderson, Michael A. Driscoll, Michael Fiorentino, Jr., George F. “Jody” Harpster, Francis L. Hendricks, Interim President Geraldine M. Jones, Interim President Frank G. Pogue, Acting President Carlos Vargas-Aburto, Greg R. Weisenstein, Marcia G. Welsh, Karen M. Whitney, and Julie E. Wollman.

Dr. Ira K. Blake represented President David L. Soltz.

Chairman Pichini called the meeting to order at 9:03 a.m.

Attendance taken at the direction of the Chairman established that a quorum of the Board was present.

The Pledge of Allegiance was recited by those in attendance.

APPROVAL OF THE MINUTES OF THE MEETINGS

Chairman Pichini noted that the minutes of the meetings held on January 22, 2015, February 27, 2015, March 13, 2015, and March 17, 2015 were distributed prior to the meeting. Chairman Pichini moved **THAT THE MINUTES OF THE JANUARY 22, 2015, FEBRUARY 27, 2015, MARCH 13, 2015, AND MARCH 17, 2015 MEETINGS BE APPROVED.**

The motion passed unanimously.

PUBLIC COMMENTS

Public comments were provided by Dr. Kenneth Mash on behalf of APSCUF. (Attachment #1)

THE CHAIR’S COMMENTS INCLUDED THE FOLLOWING HIGHLIGHTS.

- Welcomed new Board members
 - Sarah Galbally (Governor Wolf’s designee)
 - Daniel P. Meuser
 - Senator Scott Wagner, for today serving as a temporary replacement for Senator Alloway, Jr.
- Welcomed Travonya Kenley, Syed R. Ali-Zaidi recipient
- Recognized the Board members who will be leaving
- Recognized Dr. Carlos Vargas-Aburto, Acting President at Kutztown University, who is leaving to be President of Southeast Missouri State University
- National Championships
- State System’s Fourth Annual Business Plan Competition
- Board met several time since the last Board meeting

- February – interviewed final presidential candidates for Kutztown University
- March – approved two new academic programs
- March 17- appointed Dr. Kenneth S. Hawkinson as the new president for Kutztown University
- Meet with legislators and their staff explaining the System’s budgetary needs
- The Board met in executive session from 4:55 p.m. to 5:32 p.m. on Wednesday, April 8, 2015, to discuss a variety of personnel and legal matters. No votes or action was taken.

Chairman Pichini turned the meeting over to Chancellor Brogan for his remarks.

THE CHANCELLOR’S COMMENTS INCLUDED THE FOLLOWING HIGHLIGHTS.

- State System’s Day on the Hill
 - Advocacy Days – April 15, 2015
- PACT Conference – April 16-17, 2015 – Hilton Harrisburg Hotel
- Aligning programs with workforce demand
 - Responding to the goals of the 2020 Strategic Plan
 - Launching a new initiative to help the universities increase their impact on Pennsylvania’s economy
 - Collaboration with Georgetown University’s Center on Education and the Workforce
 - First project will be the development of a labor market alignment toolkit to help universities align curricula and labor market opportunities
 - Statewide and regional gap analyses to determine in what fields Pennsylvania and its regions expect gaps in the future workforce needs

At this point, Chancellor Brogan turned the meeting over to the Chairman.

PUBLIC COMMENTS

Public comments were provided by Dr. Kenneth Mash on behalf of APSCUF. (Attachment #1)

COMMITTEE REPORTS WITH RELATED ACTIONS

A. Academic and Student Affairs Committee

Governor Conley presented the report on behalf of the Academic and Student Affairs Committee. The Committee had two presentation items: Recognition of the Annual Syed R. Ali Zaidi Award for Academic Excellence (Attachment #2) and *STOP IT NOW!* Pilot Program Presentation.

Governor Conley noted that the Committee had four action items to recommend to the Board for approval.

Governor Conley moved **THAT THE BOARD OF GOVERNORS APPROVE THE PROPOSED REVISIONS TO THE BOARD OF GOVERNORS’ POLICY 1983-09-A: GRADUATE ASSISTANT STIPENDS.** (Attachment #3)

The motion passed unanimously.

Governor Conley moved **THAT THE BOARD OF GOVERNORS APPROVE THE REVISIONS TO THE BOARD OF GOVERNORS' POLICY 1989-01: *DIPLOMAS***. (Attachment #4)

The motion passed unanimously.

Governor Conley moved **THAT THE BOARD OF GOVERNORS APPROVE THE DOCTOR OF PUBLIC ADMINISTRATION IN PUBLIC ADMINISTRATION DEGREE PROGRAM AT WEST CHESTER UNIVERSITY OF PENNSYLVANIA**. (Attachment #5)

The motion passed unanimously.

Governor Conley moved **THAT THE BOARD OF GOVERNORS APPROVE THE MASTER OF SCIENCE IN APPLIED AND COMPUTATIONAL MATHEMATICS DEGREE PROGRAM AT WEST CHESTER UNIVERSITY OF PENNSYLVANIA**. (Attachment #6)

The motion passed unanimously.

B. Audit Committee

Governor Mack welcomed three new members to the Audit Committee
Marie Conley
Daniel P. Meuser
Senataor Judith L. Schwank

Governor Mack presented the report on behalf of the Audit Committee. The Committee reviewed one information item: Office of Internal Audit and Risk Assessment (OIARA) Update. (Attachment #7)

Governor Mack noted that the Committee had no action items to recommend to the Board for approval.

C. Finance, Administration, and Facilities Committee

Governor Henry welcomed three new members to the Finance Committee
Sarah E. Galbally (Governor Wolf's designee)
David Maser
Aaron Walton

Governor Henry presented the report on behalf of the Finance, Administration, and Facilities Committee. The Committee reviewed one information item: Budget Update (Attachment #)

Governor Henry noted that the Committee had four action items to recommend to the Board for approval.

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVE MILLERSVILLE UNIVERSITY'S REQUEST TO RENOVATE AND EXPAND GORDINIER DINING HALL USING \$10 MILLION IN SYSTEM BOND FINANCING**.

The motion passed unanimously.

Governor Henry moved **THAT THE BOARD OF GOVERNORS ADOPTS THE ATTACHED RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS.** (Attachment #8)

The motion passed unanimously.

Governor Henry moved **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 FINANCE, ADMINISTRATION, AND FACILITIES COMMITTEE.** (Attachment #9)

The motion passed unanimously.

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVE MANSFIELD UNIVERSITY'S REQUEST TO DISPOSE OF PROPERTY AT 18 NORTH MAIN STREET AND 19 EAST WELLSBORO STREET, MANSFIELD, PENNSYLVANIA.** (Attachment #10)

The motion passed unanimously.

Representative Hanna moved **THAT THE PASSHE BOARD OF GOVERNORS, IN EXCHANGE FOR THE \$45.3 MILLION IN ADDITIONAL STATE FUNDING AS PROPOSED BY GOVERNOR WOLF, COMMITS PASSHE TO A GENERAL TUITION AND INSTRUCTIONAL FEE FREEZE, SUBJECT TO THE FINAL DETERMINATION BY THE PASSHE BOARD OF GOVERNORS.**

The motion passed:
Yes votes – nine
No votes - eight

D. Human Resources Committee

Governor Walton presented the report on behalf of the Human Resources Committee.

Governor Walton noted that the Committee had no action items to recommend to the Board for approval.

Governor Walton said the committee was updated on two issues:

1. The last two presidential searches, Shippensburg and Kutztown Universities used the revised Board of Governors' Policy 1983-13-A: *Process for Recommending Presidential Appointment* and will be using this policy moving forward.
2. With input from stakeholders the Board of Governors' Policy 2002-03-A: *Evaluating Presidents* revised the annual and triennial evaluations.

BOARD ACTION

Chairman Pichini noted that the Board had three actions item to recommend to the Board for approval.

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS APPROVE RESOLUTIONS FOR JENNIFER G. BRANSTETTER (Attachment #11), CAROLYN C. DUMARESQ (Attachment #12), LAURA E. ELLSWORTH (Attachment #13), JOSEPH F. MCGINN (Attachment #14), AND JOHN T. YUDICHAK (Attachment #15).**

The motion passed unanimously.

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION FOR TODD M. GARRETT. (Attachment #16)**

The motion passed unanimously.

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION FOR CHELSEA E. GETSY. (Attachment #17)**

The motion passed unanimously.

ADJOURNMENT

There being no further items of business to come before the Board, Chairman Pichini adjourned the meeting at 11:41 a.m.

ATTEST: _____
Randy Goin, Jr.
Chief of Staff

The webcast link for the April 9, 2015 Board meeting.

<http://ducmediasite.passhe.edu/Mediasite/Play/fd77a7b6e2af4569a507a6ac59744adc1d>

Thursday, April 9, 2015

Dr. Kenneth M. Mash's Remarks to the Board of Governors

Good morning, Chairman Pichini, Chancellor Brogan, Governors, University Presidents, and guests. My name is Kenneth Mash, and I am the President of the Association of Pennsylvania State College and University Faculties. APSCUF represents the approximately 6,000 faculty and coaches employed at our 14 great public universities.

I want to emphasize the word “public” again. The universities that comprise this System are public universities. It has gotten harder and harder to remember that. As Secretary Hanger pointed out yesterday, over the course of the last two administrations our universities have struggled with declining resources.

When this system was founded, the Commonwealth paid for 2/3 of the cost of student’s education. Today students foot 75% of the cost. After attending our public institutions, the average student graduates with \$30,000 in debt. That number would have been unthinkable to the bipartisan forces that founded this system.

Of course, over the last 4 years the financial state of the majority of our universities has gotten progressively worse. Under the previous administration we had an 18% cut followed by three years of no increases.

Even as 42 states increased funding for public higher education, ours did not. Pennsylvania now ranks 49th in funding for public higher education.

Since the 2011 cut, resident undergraduate tuition has jumped 17% or over \$1,000 per year and average fees have increased by 18%. This Board has approved several tuition pilot programs that could increase tuition for students 25%. How much would that be a threat to the very notion of public higher education?

Just last year, similar to patterns from the years before, the State System faced a \$58 million deficit due to years of cuts. Approximately \$30 million was filled with another 3% tuition increase. A \$28 million hole was left unfilled by this Board.

The remaining deficit was closed by continued cuts on campus. These cuts have already placed 77 programs in moratorium including key programs, like music. It also led to major reductions in faculty and major reductions to staff.

Last year, in the face of the \$28 million gap, the Board sent the university presidents on their way thanking them in advance for the hard decisions they were forced to make. There was little if any discussion about the implications of those cuts. There was no talk of needing to raise tuition further to bridge the gap.

After the previous governor announced in 2012 that he wouldn’t cut the budget further, our then Chancellor stood at a press conference with the Governor, and thanked him for that. Instructions were given by the administration to keep tuition capped at the rate of inflation.

The Board complied, and there were no public recriminations. There was no great debate about the needs of the students and the universities. There certainly was no great concern voiced about how the Board could possibly meet any salary “demands” my association might make at the negotiations table.

Last week, April 3rd marked the first night of Passover. It is tradition at the Seder – the Passover dinner ritual – for the youngest in the room to ask the 4 questions – which I recited many times. The first of those questions is “Why is this night different from all other nights?”

I am certainly no longer the youngest in the room. But after watching the committee meetings yesterday, as the sun set, I was and I am still motivated to ask, why was yesterday afternoon so different from other afternoons over the last 4 years.

The only difference I can see is that we now have a governor who genuinely wants to restore public higher education. Over two years, he has proposed fully restoring the \$90 million cut. He wants no tuition increases because he foresees the Commonwealth working to meet its obligation to public higher education. It would make for a tough year, but it also makes it a lot less tough than the preceding four years.

Thank you Governor Wolf for that, and thank you Secretary Hanger for delivering that message. Thank you Representative Hannah for making the motion to try to bring that about.

I do not know what action the Board will take today or what will be discussed, but after yesterday I am still wondering, why was last night different from all other nights?



Office of the President

Cheyney University of Pennsylvania
1837 University Circle
P.O. Box 200
Cheyney, PA 19319-0200
Office (610)-399-2220
Fax (610) 399-2415

March 12, 2015

Frank T. Brogan
Chancellor
Pennsylvania State System of Higher Education
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110

I am pleased to submit a recommendation letter for Travonya Kenly for the Ali-Zaidi Award for Academic Excellence. As the application materials attest, Travonya Kenly is an exemplary young woman who embodies the qualities of a young scholar. Her portfolio includes both strong academic performance and a steadfast commitment to community service.

Travonya has worked hard throughout her tenure at Cheyney University to gain the experiences necessary to be successful in her chosen field. Travonya's academic accomplishments are commendable, and she has maintained a cumulative grade point average of a 3.91. She has earned the stature of Dean's List recognition each year that she has been enrolled at the University. Travonya has not only shown strength in her academic endeavors, but she demonstrates great character and leadership abilities. Travonya successfully carries numerous responsibilities and volunteers with several organizations, while balancing the rigors of honors academic performance.

Based on the many positive attributes that she exhibits, I am confident that Travonya Kenly is an excellent candidate for the Ali-Zaidi Award for Academic Excellence. I am pleased to offer my recommendation of Travonya Kenly to you.

Sincerely,

Frank G. Pogue, Ph.D.
Interim President

State System of Higher Education • Commonwealth of Pennsylvania
An Equal Education and Employment Opportunity Institution

Travonya Kenly

Current Address: 1837 University Circle • Cheyney, Pennsylvania 19319
Permanent Address: 429 W. Washington St. • Allentown, Pennsylvania 18102
(484) 809 – 2582 • travonyakenly@aol.com

EDUCATION

Cheyney University of Pennsylvania, May 2015 Cheyney, PA
Bachelor of Science, Environmental Biology/Ecology; **3.91 GPA**

Duke University Marine Lab, Spring Term 2014 Beaufort, NC
Marine Biology; **3.43 GPA**

PROFESSIONAL EXPERIENCE

Summer 2012 **Institute of Marine and Environmental Technology** Baltimore, MD

Intern

Conducted research in support of a graduate thesis project.

- Ran multiple experiments on zebrafish and cobia.
- Learned responsibility, organizational, and lab skills.

Fall 2012 **Cheyney University of Pennsylvania**

Residential Advisor

I helped and assisted the Assistant Director with managing the residence hall.

- Created and maintained programs to engage students in scholarly and cultural discussion.
- Acquired communication, leadership, and management skills.

Summer 2013 **Scripps Institution of Oceanography** San Diego, CA

Intern

Conducted research in support of a doctoral project.

- Learned data analysis and computational skills.
- Created a base for further research.

Fall 2013 **Cheyney University of Pennsylvania**

Peer Mentor

Assisted a group of sixty students to support their acclimation to college.

- Created and maintained programs to engage students in scholarly and cultural discussion.
- Acquired time management, responsibility, and problem solving skills.

Summer 2014 **Miami University** Oxford, OH

Intern

Conducted a research project that complemented an ongoing research agenda.

- Ran multiple experiments on E.coli and plasmids in a microbiology lab.
- Created a base for further research.

STUDY ABROAD

Summer 2012 **Oxford, England**

There and Back Again: Medievalism, Modernity, and the University. This program was an intensive three week study abroad program to Oxford, England.

- I designed my own project that focused on Old and Middle English.
- This program helped my research, creativity, and perseverance skills.

SKILLS AND MAJOR COURSES COMPLETED

Microsoft Office • Conflict Resolution skills • Fluent in English • Elementary in Mandarin • JMP Statistical Program • Image J: Imaging Analysis Program • Public Speaking Skills • Oriana3: Statistical Program

ACTIVITIES AND HONORS

President's Award for Excellence 2013 • Dean's List; 2011, 2012, 2013 • Honorable Mention for Provost's Award for Leadership 2012 • Cheyney University's Honor's Council President 2013-2014 • Cheyney University's Honor's Council Vice President 2012-2013 • Cheyney University Gospel Choir Treasurer 2012-2013 • Full Scholarship to Cheyney University 2011 • Student Ambassador for 100K Strong Foundation 2013-2014 • Full Scholarship to Duke University's Marine Lab for Spring 2014 • Who's Who American College Student 2012 • Students of All Nations Club 2012-2014 • Community Service Leader 2012-2014 • Volleyball Player 2011, 2012 and 2014 • Top Biology Student 2014

CONFERENCES, SYMPOSIUMS AND SCHOLASTIC COMPETITIONS

Fall 2012

- Thurgood Marshall College Fund Leadership Conference
- Massachusetts Institute of Technology Symposium for Chemistry
- LMRCSC Institute for Marine and Environmental Technology Symposium

Spring 2013

- National Honda Campus All-Star Competition in Los Angeles, CA
- Millersville University Leadership Conference

Summer 2013

- University of California, San Diego Undergraduate Research Conference

Fall 2013

- Thurgood Marshall College Fund Leadership Conference
- National Black College Quiz Competition (Won 2nd Place)
- University of Delaware McNair Conference

Spring 2014

- Scientista Symposium at MIT
- Duke University Marine Lab Independent Study Presentations

Summer 2014

- Miami University's Undergraduate Research Symposium
- SACNAS Conference (Abstract accepted, but due to lack of funding, I could not attend)

Fall 2014

- National Black Graduate Student Association NE Regional Conference (Won 1st place in poster competition)



PA State System of Higher Education Board of Governors

Effective: June 20, 1983

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POLICY 1983-09-A: Graduate Assistant Stipends

See Also:

Adopted: June 20, 1983

Amended: June 19, 1984; April 22, 1987; and July 9, 1998;

April 9, 2015

A. Background

System universities have long made excellent use of graduate assistants to enhance both the quality of graduate education and to assist faculty in the discharge of their responsibilities. Prior policy under the State College and University Board of Directors, § 157.50, enabled the President, with approval of the Trustees, to waive tuition of graduate assistants. Subsequent adoption of Board of Governors Policy 1983-18-A, *Waiver of Fees*, continues the authorization of fee waiver for graduate assistants. The policy herein serves to clarify the maximum amount of ~~compensation, including wages and the cash value of the tuition waiver,~~ stipend that a graduate assistant may receive.

B. Purpose and Scope

To establish the method by which the ~~total compensation~~ (stipend) of graduate assistants may be set by each university without annual action of the Board of Governors.

C. Policy

The ~~total compensation (including stipend and and/or tuition waiver)~~ stipend for doctoral graduate assistants shall not exceed one-half of the Instructor Pay Step 1 Pay Range Q01 level A salary. ~~Total compensation~~ **Stipends** for all other graduate assistants shall not exceed 40 percent of the Instructor Pay Step 1 Pay Range Q01 instructor level A salary. ~~For the purposes of these calculations, the amount of the tuition waiver should be figured in all cases as full-time resident tuition.~~



PA State System of Higher Education Board of Governors

Effective: December 1, 1989

Page 1 of 2

Policy 1989-01: University Diplomas

See Also:

Adopted: April 20, 1989

Amended: April 9, 2015

A. Purpose

To specify the respective State System and university information to be included on student diplomas, in order to properly represent the respective degree granting authorities.

B. Policy

The president and council of trustees of each university shall present its diploma design for approval. The university may use a single design for all university diplomas, or have various designs for different degree levels, schools, programs, degree designations, or certifications. The chancellor shall, on behalf of the Board of Governors, approve such designs, in accord with the following standards.

C. Standards

1. The diploma shall bear the full legal name of the graduate.
2. The diploma shall identify the appropriate degree designation(s) approved for the major program(s) completed by the student. These include the Associate in Arts; the Associate in Science; the Associate in Applied Science; the Bachelor of Arts; Bachelor of Science; Bachelor of Applied Science; Master of Arts; Master of Science; Master of Education; Doctor of Philosophy; Doctor of Education; and other such special or professional degree designations as may be approved by the Board.
3. The diploma shall not identify the major field of study completed by the student except as it may be part of the degree designation (e.g., M.B.A.).
4. The diploma will bear Latin Honors, as appropriate (e.g. Cum Laude; Magna Cum Laude; Summa Cum Laude) at the baccalaureate level.

5. The diploma size is generally 8½ inches by 11 inches for undergraduate diplomas and either 8½ inches by 11 inches or 11 inches by 14 inches for graduate diplomas.
6. The diploma shall appropriately reflect the full statutory title of the university and of the State System of Higher Education.
7. The diploma shall bear the name, title, and signature of the following, and of no others:
 - a. chair, Board of Governors
 - b. chancellor
 - c. chair, Council of Trustees
 - d. university president

D. Implementation Date

~~Effective December 1, 1989~~ Effective no later than June 30, 2016.

EXECUTIVE SUMMARY OF NEW DEGREE PROGRAM PROPOSAL
Doctor of Public Administration in Public Administration
West Chester University of Pennsylvania
April 8-9, 2015

1) Appropriateness to Mission

West Chester University proposes a Doctor of Public Administration in Public Administration Degree. The proposed degree program is designed for working professionals seeking to contribute to the highest levels of leadership and strategic direction of organizations in the public, nonprofit, and private sectors. The Network of Schools of Public Affairs, Policy, and Administration recognizes the Doctor of Public Administration as academically equivalent to the Ph.D., but instead of a focus on the production of research, students are trained to seek answers to problems they encounter in practice. As the Master of Public Administration degree increasingly becomes the expected entry credential in related fields, the addition of the Doctor of Public Administration means the State System and West Chester University will offer a degree program that meets both regional employer and student needs.

The curriculum focuses on the development of core competencies in the areas of strategic management and governance, public sector economic and financial decision-making, policy advocacy and leadership, and performance management. The flexible design of the proposed 43-credit online program is intended to meet the needs of working professionals in the region while still allowing for technology aided face-to-face advising and interaction with faculty.

The program goals and outcomes are congruent with the mission of the State System, West Chester University, the College of Business and Public Affairs, and the Department of Public Policy and Administration, which include developing applied graduate degrees, especially degrees that can be delivered online, and being responsive to regional needs in areas of employment that are in high demand. This program would support and strengthen the master's degree offered in the Department of Public Policy and Administration. The Doctor of Public Administration program leverages the Network of Schools of Public Policy, Affairs and Administration's Universal Required Competencies, which include: pursuing the public interest with accountability and transparency; serving professionally with competence, efficiency, and objectivity; acting ethically to uphold the public trust; and demonstrating respect, equity, and fairness in dealings with citizens and fellow public servants. The program will enable West Chester University to expand community services, professional networks and collaborations with regional governments, nonprofit organizations, and private sector entities in order to foster collaborative research, create entrepreneurial endeavors and create new revenue streams, a further reflection of the mission and goals of West Chester University in serving regional needs of our community.

2) Need

The need has been determined by both student demand and employer demand. Enrollment for the Masters in Public Administration program is a good proxy for the demand for public affairs/administration education within West Chester University's service area. Since 2009, the program has increased the number of enrolled seats in classes from 181 to 330 in the spring of 2015. This represents an 82 percent increase in course enrollments over a period of approximately five years. In 2009, 74 students were enrolled in the Master of Science in Administration (the predecessor program). Based on regional employer and student needs, the program was granted a degree designation change to the Master of Public Administration.

Since that time, enrollments have increased exponentially, with over 150 students actively enrolled in the program as of spring 2015. This represents an increase of over 100 percent and speaks to the student demand for public service education.

Hanover Research (2014) conducted a market analysis for the Doctor of Public Administration at WCU. In Pennsylvania, on average, all occupations are expected to grow 7.7 percent through 2022. In general, positions where a Doctor of Public Administration will be useful in finding gainful employment are expected to grow by 9.4 percent. This indicates that these positions are expected to grow at least as fast as other occupations in the state. There are a few of the occupations (Human Resource Managers, Social and Community Service Managers, and Management Analysts) that are expected to grow at nearly 1.5 times the rate of all occupations through 2022. To be sure, the selected occupations represent a small, but representative, sample of possible job types. Nevertheless, the data provide every indication that the occupations the Doctor of Public Administration serves will grow over the next decade.

3) Academic Integrity

The 43-credit curriculum and its stated learning outcomes are aligned with the Network of Schools of Public Policy, Affairs and Administration's Universal Required Competencies. Covering each of the five required components, the program also complies with related Board of Governors' academic policies.

Two independent assessors conducted an external review examining institutional capacity and academic readiness of West Chester University to offer applied doctorate programs. Dr. Victoria Gordon, graduate program director of a Network of Schools of Public Policy, Affairs and Administration accredited master's program at Western Kentucky University, served as the primary reviewer. Dr. Robert Yehl, Doctor of Public Administration Program Coordinator at Valdosta State University (VSU), served as the secondary external reviewer. Highlights of their findings are as follows:

- Both reviewers concur that there is a high quality master's level degree in existence at the institution. Furthermore, both indicate that the achievement of the Network of Schools of Public Policy, Affairs and Administration's accreditation of West Chester's Masters of Public Administration program is another significant independent objective assessment of the program's quality.
- The reviewers agree that given the department's significant infrastructure supporting the master's program, there is every indication that this level of capacity and logistical ability will be applied to the Doctor of Public Administration.
- There are sufficient numbers of qualified faculty to meet the teaching, research, and service expectations of the program. Additionally, the reviewers found that the department's faculty have established the necessary scholarly reputations to support a doctoral program, which will allow them to appropriately socialize and mentor doctoral students.
- There is evidence to suggest that there are significant institutional resources available to implement and sustain the DPA program. Correspondingly, the reviewers found that there is a strong administrative commitment to graduate education, which would ensure adequate facilities, personnel, equipment, and other resources to maintain a high-quality doctoral program.

4) Coordination/Cooperation/Partnerships

The Doctor of Public Administration program at West Chester University will provide qualified State System master's graduates in Public Administration with preferential admissions in those instances where program capacity limits enrollments. Moreover, West Chester graduate policy and the Doctor of Public Administration's curriculum provides enough flexibility to allow those

same graduates to transfer in up to nine credits of graduate coursework from those institutions toward the 43-credit requirement.

The Doctor of Public Administration is uniquely situated to provide doctoral education in a number of possible concentration elective areas; this is especially true among the public affairs disciplines of the college in which it will be housed. The Doctor of Public Administration is coordinating with the departments of Criminal Justice, Geography and Planning, and Graduate Social Work to provide Doctor of Public Administration students access to their faculty and graduate courses in order to support individual concentration elective areas.

Supported by letters from regional governments and nonprofit entities, the Doctor of Public Administration program has provided evidence that it has a strong employer focus through its inclusion of employers in the governance of the program and that the curriculum has been designed to meet their needs for managers at the highest levels of their organizations. More specifically, each of the letters speaks to the value of the Doctor of Public Administration Capstone Projects, which will allow those employers to partner with program faculty and students in the execution of applied ventures.

5) Assessment

Assessment of learning outcomes is an integral part of a continuous improvement process for the department, as it is for the existing accredited Master of Public Administration program. Program assessment will be based on outcome objectives, which are aligned with Network of Schools of Public Policy, Affairs and Administration's Universal Required Competencies and Standards of Accreditation. Components of the assessment plan include student and faculty evaluation, Doctor of Public Administration course syllabi congruence with the Universal Required Competencies, and end-of-program and post-program assessment with graduates and their employers. West Chester University's Department of Public Policy and Administration assesses student-learning outcomes through a strategic logic model and program assessment plan. The program assessment plan identifies the data to be collected, those responsible for its collection and evaluation, and the process and frequency of evaluation. The Department Assessment Committee regularly reviews the curricula of the graduate and certificate programs to foster ongoing improvement.

6) Resource Sufficiency

The Department of Public Policy and Administration currently has sufficient faculty resources for the existing graduate programs and the addition of the Doctor of Public Administration program. It is planned that an additional tenure-track line in year five will be needed in order to meet obligations to the existing master's program. West Chester is committed to providing adequate faculty positions to support the growth expected in the department as a result of offering the Doctor of Public Administration. Since this proposed program will be delivered entirely online, current physical resources and facilities are adequate. No courses will be deleted, nor will sections of existing courses be reduced as a result of adding new DPA courses. Existing faculty are qualified and committed to teaching in the DPA; new faculty will be added at the master's teaching level. The five-year budget projection and narrative, as attached, clarify the resource sufficiency of the proposed program. The provost will provide resources for start-up costs and initial programmatic shortfalls until the break-even point is reached in Year 2.

Prepared by: Dr. R. Lorraine Bernotsky, Associate Provost and Graduate Dean; Dr. Jeffery L. Osgood, Jr., Chair and Associate Professor of Public Policy and Administration; and Dr. Linda L. Lamwers, Provost and Vice President for Academic Affairs, West Chester University of Pennsylvania

Implementation date: Fall 2015

Date approved by Council of Trustees: March 26, 2015

**West Chester University of Pennsylvania Doctor of Public Administration in Public Administration
Budget Narrative**

ESTIMATED REVENUES	NARRATIVE/ASSUMPTIONS
ESTIMATED STUDENT IMPACT OF NEW PROGRAM	Following an initial university investment of \$24,832 in the first year, the program should reach break-even status by Year 2. By Year 5 West Chester expects that the program will serve 52 students per year (25 new and 27 existing).
Headcount Enrollment	Headcount enrollments are based on a detailed matrix of course offerings using current actuals for both in-state/out-of-state and part-time/full-time students to estimate the mix of each population. All courses are three credits except for the first course, which is one credit. Cohorts begin annually. We expect demand to exceed capacity for this program, as it does for our current Doctor of Nursing Practice degree program, and for this reason have not included an attrition impact.
ESTIMATED REVENUE	
Tuition Generated	Tuition rate is calculated at 125 percent of current graduate tuition as reflected in a separate differential tuition proposal submitted to OOC. Tuition is held flat across all five years. Proposed tuition is \$567.50 per credit for residents and \$578.85 per credit for nonresidents (102 percent of resident tuition for Distance Education programs). Tuition revenue shown assumes 70 percent at resident and 30 percent at nonresident rates based on current trends in graduate studies.
Instructional Support Fee	This reflects the currently approved instructional support fee for both in-state and out-of state graduate credits and excludes technology tuition fee revenue.
Additional Program Revenue	We do not anticipate additional revenue.
External Grants & Contracts	N/A
Other	The Provost will provide start-up dollars in the first year (totaling \$24,832) until the program reaches the break-even point in Year 2.
ESTIMATED EXPENSES	
Salaries and Benefits - Faculty	Faculty for this program are in a graduate department and are contracted on a 3/3 teaching load. The teaching load will be 1.17 FTE in Year 1; 2.0 FTE in Years 2, 3, and 4; and will max out at full capacity at 2.83 in Year 5. Actual faculty salaries and benefits have been averaged based on current actual salaries. This includes faculty at Q02 step 6, Q02 step 7, and Q03 step 5 (average salary plus benefits per FTE totals \$102,626). Also included is a new tenure-track addition (at .83 FTE) in Year 5 when FTE increases to 2.83 in order to backfill in the Master of Public Administration Program.
Salaries and Benefits (Staff, Grad Asst. Stipend/ Waiver, Teaching Assistances, etc.)	12 credits of graduate assistantship awards will be funded by the program in Year 2, 36 credits in Year 3, 48 credits in 4, and 60 credits in Year 5. This reflects current actual costs, which total \$18,243 for 12 credits of tuition (based on a composite charge for resident/nonresident tuition) and the requisite stipend.
Learning Resources	Funding for specialized journals and data sets based on student need beginning in Year 2.
Instructional Equipment	No special instructional equipment is needed. Standard equipment is covered by the distance education fee.
Facilities and/or modifications	The program will be delivered online and will require no new facilities or modifications.
Administrative Expense	We are using 10 percent as this is an online program. This is an important consideration because 1) these students will not physically be on campus, 2) we already collect a 20 percent fee for DE and much of what will be needed to deliver the online program is captured in that fee, and 3) the proposed tuition rate is 125 percent of current graduate tuition. This is similar to what we have been successfully assuming for the DNP (which is 130 percent due to higher faculty costs).
Other	Funds for inviting employer partners to campus to deliver colloquia and engage in problem-solving practica.

West Chester University of Pennsylvania Doctor of Public Administration in Public Administration

Five-Year Budget Projection

Estimated Student Impact of New Program	Year 1		Year 2		Year 3		Year 4		Year 5	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
Resident Full-Time Headcount Enrollment	0	3	3	6	6	6	6	7	7	9
Nonresident Full-Time Headcount Enrollment	0	1	1	2	2	2	2	3	3	4
Resident Part-Time Headcount Enrollment	0	3	3	5	8	5	10	7	12	8
Nonresident Part-Time Headcount Enrollment	0	1	1	2	3	2	4	3	5	4
Projected Annual Credits Generated	176		453		609		752		937	
Estimated Revenue										
Tuition Generated	\$100,479		\$258,620		\$347,681		\$429,321		\$534,938	
Instructional Support Fee	\$8,677		\$22,333		\$30,024		\$37,074		\$46,194	
External Grants and Contracts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
University Investment	\$24,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Total Revenue	\$133,988		\$280,953		\$377,705		\$466,394		\$581,132	
Estimated Expenses	Year 1		Year 2		Year 3		Year 4		Year 5	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
Salaries and benefits - Faculty	\$120,072	\$0	\$205,252	\$0	\$205,252	\$0	\$205,252	\$0	\$205,252	\$85,180
Salaries and/or benefits Other (staff, grad assistant stipend/waiver, teaching assistants, etc.)	\$0	\$0	\$0	\$18,243	\$54,729		\$72,972		\$91,215	
Learning Resources	\$0	\$0	\$0	\$2,000	\$2,500	\$0	\$3,000	\$0	\$3,500	\$0
Instructional Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Facilities and/or Modifications to existing facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Expense	\$10,916		\$28,095		\$37,770		\$46,639		\$58,113	
Other	\$0	\$3,000	\$3,500	\$0	\$4,000	\$0	\$4,500	\$0	\$5,000	\$0
Estimated Total Expenses	\$133,988		\$257,090		\$304,251		\$332,363		\$448,260	
Estimated Financial Impact of New Program	\$0		\$23,863		\$73,453		\$134,031		\$132,872	

EXECUTIVE SUMMARY OF NEW DEGREE PROGRAM PROPOSAL
Master of Science in Applied and Computational Mathematics
West Chester University of Pennsylvania

April 8-9, 2015

1) Appropriateness to Mission

West Chester University proposes a Master of Science in Applied and Computational Mathematics degree. The proposed degree program is designed to equip graduate students with the training necessary to successfully launch careers as industrial mathematicians in government, financial institutions, and private industry, and to pursue doctoral study in applied and computational mathematics or other computationally intensive fields. Completion of team-based research projects involving real-world data and problems extracted from industry (especially regional industry) will equip students with managerial experience, computational know-how, and an ability to apply mathematical theory to investigate and analyze complex, real-world problems. The computational focus of the proposed program is designed to train graduate students to manage and analyze big data not only from statistical vantage points, but also from mathematical modeling perspectives that transcend traditional disciplinary boundaries. Individuals possessing these skills at the master's and doctoral levels are highly sought after by financial and industrial companies at the regional and national levels.

The design of the proposed 36-credit degree program is intended to maximize exposure to solving complex mathematical problems involving real-world data by working closely with actual professionals in industry by way of practica. The courses are offered in the evenings to accommodate the needs of working professionals in the region. The addition of the proposed Master of Science Degree in Applied and Computational Mathematics provides Pennsylvania's State System of Higher Education and West Chester University the opportunity to offer a degree program that meets both regional employer and student needs.

The program goals and outcomes are congruent with the mission of the State System, West Chester University, the College of Arts and Sciences, and the Mathematics Department, which include developing applied graduate degrees, being responsive to regional needs in areas of employment that are in high demand, and encouraging and supporting interdisciplinary collaborations and programs. The Mathematics Department currently offers a Master of Science degree in Applied Statistics, as well as a Master of Arts degree in Mathematics, both of which have been very successful in recruiting and graduating students for more than a decade. The proposed program would complement these graduate programs by way of course offerings in highly sought after areas of study. The program would enable West Chester to leverage as well as expand professional networks and collaborations with regional governments and local industry (e.g., financial institutions and consultant firms) in order to foster collaborative research and create new revenue streams, a further reflection of the mission and goals of West Chester University in serving regional needs of the community.

2) Need

The need has been determined by both employer demand and student demand. The representatives from local industry with whom West Chester has established relationships while preparing this proposal uniformly support the creation of this program, noting that it hones precisely the skill sets essential to being a successful industrial mathematician.

Hanover Research (2014) conducted a market analysis for the Master of Science Degree in Applied and Computational Mathematics at West Chester University. Data for master's degree conferrals in the "Applied Mathematics" category at the national level grew strongly between 2009 and 2013. The number of degrees awarded in this area annually grew by more than 100 percent, from 852 to 2009 to 1,711 in 2013.

The U.S. Bureau of Labor Statistics confirms the needs of a workforce with more mathematical training. The handbook states that "employment of [master's level] mathematicians is projected to grow 23 percent from 2012 to 2022, much faster than the average for all occupations."

Such employment trends are echoed by the projections produced by the Pennsylvania Department of Labor and Industry; they suggest that employment growth in applied mathematics fields is expected to outpace the average for all occupations in the state of Pennsylvania. The data provide every indication that the occupations for which the Master of Science Degree in Applied and Computational Mathematics intends to prepare students will experience significant growth over the next decade.

3) Academic Integrity

The 36-credit curriculum and its stated learning outcomes are aligned with the curriculum suggested by the Society for Applied and Industrial Mathematics. Covering each of the five required components, the program also complies with related Board of Governors' academic policies.

An advisory board was assembled to support and guide the program's development. This board consists of mathematicians and scientists from large companies such as Boeing, Vanguard, and PrimePay; employees of up-and-coming software companies such as iPipeline; and representatives of small privately owned consulting firms and hedge fund companies, such as Wagner Associates and TFS Capital. Vastly different types of mathematical problems are studied by the members of this group. Working together, the curriculum and structure of competitor applied mathematics graduate programs was examined. The resulting curriculum and pedagogy for the proposed program was uniformly praised by all industrial collaborators.

The following points are also of note:

- The Mathematics Department currently offers a Master of Science degree in Applied Statistics, as well as a Master of Arts degree in Mathematics, both of which have been very successful in recruiting and graduating students for more than a decade.
- There are sufficient numbers of qualified faculty to meet the teaching, research, and service expectations of the program.
- There are significant institutional resources available to implement and sustain the Master of Science Degree in Applied and Computational Mathematics program.

4) Coordination/Cooperation/Partnerships

The Master of Science Degree in Applied and Computational Mathematics program at West Chester University will provide qualified State System master's graduates with preferential admissions in those instances where program capacity limits enrollments.

Supported by letters from regional industry, the Master of Science Degree in Applied and Computational Mathematics program has provided evidence that it has a strong employer

focus through its inclusion of employers in the design of the program, as well as in conducting the two required applied practica. Skill sets of particular interest (e.g., computational know-how, project management experience, and presentation delivery) have also been identified and will be honed in the coursework of the program.

5) Assessment

Assessment of learning outcomes is an integral part of a continuous improvement process for the Mathematics Department. The best practices have been extracted from other successful nationally recognized applied mathematics programs and criteria outlined by professional mathematical societies were examined when developing the program goals and student learning objectives of the proposed program. Program assessment will be based on these goals and objectives.

Components of the assessment plan include student and faculty evaluation, and end-of-program and post-program assessment with graduates and their employers. WCU's Mathematics Department assesses student-learning outcomes through a strategic logic model and program assessment plan. The program assessment plan identifies the data to be collected, those responsible for its collection and evaluation, and the process and frequency of evaluation. The Department Assessment Committee regularly reviews the curricula of the graduate and certificate programs to foster ongoing improvement.

6) Resource Sufficiency

The Mathematics Department is currently conducting a national search for an additional applied mathematician. This position, in conjunction with current faculty, would constitute sufficient faculty resources to offer the existing graduate programs and the addition of the Master of Science Degree in Applied and Computational Mathematics program. West Chester University is committed to providing adequate faculty positions to support the growth expected in the department as a result of offering the Master of Science Degree in Applied and Computational Mathematics. Current physical resources and facilities are adequate. No courses will be deleted, nor will sections of existing courses be reduced as a result of adding new Master of Science Degree in Applied and Computational Mathematics courses. Existing faculty are qualified and committed to teaching in the Master of Science Degree in Applied and Computational Mathematics. The five-year budget projection and narrative, as attached, clarify the resource sufficiency of the proposed program. The provost will provide resources for start-up costs and initial programmatic shortfalls.

Prepared by: Dr. R. Lorraine Bernotsky, Associate Provost and Graduate Dean; Dr. Mark A. McKibben, Associate Professor of Mathematics; and Dr. Linda L. Lamwers, Provost and Vice President for Academic Affairs, West Chester University of Pennsylvania

Implementation date: Fall 2015

Date approved by Council of Trustees: March 26, 2015

**West Chester University of Pennsylvania Master of Science in Applied and Computational Mathematics
Budget Narrative**

ESTIMATED REVENUES	NARRATIVE/ASSUMPTIONS
ESTIMATED STUDENT IMPACT OF NEW PROGRAM	Following an initial university investment of \$14,241 in the first two years, the program should reach break-even status by Year 3. By Year 5, West Chester expects that the program will serve 42 students per year (20 new and 22 existing).
Headcount Enrollment	Headcount enrollments are based on a detailed matrix of course offerings using current actuals for both in-state/out-of-state and part-time/full-time students to estimate the mix of each population. All courses are 3 credits. Cohorts begin annually. West Chester expects demand to exceed capacity for this program, as it does for our Applied Statistics master's program, and for this reason have not included an attrition impact.
ESTIMATED REVENUE	
Tuition Generated	Tuition is calculated at current rates for in-state and out-of-state graduate students and has not been adjusted to include anticipated increases.
Instructional Support Fee	This reflects the currently approved instructional support fee for both in-state and out-of state graduate credits and excludes technology tuition fee revenue.
Additional Program Revenue	No additional revenue is anticipated.
External Grants & Contracts	While West Chester does not have grants in hand; there are plans to pursue funding in the future.
Other	The Provost will provide start-up dollars in each of the first two years (totaling \$14,241) until the program reaches the break-even point.
ESTIMATED EXPENSES	
Salaries and Benefits - Faculty	Two faculty will split the teaching load for this program, which will be 0.5 FTE in Year 1 and 0.875 in Year 2 since two of the required courses and the electives are housed in other programs in the department. By Year 3 enrollments will support additional sections of these two required courses and teaching load will max out at 1.125 FTE. Their actual salaries and benefits have been averaged and held constant across all 5 years (Q03 step 5 and Q03 step 13). These faculty are on a 4/4 teaching load (mix of graduate and undergraduate).
Salaries and Benefits (Staff, Grad Asst. Stipend/ Waiver, Teaching Assistances, etc.)	Six credits of graduate assistantships will be funded through the program in Year 3, 12 credits will be funded in Year 4, and 36 credits will be funded in Year 5. This reflects current actual costs which total \$18,243 for 12 credits of tuition (based on a composite charge for resident/ nonresident tuition) and the requisite stipend.
Learning Resources	MATLAB Licenses: Annually recurring expense of \$3,000 for 6 licenses that will be purchased and updated for use on department computers.
Instructional Equipment	In Year 4, the program expects to need to purchase a dedicated server to house data sets.
Facilities and/or modifications	The program will be housed in a relatively new academic building and will require no new facilities or modifications.
Administrative Expense	This is calculated at 20 percent.
Other	Funds for inviting industrial partners to campus to deliver colloquia and engage in problem-solving practica.

West Chester University of Pennsylvania Master of Science in Applied and Computational Mathematics

Five-Year Budget Projection

Estimated Student Impact of New Program	Year 1		Year 2		Year 3		Year 4		Year 5	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
In-state Full-Time Headcount Enrollment	0	4	4	4	4	6	6	6	6	8
Out-of-state Full-Time Headcount Enrollment	0	1	1	1	1	2	2	2	2	2
In-state Part-Time Headcount Enrollment	0	4	4	4	8	5	9	5	10	8
Out-of-state Part-Time Headcount Enrollment	0	1	1	1	2	2	3	2	4	2
Projected Annual Credits Generated	180		300		453		516		711	
Estimated Revenue										
Tuition Generated	\$93,978		\$156,630		\$236,511		\$269,404		\$371,213	
Instructional Support Fee	\$8,874		\$14,790		\$22,333		\$25,439		\$35,052	
External Grants and Contracts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
University Investment	\$0	\$5,490	\$8,751	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Total Revenue	\$108,342		\$180,171		\$258,844		\$294,842		\$406,265	
Estimated Expenses	Year 1		Year 2		Year 3		Year 4		Year 5	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
Salaries and benefits - Faculty	\$32,006	\$27,195	\$103,603	\$0	\$133,205	\$0	\$133,205	\$0	\$133,205	\$0
Salaries and/or benefits Other (staff, grad assistants)	\$0	\$0	\$0	\$0	\$0	\$9,122	\$18,243		\$54,279	\$0
Learning Resources	\$0	\$3,000	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0
Instructional Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0
New Facilities and/or Modifications to existing facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Expense	\$20,570		\$34,284		\$51,769		\$58,968		\$81,253	
Other	\$0	\$5,000	\$5,000	\$0	\$5,500	\$0	\$6,000	\$0	\$6,500	\$0
Estimated Total Expenses	\$108,342		\$180,171		\$254,365		\$288,385		\$359,490	
Estimated Financial Impact of New Program	\$0		\$0		\$4,480		\$6,457		\$46,775	

Office of Internal Audit and Risk Assessment Fiscal Year 2014/15 – Third Quarter Project Update

Summary

The Office of Internal Audit and Risk Assessment's (OIARA) Fiscal Year 2014/15 work plan defines 31 projects. Twelve engagements ongoing as of June 30, 2014 carried forward, providing a total of 43 proposed projects for completion in the current fiscal year. Additionally, nine special projects (university requests and Incident Reporting System cases) have also been assumed. The following chart provides a summary of third quarter statistics.

Project Source	Proposed Engagements	Number Concluded	Number Underway	Number Not Yet Initiated	Percent Concluded/Underway
FY2014/15 Work Plan	31	12	8	11	65%
Prior Year Carry-over	12	12	--	--	100%
Total Work :	43	24	8	11	74%
Special Projects	9	6	3	--	100%
Cumulative Total:	52	30	11	11	79%

During the third quarter work concluded on six engagements while 11 initiated projects are ongoing. Work plan and carry-over projects completed and underway fiscal year-to-date represent 79% of plan initiatives. Separately, 26 case reports were received through the State System's Incident Reporting System during the third quarter.

Projects Concluded Third Quarter FY2014/15

During the quarter, the following six projects were concluded, providing recommendations supportive of enhanced internal controls and compliance.

University	Engagement	Report Issued
Cheyney	NCAA Agreed-Upon Procedures	1/13/15
Cheyney*	Athletic Department Fiscal Review	2/17/15
Indiana	Information Technology General Controls	3/02/15
California	Distance Education	3/09/15
Bloomsburg	Expenditures of Public Funds	3/19/15
Bloomsburg*	EthicsPoint Case #120	3/23/15

Projects Underway through Third Quarter FY2014/15

Through the third quarter, work is initiated and continues on the following eleven projects.

University	Engagement	Project Phase
Cheyney*	Athletics – Track and Field	Draft Report
Cheyney*	EthicsPoint Case #117	Draft Report
Cheyney*	Information Technology Procurements	Fieldwork
Clarion	Distance Education	Fieldwork
East Stroudsburg	Expenditures of Public Funds	Fieldwork
Edinboro	Camps/Training Programs	Planning
Kutztown	International Education/Study Abroad	Fieldwork
Mansfield	Expenditures of Public Funds	Planning

Millersville
West Chester
Office of the Chancellor
* Denotes Special Project

International Education/Study Abroad
Camps/Training Programs
IT Disaster Recovery

Fieldwork
Fieldwork
Planning

Other Matters

Management Corrective Actions – OIARA Follow-up Assessments

In compliance with Institute of Internal Audit Standard 2500, the OIARA maintains a formalized follow-up process to evaluate implementation of management responses addressing prior report recommendations. During the third quarter, 47 prior-period recommendations were verified as appropriately resolved.

State System's Incident Reporting System

The State System maintains an incident reporting system as a means to confidentially receive concerns of employees, students, and others within the university communities regarding situations believed to be inappropriate. During the third quarter of fiscal year 2014/15, there were 26 new case reports received (as of March 25, 2015).

OIARA Fiscal Year 2015/16 Audit Planning Survey

The State System's internal audit work plan is collaboratively developed through consultation with executive leadership including an evaluation of risks and an awareness of the System's current operating environment. In support of fiscal year 2015/16 work plan development, a survey was distributed to leadership during the quarter to update risk assessment information and solicit input regarding project development, providing transparency to the work plan development process.

OIARA Fiscal Year 2015/16 Budget and Staffing Approval

The Board of Governors' Audit Committee met on March 27, 2015 to approve the Office of Internal Audit and Risk Assessment's budget and staffing level for fiscal year 2015/16.

**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 tax-exempt bonds (the "Bonds") to finance up to \$32 million of project cash to pay the costs of (1) construction and renovation of student union facilities at California University of Pennsylvania; (2) upgrade of the steam plant at Bloomsburg University of Pennsylvania; (3) construction of student housing facilities at Bloomsburg University of Pennsylvania; (4) construction and renovation of dining facilities at Millersville University of Pennsylvania; and (5) 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 (5) 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 approves the issuance of the Bonds by the Authority, in an amount in project cash not to exceed \$32 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 delegates 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 authorizes the pledging of the System's full faith and credit to repayment of the Bonds, as provided in the Loan Agreement, and does 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

Chairman of the Board

Date

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

April 2015

Current Debt Structure

Pennsylvania's State System of Higher Education Bond Issues

The Series A bonds were issued June 1, 1985, at a par value of \$31 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 1, 1986, for a par value of \$25.9 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 1, 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 June 15, 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 15, 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 of 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 are 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 of 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 are 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 of 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 are 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 upgrades 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 range 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 of 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 are 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 range 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 range 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 0.4 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 are tentatively scheduled to close on May 5, 2015, and will be issued to current refund Series AC and advance refund Series AE bonds.

Of the original \$2.3 billion principal amount issued, through principal repayment and refunding of bond issues, \$860 million is outstanding as of February 1, 2015.

State System Bond Issue History

Issue	True Interest Cost	Originally Issued	Original BP Issue	Principal Paid Through 12/31/14	Balance Remaining on State System Books 12/31/14
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	21,555,000	31,095,000
Series AD	Variable	July 7, 2005	7,310,000	7,310,000	0
Series AE	4.57%	July 6, 2006	103,290,000	27,485,000	75,805,000
Series AF	4.66%	July 10, 2007	68,230,000	13,705,000	54,525,000
Series AG	3.97%	March 27, 2008	101,335,000	30,830,000	70,505,000
Series AH	4.43%	July 17, 2008	140,760,000	21,755,000	119,005,000
Series AI	4.13%	August 7, 2008	32,115,000	10,390,000	21,725,000
Series AJ	4.37%	July 9, 2009	123,985,000	18,700,000	105,285,000
Series AK	3.15%	September 3, 2009	47,310,000	15,070,000	32,240,000
Series AL	3.72%	July 8, 2010	135,410,000	45,345,000	90,065,000
Series AM	4.00%	July 12, 2011	119,085,000	10,915,000	108,170,000
Series AN	1.54%	March 20, 2012	76,810,000	1,445,000	75,365,000
Series AO-1 (Tax-Exempt)	4.20%	July 8, 2013	12,340,000	310,000	12,030,000
Series AO-2 (Taxable)	4.73%	July 8, 2013	18,575,000	610,000	17,965,000
Series AP	2.34%	May 7, 2014	46,110,000	0	46,110,000
			<u>\$2,261,425,000</u>	<u>\$1,401,535,000</u>	<u>\$859,890,000</u>

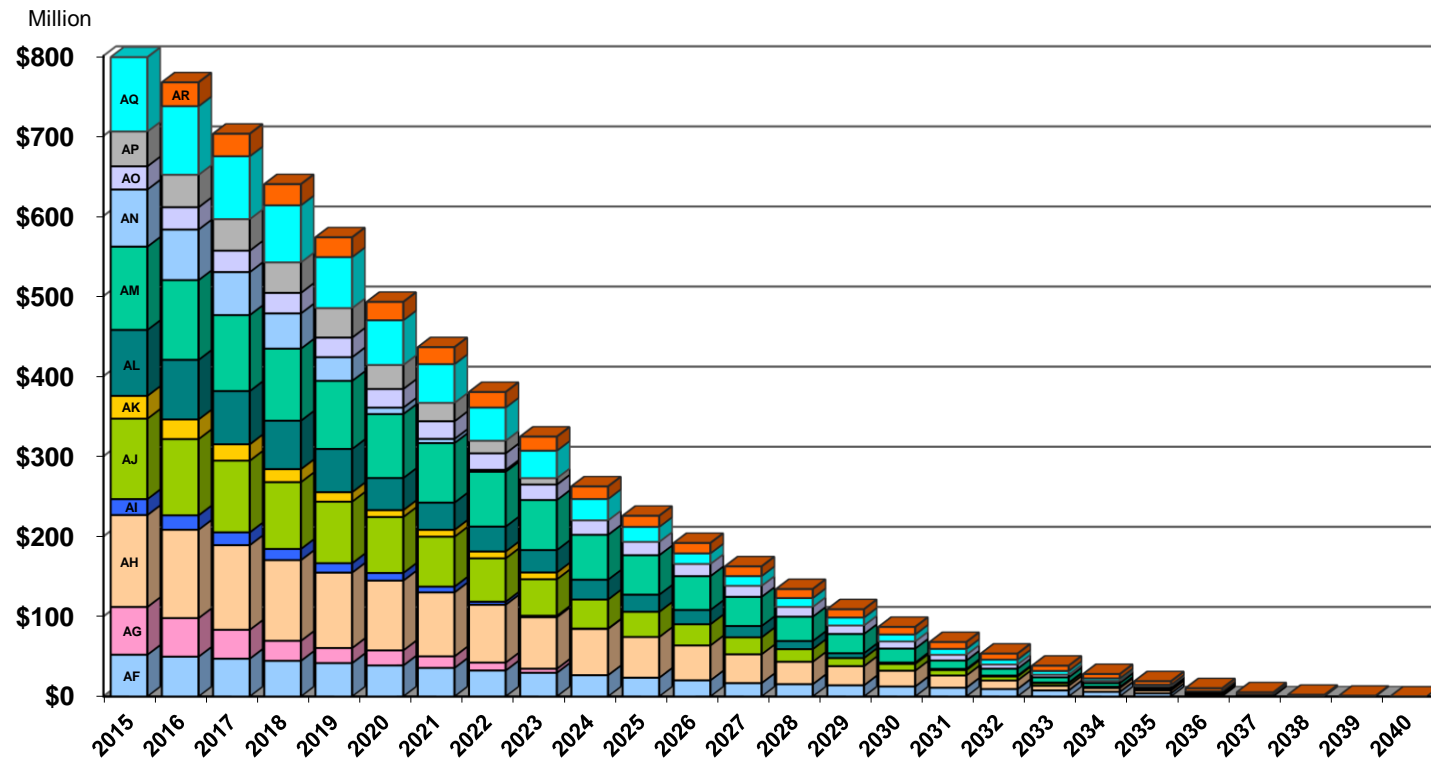
**State System of Higher Education
Proposed 2015 Bond Issue Summary
Tax-Exempt Bond Issue**

Project	Type	Term (Years)	Board Approved	Amount
Bloomsburg Steam Plant Upgrade	E&G	20	October 2012	\$4,200,000
Bloomsburg Student Housing (394 beds)	Auxiliary	25	October 2014	6,100,000
California Natali Student Center	Auxiliary	25	January 2012	10,717,264
Millersville Dining Renovations	Auxiliary	20	April 2015	10,000,000
Contingency and Issuance Costs at 1.5%				465,259
Total Debt Issue				<u>\$31,482,523</u>

System Debt Outstanding by Bond Issue

Fiscal Years Ending 2015–2040

Including Proposed Series



**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 this authorization expires June 30, 2016; 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; this authorization will expire June 30, 2016; 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 does 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

Chairman of the Board

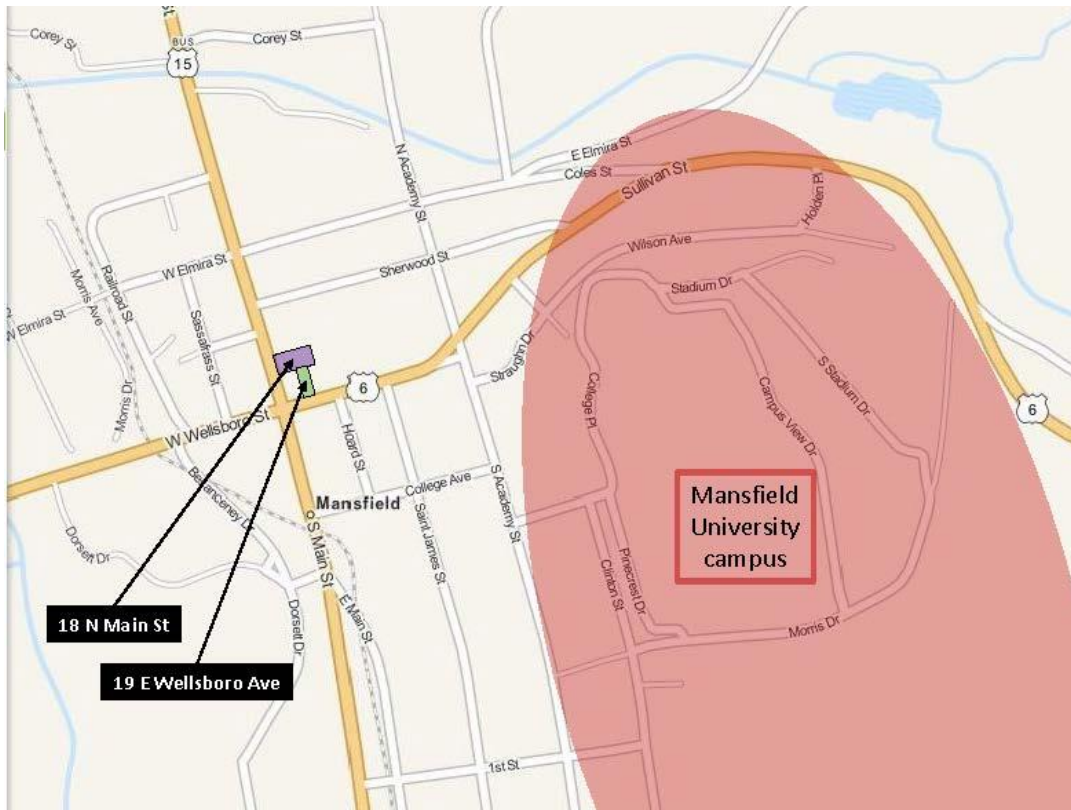
Date



18 North Main Street, Mansfield, Pennsylvania



19 East Wellsboro Street, Mansfield, Pennsylvania





Resolution Honoring the Contributions of Jennifer G. Branstetter to the Board of Governors

WHEREAS, Jennifer G. Branstetter provided distinguished service to the Board of Governors of Pennsylvania's State System of Higher Education during her tenure on the Board as the designee for Governor Tom Corbett from January 2011 through January 2015; and

WHEREAS, Jennifer G. Branstetter served as an adviser to chancellors and to the staff of the State System as academic, financial, administrative, and human resources policies were developed to guide the System within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Jennifer G. Branstetter contributed significantly to Board discussions and deliberations as a member of both the Finance, Administration, and Facilities Committee and the Human Resources Committee; and

WHEREAS, Jennifer G. Branstetter, as policy director for Governor Tom Corbett, served as the primary liaison between the administration and the State System

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Jennifer G. Branstetter to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors wishes her well in all of her future endeavors.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Carolyn C. Dumaresq to the Board of Governors

WHEREAS, Carolyn C. Dumaresq provided distinguished service to the Board of Governors of Pennsylvania's State System of Higher Education during her tenure on the Board from July 2013 through January 2015; and

WHEREAS, Carolyn C. Dumaresq served as an adviser to chancellors and to the staff of the State System as academic, financial, administrative, and human resources policies were developed to guide the System within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Carolyn C. Dumaresq contributed significantly to Board discussions and deliberations as a member of the Academic and Student Affairs Committee; and

WHEREAS, Carolyn C. Dumaresq was an outstanding educational leader, both in her role as acting secretary of the Pennsylvania Department of Education and in the various positions she held previously throughout her career, including as a teacher, administrator, and superintendent in the K-12 system

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Carolyn C. Dumaresq to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors congratulates her on her many career accomplishments on behalf of students of every age, and extends best wishes to her in retirement and in all of her future endeavors.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Laura E. Ellsworth to the Board of Governors

WHEREAS, Laura E. Ellsworth provided distinguished service to the Board of Governors of Pennsylvania's State System of Higher Education during her tenure on the Board from October 2012 through January 2015; and

WHEREAS, Laura E. Ellsworth served as an adviser to chancellors and to the staff of the State System as academic, financial, administrative, and human resources policies were developed to guide the System within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Laura E. Ellsworth provided extraordinary leadership and vision to the State System during her nearly two terms as vice chair of the Board of Governors; and

WHEREAS, Laura E. Ellsworth contributed significantly to Board discussions and deliberations as a member of both the Finance, Administration, and Facilities Committee and the Executive Committee

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Laura E. Ellsworth to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors extends best wishes to her in all of her future endeavors.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Joseph F. McGinn to the Board of Governors

WHEREAS, Joseph F. McGinn provided distinguished service to the Board of Governors of Pennsylvania's State System of Higher Education during his tenure on the Board from April 2009 through February 2015; and

WHEREAS, Joseph F. McGinn served as an adviser to chancellors and to the staff of the State System as academic, financial, administrative, and human resources policies were developed to guide the System within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Joseph F. McGinn contributed significantly to Board discussions and deliberations as both Chair of the Audit Committee and a member of the Executive Committee; and

WHEREAS, Joseph F. McGinn, in his role as Chair of the State System's Public Safety and Security Task Force, led the effort to help ensure the health, safety, and welfare of students, faculty, staff, and visitors at all State System university campuses

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Joseph F. McGinn to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors extends best wishes to him in all of his future endeavors.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Senator John T. Yudichak to the Board of Governors

WHEREAS, Senator John T. Yudichak provided distinguished service to the Board of Governors of Pennsylvania's State System of Higher Education during his tenure on the Board from August 2011 through January 2015; and

WHEREAS, Senator John T. Yudichak served as an adviser to chancellors and to the staff of the State System as academic, financial, administrative, and human resources policies were developed to guide the System within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Senator John T. Yudichak contributed significantly to Board discussions and deliberations as a member of the Audit Committee; and

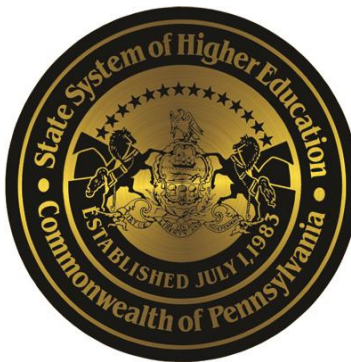
WHEREAS, Senator John T. Yudichak, while holding various leadership roles as a member of the Pennsylvania State Senate, provided important support for the State System and all of higher education in the Commonwealth

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Senator John T. Yudichak to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors extends best wishes to him in all of his future endeavors.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Todd M. Garrett to the Board of Governors

WHEREAS, Todd M. Garrett has provided excellent service as a member of the Board of Governors of Pennsylvania's State System of Higher Education since his appointment in March 2014; and

WHEREAS, Todd M. Garrett, while pursuing a baccalaureate degree in political science and a minor in history, has distinguished himself as a leader among the State System's broad student population, having served as president of Clarion University of Pennsylvania's Student Senate and as a member of the Board of Directors of the Clarion Students' Association; and

WHEREAS, Todd M. Garrett has been active in numerous campus events and activities while a student at Clarion University of Pennsylvania, including having served as a Board member of the Newman Club and as secretary of the Campus Ministry Board; and

WHEREAS, Todd M. Garrett has been a thoughtful, loyal, and accessible member of both the Finance, Administration, and Facilities Committee and the Audit Committee of the Board of Governors, and as an advocate for all State System students throughout his tenure on the Board;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Todd M. Garrett to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors congratulates him on his planned graduation in May and extends best wishes to him in all of his future endeavors as a proud soon-to-be alumnus of Clarion University of Pennsylvania.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman



Resolution Honoring the Contributions of Chelsea E. Getsy to the Board of Governors

WHEREAS, Chelsea E. Getsy has provided excellent service as a member of the Board of Governors of Pennsylvania's State System of Higher Education since her appointment in March 2014; and

WHEREAS, Chelsea E. Getsy, while pursuing separate business administration degrees in management and marketing, as well as a minor in leadership studies, has distinguished herself as a leader among the State System's broad student population, having served as president of California University of Pennsylvania's Student Government Association and as a member of the Board of Directors of the Student Association Inc.; and

WHEREAS, Chelsea E. Getsy has been active in numerous campus events and activities while a student at California University of Pennsylvania, including having served as chair of "The Big Event," a day of service performed by students, and as a peer mentor; and

WHEREAS, Chelsea E. Getsy has been a thoughtful, loyal, and accessible member of the Academic and Student Affairs Committee of the Board of Governors, and as an advocate for all State System students throughout her tenure on the Board;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many fine contributions of Chelsea E. Getsy to the Board and to the entire State System; and

BE IT FURTHER RESOLVED, that the Board of Governors congratulates her on her planned graduation in May and extends best wishes to her in all of her future endeavors as a proud soon-to-be alumnus of California University of Pennsylvania.

Unanimously adopted by the Board
April 9, 2015

Guido M. Pichini, Chairman