

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

Meeting Minutes

225th Meeting
Wednesday, July 13, 2016
Dixon University Center
Boardroom, First Floor
Administration Building
2986 North Second Street
Harrisburg, PA 17110-1201

2:00 p.m.

BOARD OF GOVERNORS

Attending:

Audrey F. Bronson
Thomas J. Gombar (Senator Schwank's designee) (via phone)
Ronald G. Henry
Jonathan B. Mack
David M. Maser
Daniel P. Meuser
Guido M. Pichini (Chair)
Cynthia D. Shapira
Harold C. Shields
Meg C. Snead (alternate designee for Sara Galbally)
Adam N. Wagonseller (via phone)
Aaron A. Walton

Absent:

Senator Ryan P. Aument
Representative Matthew E. Baker
Secretary Sarah E. Galbally (Governor Wolf's designee)
Representative Michael K. Hanna
Secretary Pedro A. Rivera
Senator Judith L. Schwank

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, Steven R. Dupes, Audrey J. Guistwhite, Jennifer E. Hoover-Vogel, Lois M. Johnson, Kenneth D. Marshall, Dennis H. Mathes, 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, Interim President Christopher M Fiorentino, Michael Fiorentino, Jr., George F. "Jody" Harpster, Kenneth S. Hawkinson, Francis L. Hendricks, Geraldine M. Jones, Timothy Moerland represented Michael A. Driscoll, Cheryl J. Norton, Interim President Frank G. Pogue, David L. Soltz, H. Fred Walker, Marcia G. Welsh, and Karen M. Whitney.

Chairman Pichini called the meeting to order at 2:46 p.m.

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

BOARD ACTION

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION AND EMERITA STATUS FOR MARIE CONLEY.** (Attachment #1)

The motion passed unanimously. Vote YES – 12; NO – 0

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION FOR COLLIN VEST, CLARION UNIVERSITY, NCAA NATIONAL CHAMPION DIVER.** (Attachment #2)

The motion passed unanimously. Vote YES – 12; NO – 0

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION FOR THE EAST STROUDSBURG'S WOMEN'S FIELD HOCKEY TEAM, NCAA NATIONAL CHAMPION.** (Attachment #3)

The motion passed unanimously. Vote YES – 12; NO – 0

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION FOR VICTOR POLYAKOV, WEST CHESTER UNIVERSITY, NCAA NATIONAL CHAMPION SWIMMER.** (Attachment #4)

The motion passed unanimously. Vote YES – 12; NO – 0

ADJOURNMENT

There being no further items of business to come before the Board, Chairman Pichini adjourned the meeting at 2:59 p.m.

ATTEST: _____
Randy A. Goin, Jr.
Chief of Staff

The webcast link for July 13, 2016 Board Meeting
<http://ducmediasite.passhe.edu/Mediasite/Play/0765f39aa9b94505acfdbe4bcf2cbf31d>



Resolution Honoring the Contributions Of Marie A. Conley to the Board of Governors

WHEREAS, Marie A. Conley provided distinguished service as one of the longest-serving members of the Board of Governors of Pennsylvania's State System of Higher Education since first being appointed to the Board in November 2002 by Governor Mark S. Schweiker, and, subsequently, being reappointed by both Governor Edward G. Rendell and Governor Thomas Corbett; and

WHEREAS, Marie A. Conley served as an adviser to three chancellors and to the staff of the State System of Higher Education 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, Marie A. Conley contributed significantly to the Board's discussions and deliberations as Board vice chair and as a member of various committees, and provided outstanding and visionary leadership as chair of both the Human Resources and Academic and Student Affairs Committees and as a member of the Executive Committee, leading the development of numerous Board policies and directing System efforts to align academic programming with student and Commonwealth needs; and

WHEREAS, Marie A. Conley was a tireless advocate for students and public higher education in the Commonwealth, with a special focus on campus safety, highlighted by her support for and development of the Stop it Now! initiative; and

WHEREAS, Marie A. Conley further served Pennsylvania's State System of Higher Education as a member of the Council of Trustees at Bloomsburg University of Pennsylvania, her alma mater;

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Pennsylvania's State System of Higher Education does acknowledge the many outstanding contributions of Marie A. Conley to the Board and to the entire State System; and

BE IT FURTHER RESOLVED that the Board of Governors, in recognition of her outstanding legacy on behalf of students and the State System, bestows the title of *Governor Emerita* on Marie A. Conley, with all of the rights and responsibilities granted and associated with the title, and extends best wishes to her in all of her future endeavors.

Unanimously adopted by the Board
July 13, 2016

Guido M. Pichini, Chairman



Resolution Honoring the Accomplishments of Clarion University of Pennsylvania's Collin Vest

WHEREAS, Collin Vest, a junior at Clarion University of Pennsylvania, qualified for the third time to compete in both the One and Three Meter Dives at the 2016 National Collegiate Athletic Association (NCAA) Division II Swimming & Diving Championships held in Indianapolis; and

WHEREAS, Collin Vest finished first in the Three Meter Dive at the event to claim his third national championship in three years of collegiate competition; and

WHEREAS, Collin Vest also finished second in the One Meter Dive, after having won the event in both 2014 and 2015; and

WHEREAS, for his accomplishments, Collin Vest, a six-time All-American, was named the College Swimming Coaches Association of America's Division II Male Diver of the Year for the second year in a row; and

WHEREAS, Collin Vest's individual accomplishments continue to showcase the overall quality of student-athletes in Pennsylvania's State System of Higher Education and are a source of pride, not only for Clarion University of Pennsylvania, but also for the System as a whole;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education honors Collin Vest for his remarkable accomplishments and wishes him continued success as an outstanding representative of Clarion University and the State System.

Unanimously adopted by the Board
July 13, 2016

Guido M. Pichini, Chairman



Resolution Honoring the Accomplishments of the East Stroudsburg University of Pennsylvania Field Hockey Team

WHEREAS, East Stroudsburg University of Pennsylvania's field hockey team completed the 2015 season with a school record 19 wins, capturing its first-ever Pennsylvania State Athletic Conference championship; and

WHEREAS, the team led the National Collegiate Athletic Association's Division II in both winning percentage and scoring margin en route to also winning its first-ever NCAA national championship with a 1-0 overtime victory over Merrimack College in the final game; and

WHEREAS, senior forward Ally Roth was named the National Field Hockey Coaches Association's Atlantic Region Player of the Year and earned first-team All-America honors for the third year in a row; and

WHEREAS, junior midfielder Desiraye Mack and junior back Emily Howell also were named first-team All-America, giving the team three such honorees in the same season for the first time since 1997; and

WHEREAS, seventeen members of the team were named to the National Field Hockey Coaches Association's Division II National Academic Squad; with four members, Sydney McCarthy, Ashley Ceschini, Kristen English, and Karisa Turner, being named Division II Scholars of Distinction for having GPAs of 3.90 or higher, with McCarthy also being honored as a member of the NCAA's Elite 90 as the top academic performer in her sport; and

WHEREAS, the team's head coach, Sandy Miller, was named Coach of the Year by the National Field Hockey Coaches Association and Synapse Sports; and

WHEREAS, the team's achievements showcased the overall caliber of student-athletes in Pennsylvania's State System of Higher Education and are a source of pride, not only for East Stroudsburg University of Pennsylvania, but also for the entire State System;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education honors this team and its coaches for their remarkable achievements both on the field and in the classroom, and wishes them continued success as outstanding representatives of East Stroudsburg University and the State System.

Unanimously adopted by the Board
July 13, 2016

Guido M. Pichini, Chairman



Resolution Honoring the Accomplishments of West Chester University of Pennsylvania's Victor Polyakov

WHEREAS, Victor Polyakov, a junior at West Chester University of Pennsylvania, qualified for the 2016 National Collegiate Athletic Association (NCAA) Division II Swimming & Diving Championships held in Indianapolis; and

WHEREAS, Victor Polyakov finished first in the 200-yard individual medley at the championships to claim his fifth national championship in three years of collegiate competition, breaking his own Pennsylvania State Athletic Conference (PSAC) record in the event in the process; and

WHEREAS, Victor Polyakov has now captured the gold medal in five different events at the NCAA championships in the last three years, having won the 200-, 500-, 1,000- and 1,650-yard freestyle events in 2014; and

WHEREAS, for his most recent season's accomplishments, Victor Polyakov was named the PSAC Swimmer of the Year for a third straight season, becoming only the second swimmer in league history to do so; and

WHEREAS, Victor Polyakov's individual accomplishments continue to showcase the overall quality of student-athletes in Pennsylvania's State System of Higher Education and are a source of pride, not only for West Chester University of Pennsylvania, but also for the System as a whole;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of Pennsylvania's State System of Higher Education honors Victor Polyakov for his remarkable accomplishments and wishes him continued success as an outstanding representative of West Chester University and the State System.

Unanimously adopted by the Board
July 13, 2016

Guido M. Pichini, Chairman

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

Meeting Minutes

226th Meeting
Thursday, July 14, 2016
Dixon University Center
Boardroom, First Floor
Administration Building
2986 North Second Street
Harrisburg, PA 17110-1201

9:00 a.m.

BOARD OF GOVERNORS

Attending:

Representative Matthew E. Baker
Wil Del Pilar (Secretary of Education's designee) (via phone)
Thomas J. Gombar (Senator Schwank's designee)
Representative Michael K. Hanna
Ronald G. Henry
Jonathan B. Mack
David M. Maser
Daniel P. Meuser
Guido M. Pichini (Chair)
Secretary Pedro. A. Rivera (via phone)
Senator Judith L. Schwank
Cynthia D. Shapira
Harold C. Shields
Meg C. Snead (alternate designee for Sara Galbally)
Aaron A. Walton

Absent:

Senator Ryan P. Aument
Audrey F. Bronson
Secretary Sarah E. Galbally (Governor Wolf's designee)

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, Dennis H. Mathes, Sue Mukherjee, Victoria L. Sanders, Lisa A. Sanno, Amber J. Sizemore, 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, Interim President Christopher M Fiorentino, Michael Fiorentino, Jr., George F. "Jody" Harpster, Kenneth S. Hawkinson, Francis L. Hendricks, Geraldine M. Jones, Provost Timothy Moerland represented Michael A. Driscoll, Cheryl J. Norton, Interim President Frank G. Pogue, David L. Soltz, H. Fred Walker, Marcia G. Welsh, and Karen M. Whitney.

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 April 7, 2016, May 11, 2016, and May 23, 2016 were distributed prior to the meeting. Chairman Pichini moved **THAT THE MINUTES OF THE APRIL 7, 2016, May 11, 2016, and MAY 23, 2016 MEETINGS BE APPROVED.**

The motion passed unanimously. Vote: YES - 13; NO - 0

PUBLIC COMMENTS

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

THE CHAIR'S COMMENTS INCLUDED THE FOLLOWING:

- Welcomed H. Fred Walker, President at Edinboro University
- Budget Issues
- Recognized several groups of outstanding student athletes

Chairman Pichini noted that the Board met in Executive Session on Wednesday, July 13, 2016, from 11:00 a.m. to 2:45 p.m. to discuss various personnel and legal matters. No action was taken.

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

THE CHANCELLOR'S COMMENTS INCLUDED THE FOLLOWING.

- Welcomed President H. Fred Walker, President at Edinboro President
- Welcomed Senator Ryan P. Aument as a new Board Member
- Welcomed Meg C. Snead as the alternate designee for Secretary Sarah E.
- Recognized the student athletes
- Governor and General Assembly - investing in the state-owned universities
- Video – will reach out to community and business leaders, alumni, and other supporters of the State System

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

COMMITTEE REPORTS WITH RELATED ACTIONS

A. Academic and Student Affairs Committee

Governor Maser presented the report on behalf of the Academic and Student Affairs Committee. The Committee had **three resolutions**: Clarion University, NCAA National Champion Diver, Collin Vest; East Stroudsburg University, NCAA National Champion Women's Field Hockey team; West Chester University, NC National Champion Swimmer, Victor Polyakov; **One trophy presentation** – Kutztown University Mascot; **three presentations**: Millersville University of Pennsylvania - Career and Life Studies; Distance Education: The Future is Brighter for the 14 State System Universities; State System's Gap Analysis Project: Statewide Supply/Demand Findings. The Committee had two information items: Advancing Career Opportunities in Pennsylvania through Education Alignment with Business Demand and Program Alignment: Context and Five-Year Program Actions.

Governor Maser noted that the Committee had one action item to recommend to the Board for approval (Two new academic programs)

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE A BACHELOR OF SCIENCE IN URBAN AND ENVIRONMENTAL PLANNING PROGRAM AT WEST CHESTER UNIVERSITY OF PENNSYLVANIA.** (Attachment #2)

The motion passed unanimously. Vote: YES - 11; NO - 0

Governor Maser moved **THAT THE BOARD OF GOVERNORS APPROVE A MASTER OF SCIENCE IN HUMAN RESOURCE MANAGEMENT PROGRAM AT WEST CHESTER UNIVERSITY OF PENNSYLVANIA.** (Attachment #3)

The motion passed unanimously. Vote: YES - 11; NO - 0

B. Audit Committee

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 #4)

Governor Mack noted there were no actions items to bring to the Board.

C. Finance, Administration, and Facilities Committee

Governor Henry presented the report on behalf of the Finance, Administration, and Facilities Committee. The Committee one information item: Fiscal Year 2016/17 Operating Budget Update (Attachment #5)

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 THE FISCAL YEAR 2016/17 TUITION AND TECHNOLOGY TUITION FEE RATES.** (Attachment #6)

Governor Henry moved to increase tuition 2.75 percent. The Board had a discussion. No vote was taken.

Governor Shapira moved to amend Governor Henry's motion to increase tuition to 2.5 percent.

The motion to accept the amendment passed Vote: YES - 8; NO - 5

Chairman Pichini called the question regarding the amended motion to increase tuition to 2.5 percent.

The motion passed. Vote: YES - 9; NO - 4

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVE THE FOLLOWING ALLOCATION OF FUNDS FROM THE STATE SYSTEM'S FISCAL YEAR 2016/17 E&G APPROPRIATION SUBJECT TO REVISION BY THE EXECUTIVE COMMITTEE ON THE BASIS OF DEVELOPMENT OF THE COMMONWEALTH'S FISCAL YEAR 2016/17 GENERAL FUND BUDGET AS REFLECTED IN THE ATTACHMENT.** (Attachment #7)

Item	Amount
Performance Funding	\$39,061,000
Dixon University Center Academic Consortium	\$1,235,000
Office of Internal Audit and Risk Assessment	\$900,533
System Reserve	\$613,700
McKeever Environmental Learning Center	\$325,062

The motion passed unanimously. Vote: YES - 13; NO - 0

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVE BOND FINANCING OF TWO PROJECTS AT INDIANA UNIVERSITY OF PENNSYLVANIA THAT INCLUDE RENOVATIONS TO MILLER STADIUM AND ELKIN HALL AND RECLASSIFY 8,800 SQUARE FEET OF AUXILIARY SPACE TO EDUCATIONAL AND GENERAL SPACE.**

The motion passed unanimously. Vote: YES - 13; NO - 0

Governor Henry moved **THAT THE BOARD OF GOVERNORS APPROVES SLIPPERY ROCK UNIVERSITY OF PENNSYLVANIA'S REQUEST TO BOND FINANCE A GESA PROJECT ESTIMATED AT \$15.4 MILLION.**

The motion passed unanimously. Vote: YES - 13; NO - 0

D. Human Resources Committee

Governor Walton presented the report on behalf of the Human Resources Committee. The Committee had no information and two action items.

Governor Walton moved **THAT THE BOARD OF GOVERNORS, HAVING EVALUATED THE UNIVERSITY PRESIDENTS, EXTENDS THE EMPLOYMENT OF THE FOLLOWING PRESIDENTS THROUGH JUNE 30, 2019: DAVID L. SOLTZ (BLOOMSBURG UNIVERSITY); KAREN M. WHITNEY (CLARION UNIVERSITY); MARCIA G. WELSH (EAST STROUDSBURG UNIVERSITY); MICHAEL A. DRISCOLL (INDIANA UNIVERSITY); KENNETH S. HAWKINSON (KUTZTOWN UNIVERSITY); MICHAEL FIORENTINO (LOCK HAVEN UNIVERSITY); FRANCIS L. HENDRICKS (MANSFIELD UNIVERSITY); JOHN M. ANDERSON (MILLERSVILLE UNIVERSITY); GEORGE F. "JODY" HARPSTER (SHIPPENSBURG UNIVERSITY); AND CHERYL J. NORTON, (SLIPPERY ROCK UNIVERSITY); AND AUTHORIZE THE CHAIRMAN AND THE CHANCELLOR TO EXECUTE AMENDMENTS TO THEIR EMPLOYMENT AGREEMENTS.**

The motion passed unanimously. Vote: YES - 11; NO - 0

Governor Walton moved **THAT THE BOARD OF GOVERNORS, HAVING EVALUATED THE CHANCELLOR AND HAVING ACCEPTED A POSITIVE RECOMMENDATION FROM THE HUMAN RESOURCES COMMITTEE, EXTENDS THE AGREEMENT THROUGH JUNE 30, 2019, AND AUTHORIZE THE CHAIRMAN TO EXECUTE AMENDMENTS TO HIS EMPLOYMENT AGREEMENT.**

The motion passed unanimously. Vote: YES - 11; NO - 0

BOARD ACTION

Chairman Pichini noted there was two action items to recommend to the Board for approval.

Chairman Pichini stated the action item for approving the meeting dates for 2016-2019 will be moved to the October 2016 Board meeting.

Chairman Pichini noted that the nominating committee comprising of Guido M. Pichini, Senator Judy L. Schwank, and Harold C. Shields meet via conference call at 4:00 p.m. on July 11, 2016, to move to the Board the names of the officers for 2016-2017. The phone call adjourned at 4:03 p.m.

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS APPROVE THE NOMINATING COMMITTEE'S RECOMMENDATION OF BOARD OFFICERS.**

**Cynthia D. Shapira – Chair
David M. Maser – Vice Chair
Aaron A. Walton – Vice Chair**

The motion passed unanimously. Vote: YES - 11; NO - 0

ADJOURNMENT

There being no further items of business to come before the Board, Chairwoman Shapira adjourned the meeting at 12:27 p.m.

ATTEST: _____
Randy A. Goin, Jr.
Chief of Staff

The webcast link for July 14, 2016 Board Meeting
<http://ducmediasite.passhe.edu/Mediasite/Play/a7cbada183b8420496b3fc885a2ebc5b1d>

Dr. Ken Mash's comments at the July 14, 2016 Board Meeting

Mr. Chairman, members of board, Chancellor Brogan,

My name is Kenneth Mash, and I am the president of the Association of Pennsylvania State College and University Faculties, which represents the over 5,500 faculty and coaches at the 14 universities comprising our system.

I listened carefully to yesterday's finance committee meeting, and I found it disturbing for a number of reasons. I heard it said, after some significant anti-union rhetoric, that "we are all in this together." I want to make it clear that our faculty and our coaches most decidedly do not feel like we are in this together.

We don't feel like we are in it together when we consistently hear rhetoric about the rising costs of professors, when the numbers simply do not bear that out. It may fit an anti-union narrative, but it doesn't fit the facts. The reality is that over the last five years, with only a couple of exceptions, the instructional costs at our universities have been either level or have decreased. Instructional costs, which includes salary and benefits, is not a number that we make up. It is a number that the System reports to the federal government and can be calculated with the System's own data.

We do not feel like we are in it together when faculty are blamed for increased costs when a look at spending on non-auxiliary capital expenditures shows that at most of our universities there has been an increase in proportional use of E&G money — money that is used for instruction, spent on these non-auxiliary capital expenditures. There is a clear mythology to the notion that there is a separate capital budget. The fact that our association was ignored when we pointed out the risks associated with the type of borrowing that was done, and that this board approved with nary a question asked, does not make us feel like we are on the same page.

We do not feel like we are all in it together when amid the years of an 18 percent cut and the following years of zero increases we felt like lonely voices speaking up about the long-term damage that was being done to public higher education. When we feel alone walking the halls of the legislature speaking up for our institutions.

We do not feel like we are all in it together when we are consistently told that we need to sacrifice when it is our faculty and coaches who have to pick up the pieces when there are fewer people around to serve students because of cuts and attrition, when we are the ones who have to make up for the cuts to student support with additional individualized student attention, when we are the ones coping with larger class sizes while maintaining rigor, when we are the ones who have seen our department budgets slashed, all while we are the ones who actually deliver the quality education that you all so consistently speak about.

We do not feel like we are all in it together as shared governance continually gives way to authoritarian-style decision-making that we repeatedly demonstrate is not undergirded by rationality.

We do not feel like we are all in it together when are still told about the rising costs of healthcare when we know that those costs have decreased.

We do not feel like we are in it together when faculty and coaches are unfairly and counterfactually **attacked during a legislative hearing** and the administration of this System does not correct the record and in some instances abets misunderstanding. Even worse, there was not a single mention about the need for a larger state allocation, only bragging about how we can do more with less by putting everything on the table.

We do not feel like we are in it together when some of the highest-paid people in the Commonwealth take pride in proposing cuts to some of the lowest-paid members of our organization while they continue to take increases, including some double-digit increases.

We do not feel like we are in it together when we know that campus budget projections are widely exaggerated, we see that be borne out, and then we are told that we just do not understand.

We do not feel like we are in it together to try to find a resolution to a contract when after 15 months of negotiation, the State System suddenly decides to drop 249 proposed changes to our CBA.

We do not feel like we are in it together when we believe that those changes include provisions that will undercut the quality of education that we deliver and hurt our students' prospects.

We do not feel like we are in it together when we hear officials beat up on academic disciplines without any clear understanding of the value of those disciplines.

We do not feel like we are in it together when there seems to be a consistent push to mimic the private sector, to use corporate jargon, and to downgrade the nobility of public higher education, even as private sector ventures into higher education are proven disastrous on a nearly daily basis.

I could continue on this list for the next hour, but I will resist the temptation. Needless to say that we do not feel like we are in it together when there is too often clear anti-union and anti-faculty rhetoric that is bandied about in casual and formal conversation at these meetings.

If we are to move anything close to being in it together, there is a lot of work to be done. My fear is that time for that is ticking away too quickly. We are committed to moving in the direction of working together, but that cannot occur when policy decisions are written in stone before any real conversation begins.

I am always available to any one of you to respond to questions, to discuss facts on the ground, and to enrich our mutual understandings of each other's perspectives. And we invite each of you to come to our campuses to speak to those many faculty and coaches who would welcome the opportunity to have your ear.

Thank you for your attention.

Executive Summary of Degree Proposal
Bachelor of Science in Urban and Environmental Planning Program
West Chester University of Pennsylvania
July 13-14, 2016

1) Brief Description of Program and Appropriateness to Mission

Leveraging the successful planning track within the existing Bachelor of Arts in geography, the Department of Geography and Planning in the College of Business and Public Management at West Chester University seeks to offer a standalone Bachelor of Science in urban and environmental planning that is designed to meet the standards for accreditation by the Planning Accreditation Board and is aligned with the curriculum standards developed by the Association of Collegiate Schools of Planning. The proposed program is designed to meet the needs of regional employers and students by preparing individuals to work professionally in planning and planning-related careers and establishing a strong foundation for their future professional growth. Graduates will be prepared to compete for employment as professional planners, GIS (geographic information systems) analysts, environmental specialists, and related fields. The program will ensure that students are trained with cutting-edge geospatial technologies and with a deep knowledge of local and regional sustainability concerns. As such the program will prepare students to make critical decisions in order to prepare communities for the future. The curriculum will focus on the development of core competencies in the areas of sustainable land development planning, appropriate applications of technology, effective community engagement, and ethical decision making. The degree will be offered primarily in a classroom-based format, with some blended components. With the technology rich, hands-on and applied nature of planning, classroom-based delivery is deemed the best approach for an undergraduate population. Upon approval of the standalone major, the current track will be placed into moratorium.

Appropriateness to university mission and strategic plan

The proposed program will contribute to West Chester University's goal of assuring student learning and academic excellence by better utilizing the existing resources of the Geography and Planning Department. It will educate future planners by strengthening an academic program for which there is projected demand, supporting interdisciplinary collaborations and programs, incorporating additional technology into the curriculum, and expanding pedagogy around an evolving technological field of geospatial technologies, central to the planning profession. The program will also support the promotion of sustainability in the classroom, on campus and around the region. The degree will further contribute to diversity goals as planning is historically a profession that is well-represented by women and under-represented minorities.

Appropriateness to college and department strategic plan

With its emphasis on geospatial technologies, sustainability, and community engagement, the program will help advance key areas of the mission of the College of Business and Public Management while providing cutting-edge education to students from the region. While designed to meet requirements for accreditation from the Planning Accreditation Board, the program is also aligned to be compatible with the undergraduate pre-business program and thereby create an alternative path within the college for internal and external transfers interested in planning, land management, sustainability, or advanced application of technology. The program will

better support the department's mission to prepare students for planning careers by offering an accredited planning degree.

2) Need

West Chester University engaged Hanover Research as an external evaluator to assess the market for a Bachelor of Science in urban and environmental planning program in September 2015. Hanover indicated that student demand for bachelor's degrees in urban and regional planning has increased at the regional and state levels, with bachelor conferrals increasing by 12.7 percent in Pennsylvania. Hanover's analysis of labor and employment trends predicts that occupations related to urban and regional planning will increase by 7.9 percent in Pennsylvania. Employment in similar occupations nationwide is expected to grow by 10 percent until 2022. These figures represent an opportunity at the regional and Commonwealth levels for West Chester to leverage existing resources to meet this growing demand.

Currently, there is not an accredited undergraduate planning program in the Philadelphia region. Indeed, there are only 15 accredited undergraduate programs in the United States. The most comparable programs in the region are the Bachelor of Science in community development at Temple University, the Bachelor of Arts in growth and structure of cities at Bryn Mawr College (in cooperation with Haverford College) and a Bachelor of Science in planning at Rowan University. These programs are not accredited and all have substantially higher costs than the program at West Chester University. Temple's program focuses on socially oriented grass-roots and community-based initiatives related to planning. To distinguish the proposed program from the undergraduate program at Temple University, the Bachelor of Science in urban and environmental planning at West Chester University will emphasize physical planning, economic development, and policy-related initiatives, as well as geospatial competencies and applications.

3) Academic Integrity

The broad mission of the Bachelor of Science in urban and environmental planning program is to produce well-trained planners to support the needs of their community. Students will develop critical thinking, technical, and communication skills to make them effective professionals in planning and planning-related fields. Building on core strengths of the department, the program incorporates geospatial technologies and sustainability considerations throughout the curriculum to ensure that students graduate with advanced technical skills and an orientation toward sustainability concerns.

With the assistance of an outside consultant, the curriculum was designed to align with the standards for accreditation by the Planning Accreditation Board and the expected goals of an accredited program. These goals include: 1) general knowledge of the planning discipline including that which relates to the purpose and meaning of planning, planning theory, planning law, the history of human settlements, and the history of the planning profession; 2) influencing future and global dimensions of planning, which includes technical skills for planning analysis and problem solving skills related to research, written, oral, and graphic communication; quantitative and qualitative methods; plan creation and implementation; planning process methods; and leadership, and 3) ethical reasoning to effectively analyze ethical issues in the planning profession.

4) Coordination/Cooperation/Partnerships

Indiana University of Pennsylvania also offers a degree in planning. The geographic difference between West Chester University and Indiana University of Pennsylvania and the regional needs of both universities will provide opportunities for students from both the eastern and western areas of the Commonwealth. Given that the program is primarily classroom-based, and the fact that West Chester University's current student body is primarily from a 75-mile radius to the campus, this program will complement the one offered by Indiana.

Coordination with other departments and units on campus

Coordination with other departments on campus will be required in a number of respects to support the proposed program. All of the required core classes will be offered through the Geography and Planning Department, but students will have an opportunity to take courses in a number of other departments, including political science, sociology, history, and computer science to meet cognate requirements. The program is designed to align with the pre-business programs in the College of Business and Public Management and therefore the department will coordinate with the pre-business programs to provide information and facilitate advising about the program.

5) Assessment

The assessment plan and process for the proposed program will be organized according to the detailed set of learning outcomes that have developed around the three learning goals, which include general planning knowledge and technical skills related to planning, as well as values and ethics related to planning. The use of learning assessment data is a critical element in the effective design and implementation of an accredited planning program.

An assessment plan for the program has been developed for the systematic collection of data, analysis of the findings, and feedback loop for program improvements. The plan will track student learning outcomes on a programmatic level. Additionally, each student enrolled in the program will be assessed to determine successful completion of the outcomes. Each student learning outcome is assigned to specific courses in the curriculum, with course assessments designed to measure the outcomes. Outcomes will be met through multiple assessments in multiple courses, which in turn will require students to demonstrate mastery in different contexts and applications.

6) Resource Sufficiency

The program will be initiated using existing faculty, facilities, and equipment. The only additional expenses will be for additional learning resources. With the existing geographic information systems computer labs and the completion of a new building with additional lab space in 2017, the program will have the necessary technology resources to offer an accredited planning program. Additionally, if demand for the program is as expected, university leadership is committed to hiring faculty to teach the specialist classes and accommodate overall programmatic growth.

Prepared by: Dorothy Ives Dewey, Ph.D., AICP, PP

Implementation date: Fall 2016

Date approved by Council of Trustees: May 17, 2016

**West Chester University of Pennsylvania
Bachelor of Science in Urban and Environmental Planning Program
Budget Narrative**

ESTIMATED REVENUES	NARRATIVE/ASSUMPTIONS
ESTIMATED STUDENT IMPACT OF NEW PROGRAM	
Headcount Enrollment	The headcount enrollment projections are based on the following assumptions: 1) First-year enrollments include 20 students converting from existing majors in year three of their studies. 2) Full-time students are projected to persist for four years. 3) Part-time students are projected to persist for seven years. 4) We are using a historic department year-to-year retention of 87 percent, rounded up. 5) Given historic trends, we predict the ratio of out-of-state students to in-state students will be 10:1.
ESTIMATED REVENUE	
Tuition Generated	The budget spreadsheet uses approved tuition rate for each year of the five-year budget projection. Using current in-state tuition rates of \$7,060 per year for full-time students and \$294 per credit for part-time students and out-of-state tuition rates of \$17,650 per year for full-time students and \$735 per credit for part-time students.
Instructional Support Fee	Using WCU's currently approved instructional support fee for each year of the 5-year budget projection, which is \$706 per year for full-time students and \$29.42 per credit for part-time students.
Additional Program Generated Revenue	No additional program revenue is projected.
External Grants & Contracts	No additional program revenue is projected.
Other	No external or grant revenue are expected.
ESTIMATED EXPENSES	
Salaries and Benefits - Faculty	Given the growth in enrollments, it is estimated that a new hire will be required in years three and four. The cost is estimated at assistant professor step seven enrolled in the alternative retirement program (given overwhelming participation of faculty in this benefit).
Salaries and Benefits (Staff, Grad Asst Stipend/ Waiver, Teaching Assistants, etc.)	24 credits (two graduate assistants receiving 6 credits per semester) of graduate assistantships will be funded through the program every year. Graduate assistantships include tuition waivers and a stipend up to \$2,500 per semester based on the number of credits awarded. The university uses a composite rate of \$779.57 per credit to estimate the cost of graduate assistantships. This rate includes both the tuition waiver and stipend.
Learning Resources	The need for additional learning resources in \$4,000 increments beginning in year one of the program's existence. These expenses will cover the costs associated with the planning aspects of the program (i.e. planning materials, etc.)
Instructional Equipment	None are required for this program.
Facilities and/or modifications	Existing facilities meet current demand.
Impact to additional non-major course sections (e.g. General Education)	For all baccalaureate programs, a \$4,000 expense is calculated for each <u>new</u> full-time student. For each <u>new</u> part-time student, a \$2,000 expense is included in the calculations.
Administrative Expense	Administrative expenses are calculated at 20 percent of tuition and academic support fee revenue.
Other	No other resources are necessary.

West Chester University of Pennsylvania
Bachelor of Science in Urban and Environmental Planning Program
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	16		14	24	21	24	39	24	55	24
Out-of-state Full-Time Headcount Enrollment	2		2	3	3	3	6	3	9	3
In-state Part-Time Headcount Enrollment	2		2	3	5	3	8	3	11	3
Out-of-state Part-Time Headcount Enrollment										
Projected Annual Credits Generated	576		1380		1674		2358		2982	
Estimated Revenue										
Tuition Generated	\$158,844		\$382,990		\$465,936		\$661,842		\$843,628	
Instructional Support Fee	\$12,355		\$29,476		\$36,006		\$50,303		\$63,188	
External Grants and Contracts										
Other										
Estimated Total Revenue	\$171,199		\$412,466		\$501,942		\$712,145		\$906,816	
Estimated Expenses										
	Year 1		Year 2		Year 3		Year 4		Year 5	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
Salaries and/or benefits - Faculty						\$101,152	\$101,152	\$101,152	\$202,304	
Salaries and/or benefits (staff, grad assistant stipend/waiver, etc.)		\$18,710	\$1,871		\$18,710		\$18,710		\$18,710	
Learning Resources		\$4,000	\$4,000	\$4,000	\$8,000	\$4,000	\$12,000	\$4,000	\$16,000	\$4,000
Instructional Equipment										
Impact to additional non-major course sections (e.g. General Education)		\$0		\$114,000		\$114,000		\$114,000		\$114,000
New Facilities and/or Modifications to existing facilities										
Administrative Expense	\$34,240		\$82,493		\$100,388		\$142,429		\$181,363	
Other										
Estimated Total Expenses	\$56,950		\$206,364		\$346,250		\$493,443		\$536,377	
Estimated Financial Impact of New Program	\$114,249		\$206,102		\$155,692		\$218,702		\$370,439	

Executive Summary of New Degree Program Proposal
Master of Science in Human Resource Management Program
West Chester University of Pennsylvania
July 13-14, 2016

1) Brief Description of Program and Appropriateness to Mission

The Department of Management in the College of Business and Public Management at West Chester University seeks to offer a 30-credit online Master of Science in human resource management that will be accredited by the Association to Advance Collegiate Schools of Business and aligned with the curriculum standards developed by the Society for Human Resource Management. The proposed degree program will replace a successful Human Resource Management *concentration* within the Master of Public Administration (M.P.A.) program, which routinely enrolls over 35 students each academic year. The M.P.A. program enrolls more than 150 students each year. While the M.P.A. offers a variety of human resources related courses, students who seek jobs in the human resource field require business competencies that cannot be offered through the existing M.P.A. curriculum. Accordingly, the proposed M.S. in human resource management will replace the human resources concentration offered through the current M.P.A. program.

This proposed program is designed to meet the needs of regional employers and students by preparing individuals for advancement within the human resource profession at the highest levels. It will train students in all facets of human resource management across industries and organizational type. The curriculum will focus on the development of core competencies in the areas of: compensation and benefits, employee and labor relations, ethics, global human resources, human resource metrics, leadership and change management, and workforce planning. To provide the most flexibility, it will be offered in an online format, which is appropriate for the target student population, many of whom will be working HR professionals looking to advance their careers.

Appropriateness to university mission and strategic plan

A Master of Science in human resource management will contribute to West Chester University's goal of academic excellence by strengthening and developing an academic program for which there is projected demand. The Society for Human Resource Management-aligned curriculum will prepare students to develop the competencies necessary for human resource practice in the 21st century. Moreover, the proposed program will contribute to the university's goal of expanding distance education offerings

Appropriateness to college and department strategic plan

Through a curriculum that simultaneously focuses on preparing students to advance in their current careers while developing competencies in emerging areas in the field of human resources, the proposed program will help advance the college's strategic mission to "provide high-quality graduate business education to students from Pennsylvania and the broader region," to "prepare them for the demands of the global business environment" and to "be a critical component of the economic fabric of the region."

2) **Need**

West Chester University engaged Hanover Research as an independent external evaluator to assess the market for the M.S. degree program for human resources. Hanover identified 22 non-profit institutions within 150 miles of the university that offer a stand-alone degree in human resource management or human resource development. The majority of programs within 150 miles offer the option of completing all or some coursework online.

However, demand for such programs is growing in the Commonwealth, outpacing the supply. HR-related occupations in Pennsylvania are projected to grow by between 4.2 percent and 18.3 percent (depending on the specific occupation) during the period of 2012 and 2022. In all, the state is projected to have 1,090 HR-related annual job openings due to growth and replacement. Human resource managers are projected to be the fastest-growing occupation in the field, growing 18.3 percent between 2012 and 2022. According to Hanover Research there were 380 graduate level completions in 2013 (most recent data available) for human resources from all institutions of higher education in the Commonwealth. Given the projected annual job openings and degree completions from all Commonwealth institutions, there is a deficit in the production of degree-qualified individuals for human resources related occupations. In other words, the Commonwealth is producing far fewer human resource professionals than is necessary to fill the projected annual job openings in the Commonwealth.

3) **Academic Integrity**

The outcomes of the Master of Science in human resource management are to provide students with the skills and abilities necessary to succeed in the rapidly evolving field of human resource management and to help students develop critical thinking and leadership skills that will make them valuable assets to their organizations as well as ethical practitioners in the profession. These outcomes will be achieved through a rigorous curriculum that encompasses both the theory and practice in traditional areas such as staffing and compensation, as well as emerging areas such as global human resources and human resource information systems.

The program goals align with the strategic learning goals that the Management Department developed as part of the Association to Advance Collegiate Schools of Business accreditation process. These goals include: inculcating the ability to reason analytically and critically, increasing awareness of the international dimension of business, increasing the ability to use quantitative methods and technology to analyze a business problem, and increasing the student's ability to analyze ethical issues in business practice.

4) **Coordination/Cooperation/Partnerships**

The proposed program will be the first stand-alone Master of Science in human resource management in the State System and will complement Indiana University of Pennsylvania's Master of Business Administration degree that offers a track in human resources. The modalities will also provide choice for potential students with West Chester's proposed program being online and Indiana's program being offered face-to-face. There are three undergraduate human resource degree programs and several undergraduate degree programs with concentrations in human resources related areas in the State System that can serve as a pipeline of students who want to continue their education. The proposed M.S. in human resource management program at West Chester University will provide qualified State System graduates in related fields with preferential admissions in those instances where program capacity limits enrollments.

Coordination with other departments and units on campus

In the School of Business, within the College of Business and Public Management, multiple departments have worked collaboratively in the preparation of this proposal, which will continue in support of the program's operations. For example, students will be required to take a core course that will be cross-listed with the introductory human resource course in the Master of Business Administration (M.B.A.) program. In addition, students in the program will take up to two business electives in the M.B.A. program. The human resource management courses may also serve as electives for students enrolled in the M.B.A. as well as the Master's in Public Administration and the Master's in industrial/organizational psychology programs.

Coordination with outside agencies, corporations, etc.

The university has successfully partnered with the human resource community and employers in the region to provide ongoing learning opportunities for students. With the help of local Society for Human Resource Management chapters, students have had the ability to network with human resource professionals, attend workshops and seminars, and volunteer at professional events. This ongoing relationship with community leaders has created real-world opportunities for students, including internship and job placements in both the profit and non-profit sectors.

5) Assessment

The assessment plan and process for the proposed program will be organized according to the seven program goals and objectives set forth below. Consistent with procedures established for the Association to Advance Collegiate Schools of Business accreditation, each course will address at least one primary goal and objective. Some courses might address multiple goals and objectives. The seven program goals and objectives are:

1) Employee and labor relations; 2) Ethics; 3) Workforce planning; 4) Compensation and benefits; 5) Leadership and change management; 6) Analytics and metrics; and 7) Global human resources.

The assessment feedback loop for the Master of Science in human resource management will be consistent with procedures established by the Association to Advance Collegiate Schools of Business accreditation. This includes establishing student learning outcomes, creating or identifying appropriate assessment measures, and analyzing and discussing results. Finally, program faculty will create and implement an action plan to improve student learning for a particular outcome.

6) Resource Sufficiency

West Chester University is leveraging existing resources from the existing concentration in human resources. The university hired several new full-time tenure track faculty members for the 2016-2017 academic year who will be able to teach in the proposed program. These existing faculty, facilities, and equipment already in place are adequate for the proposed program's startup. Additionally, to meet the anticipated demand the university leadership has committed to hiring new faculty for the specialist classes and to accommodate programmatic growth for other classes within the department.

Prepared by: Lisa Calvano, Ph.D. and Susan Fiorentino, J.D.

Implementation date: Fall 2016

Date approved by Council of Trustees: May 17, 2016

West Chester University of Pennsylvania
Master of Science in Human Resource Management Program
Budget Narrative

ESTIMATED REVENUES	NARRATIVE/ASSUMPTIONS
ESTIMATED STUDENT IMPACT OF NEW PROGRAM	
Headcount Enrollment	It is anticipated that in year one, 25 students transitioning between years one and two of their graduate studies will switch from the existing M.P.A. with a concentration in Human Resource Management to the new degree. Estimates include 15 new students in year one, 25 students in year two, 30 students in year three, 35 students in year four and 35 students in year five. Average retention rates for the M.B.A. program are used to estimate attrition, which is modeled at 92 percent between years one and two only, which is where graduate student loss typically occurs. The proposed M.S. in HRM will primarily serve working HR professionals in the region and beyond who are looking to advance their careers. Thus, all M.S. in HRM students are expected to be enrolled part-time and take 2.5 years to complete the degree.
ESTIMATED REVENUE	
Tuition Generated	Tuition is calculated at the recently approved rate for 2015-2016. Please note that tuition for out-of-state students is 102 percent of resident tuition because this is an existing fully online program.
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 Generated Revenue	Additional revenue is not anticipated.
External Grants & Contracts	Additional revenue from these sources is not anticipated.
Other	Academic Affairs will invest approximately \$23,000 to support the program's growth in faculty between years three and four, which will be repaid during year four.
ESTIMATED EXPENSES	
Salaries and Benefits - Faculty	In addition to existing faculty, three additional faculty are needed to support this program, with two hires in year two and one in year three. The salaries and benefits are modeled using assistant professor step 7 enrolled in the alternative retirement program. The model assumes the alternative retirement program given the overwhelming participation of faculty in this benefit.
Salaries and Benefits (Staff, Grad Asst Stipend/ Waiver, Teaching Assistances, etc.)	24 credits (two graduate assistants receiving six credits per semester) of graduate assistantships will be funded through the program every year. Graduate assistantships include tuition waivers and a stipend up to \$2,500 per semester based on the number of credits awarded. The university uses a composite rate of \$779.57 per credit to estimate the cost of graduate assistantships. This rate includes both the tuition waiver and stipend.
Learning Resources	No additional learning resources are necessary.
Instructional Equipment	No additional instructional equipment is necessary.
Facilities and/or modifications	None.
Administrative Expense	This is calculated at 20 percent.
Other	In year 4, the program will fully repay the investment from the Academic Affairs division.

**West Chester University of Pennsylvania
Master of Science in Human Resource Management Program
Five-Year Budget Project**

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										
Out-of-state Full-Time Headcount Enrollment										
In-state Part-Time Headcount Enrollment	25	15	39	25	37	30	50	35	59	35
Out-of-state Part-Time Headcount Enrollment										
Projected Annual Credits Generated	480		618		720		882		966	
Estimated Revenue										
Tuition Generated	\$225,600		\$290,460		\$338,400		\$414,540		\$454,020	
Instructional Support Fee	\$24,302		\$31,289		\$36,454		\$44,656		\$48,909	
External Grants and Contracts										
Other						\$23,000				
Estimated Total Revenue	\$249,902		\$321,749		\$397,854		\$459,196		\$502,929	
Estimated Expenses										
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				\$202,304	\$202,304	\$101,152	\$303,456		\$303,456	
Salaries and/or benefits Other (staff, grad assistant stipend/waiver, teaching assistants, etc.)		\$18,710	\$18,710		\$18,710		\$18,710		\$18,710	
Learning Resources										
Instructional Equipment										
New Facilities and/or Modifications to existing facilities										
Administrative Expense	\$49,980		\$64,350		\$74,971		\$91,839		\$100,586	
Other							\$23,000			
Estimated Total Expenses	\$68,690		\$285,364		\$397,137		\$437,005		\$422,752	
Estimated Financial Impact of New Program	\$181,212		\$36,385		\$717		\$22,191		\$80,177	

**Office of Internal Audit and Risk Assessment
Fiscal Year 2016/17 Work Plan**

Site Location	Compliance	Project Category		
		Operational	Financial	Information Technology
Bloomsburg	Jeanne Clery Act	Campus Safety/Security		
California		(1) Enrollment Management (2) Registrar Functions		
Cheyney	Jeanne Clery Act	Registrar Functions		
Clarion	Protection of Minors			IT User Access
East Stroudsburg		Physical Access Management	Accounts Receivable	
Edinboro	(1) NCAA Agreed-upon Procedures (2) Financial Aid Operations			
Indiana	Contracting Authority/Procurement	Campus Safety/Security		
Kutztown	NCAA Agreed-upon Procedures	KU Operations/Controls at Chincoteague Bay Field Station		
Lock Haven	Protection of Minors	Physical Access Management		
Mansfield	Protection of Minors		FinReport Accounting	
Millersville	Jeanne Clery Act			IT User Access
Shippensburg	NCAA Agreed-upon Procedures	Enrollment Management		
Slippery Rock		(1) Textbook Management (2) Student Mental Health		
West Chester		Campus Safety/Security		IT User Access
Office of the Chancellor			(1) Employee Separation (2) Purchasing Card	

Carry-over Fiscal Year 2015/16 Work Plan Engagements

Indiana University – Jeanne Clery Act	Shippensburg University – Jeanne Clery Act
Lock Haven University – Jeanne Clery Act	West Chester University – Jeanne Clery Act
Millersville University – Pricing Flexibility Pilots	Office of the Chancellor – IT User Access

Carry-over Fiscal Year 2015/16 Special Projects

Edinboro University – Interim Presidential Transition
West Chester University – Golden Rams Aquatics

**Pennsylvania's State System of Higher Education
Fiscal Year 2016/17 Educational and General Budget Overview**

At its meeting on October 8, 2015, the Board of Governors approved a fiscal year (FY) 2016/17 Educational and General (E&G) appropriations request of \$521.2 million, reflecting a \$87.8 million, or 20.3 percent, increase to fully fund a \$1.7 billion E&G budget.

The State System's FY 2016/17 E&G budget estimate of \$1.7 billion, as presented last October, was built upon an anticipated full-time equivalent (FTE) enrollment of 100,850 students and provided for limited mandatory increases in basic operating costs, totaling \$37.2 million. In addition, it sought an investment in the System of \$50.6 million to address other operational and structural changes to further align university academic offerings with Commonwealth workforce needs, enhance students' learning experience, improve student services and enrollment management, and support greater flexibility in modalities and locations of instruction. The FY 2016/17 mandatory budget requirements presented last fall included:

- \$3.9 million in salaries and wages due to the residual impact of January 2016 pay adjustments, net of changes in complement.
- \$8.2 million in healthcare rate increases.
- \$15.6 million in retirement cost increases, \$14.7 million of which is associated with statutory pension rate changes.
- \$7.7 million increase in need-based financial aid.

Each spring, the State System's budget estimates for the upcoming year are revised to reflect the most current information. The following adjustments have been made to the System's FY 2016/17 requirements.

- It is anticipated that the State System will serve 97,293 FTE students in FY 2016/17, which is approximately 3,600 fewer than originally projected, resulting in an estimated decrease of 3.5 percent from the 2016/17 enrollment estimates of last October. Enrollment projections vary significantly by university. This change in anticipated enrollment is the primary driver for a \$31.8 million reduction of estimated tuition revenue before consideration of an increase in the System's base tuition rates.
- Final healthcare rates result in a \$14.5 million reduction in healthcare expenses, as follows.
 - Plan design changes to the State System's healthcare plan for active employees in the Security, Police, and Fire Professionals of America (SPFPA) and Office of Professional Employees International Union Healthcare Pennsylvania (OPEIU) bargaining units, as well as nonrepresented employees, resulted in a decrease in the program's cost of approximately 4 percent, or \$3.5 million.
 - Final contribution rates for the System's healthcare plans (in which 62 percent of System employees are enrolled) reflect a decrease in this program's cost of approximately 3 percent, or \$6.8 million.
 - Final rates for the Commonwealth's Retired Employee's Health Plan reflect a decrease in the program's cost of 13 percent, or \$4.2 million.
- The residual impact of January 2016 pay adjustments has been adjusted to include the same as approved for nonrepresented employees.
- As reflected in the Action Plans provided in June 2016, universities continue cost savings efforts that result in other adjustments to the System's budget requirements.

On June 30, 2016, the General Assembly passed a general appropriations bill for the Commonwealth fiscal year 2016/17 general fund budget that provides for a 2.5 percent, or approximately \$10.8 million, increase in the State System's Educational and General (E&G) appropriation, for a total of \$444.2 million. When these materials were completed, the Commonwealth's FY 2016/17 budget had not yet been enacted; however, the estimates below reflect the FY 2016/17 appropriations approved by the Legislature.

The revised FY 2016/17 budget estimates below reflect only mandatory costs and exclude any additional investment in the State System. A funding gap of \$30.3 million remains, assuming no change in tuition rates.

Estimated FY 2016/17 Educational and General Budget
Including a 2.5% Increase in State Appropriation, But No Change in Tuition Rates
As of July 6, 2016
(Dollars in Millions)

	<i>As of</i> October 2015	<i>As of</i> July 2016	
Revenue/Sources	FY 2016/17	FY 2016/17	Change
Tuition	\$893.0	\$861.2	(\$31.8)
Fees	197.2	202.7	5.5
State Appropriation	433.4	444.2	10.8
All Other Revenue	71.9	70.7	(1.2)
Planned Use of Carryforward	23.8	24.1	0.3
Total Revenue/Sources	\$1,619.3	\$1,602.8	(\$16.5)
Expenditures and Transfers			
Compensation Summary			
Salaries and Wages	\$816.6	\$819.3	\$2.6
Benefits	433.2	415.7	(17.5)
Subtotal, Compensation	\$1,249.8	\$1,235.0	(\$14.8)
Student Financial Aid	50.8	48.7	(2.1)
Utilities	33.7	33.1	(0.6)
Other Services and Supplies	244.0	241.5	(2.5)
Subtotal, Services and Supplies	\$328.5	\$323.4	(\$5.2)
Capital Expenditures and Transfers	78.1	74.8	(3.4)
Total Expenditures and Transfers	\$1,656.5	\$1,633.1	(\$23.4)
Surplus/(Shortfall)	(\$37.2)	(\$30.3)	
Annualized FTE Enrollment			
	FY 2016/17	FY 2016/17	Change
In-State Undergraduate	79,384.48	75,794.91	(3,589.57)
Out-of-State Undergraduate	10,189.50	10,076.42	(113.08)
In-State Graduate	8,914.88	8,923.68	8.80
Out-of-State Graduate	2,361.08	2,498.34	137.26
Total FTE Enrollment	100,849.93	97,293.35	(3,556.58)

Note: Numbers may not add due to rounding.

**Pennsylvania's State System of Higher Education
Fiscal Year 2016/17 Tuition Schedule**

Excludes Rates for Board-Approved Tuition Flexibility Pilots

Student Classification	2015/16	2016/17	Change	
			Amount	Percent
Full-Time Academic Year				
In-State Undergraduate	\$7,060	\$7,238	\$178	2.5%
Out-of-State Undergraduate:				
150% (Minimum) (BL*, CA*, CL, EA*, ED*, KU*, SH*, SL*, CBFS*)	\$10,590	\$10,858	\$268	2.5%
165% (CH, MA*)	\$11,650	\$11,944	\$294	2.5%
170% (ED*, IN*)	\$12,002	\$12,306	\$304	2.5%
175% (MI*, SH*)	\$12,356	\$12,668	\$312	2.5%
195% (CA*)	\$13,768	\$14,114	\$346	2.5%
200% (EA*, LO*, MA*, MI*, SL*)	\$14,120	\$14,476	\$356	2.5%
\$2,000 less than 250% rate (LO*)	\$15,650	\$16,096	\$446	2.8%
225% (SH*)	\$15,886	\$16,286	\$400	2.5%
250% (BL, IN*, KU*, LO*, MI*, WE, CBFS*)	\$17,650	\$18,096	\$446	2.5%
Full-Time Semester				
In-State Undergraduate	\$3,530	\$3,619	\$89	2.5%
Out-of-State Undergraduate:				
150% (Minimum) (BL*, CA*, CL, EA*, ED*, KU*, SH*, SL*, CBFS*)	\$5,295	\$5,429	\$134	2.5%
165% (CH, MA*)	\$5,825	\$5,972	\$147	2.5%
170% (ED*, IN*)	\$6,001	\$6,153	\$152	2.5%
175% (MI*, SH*)	\$6,178	\$6,334	\$156	2.5%
195% (CA*)	\$6,884	\$7,057	\$173	2.5%
200% (EA*, LO*, MA*, MI*, SL*)	\$7,060	\$7,238	\$178	2.5%
\$2,000 less than 250% rate (LO*)	\$7,825	\$8,048	\$223	2.8%
225% (SH*)	\$7,943	\$8,143	\$200	2.5%
250% (BL, IN*, KU*, LO*, MI*, WE, CBFS*)	\$8,825	\$9,048	\$223	2.5%
Per Student Credit Hour**				
In-State Undergraduate	\$294	\$302	\$8	2.7%
In-State Graduate	\$470	\$483	\$13	2.8%
Out-of-State Undergraduate:				
150% (Minimum) (BL*, CA*, CL, EA*, ED*, KU*, SH*, SL*, CBFS*)	\$441	\$452	\$11	2.5%
165% (CH, MA*)	\$485	\$498	\$13	2.7%
170% (ED*, IN*)	\$500	\$513	\$13	2.6%
175% (MI*, SH*)	\$515	\$528	\$13	2.5%
195% (CA*)	\$574	\$588	\$14	2.4%
200% (EA*, LO*, MA*, MI*, SL*)	\$588	\$603	\$15	2.6%
\$2,000 less than 250% rate (LO*)	\$652	\$671	\$19	2.9%
225% (SH*)	\$662	\$679	\$17	2.6%
250% (BL, IN*, KU*, LO*, MI*, WE, CBFS*)	\$735	\$754	\$19	2.6%
Out-of-State Graduate	\$705	\$725	\$20	2.8%
Out-of-State Undergraduate Distance Education, Minimum	\$300	\$308	\$8	2.7%
Out-of-State Graduate Distance Education, Minimum	\$479	\$493	\$14	2.9%

CBFS = Chincoteague Bay Field Station

*Applies to certain out-of-state students based upon geographic location, academic program or term, or academic standing.

**For graduate student charges; and for undergraduate part-time, summer, and interim session student charges.

**Pennsylvania's State System of Higher Education
Fiscal Year 2016/17 Technology Tuition Fee Schedule**

Student Classification	2015/16	2016/17	Change	
			Amount	Percent
<i>Full-Time Academic Year</i>				
In-State Undergraduate	\$436	\$448	\$12	2.8%
Out-of-State Undergraduate	\$664	\$682	\$18	2.7%
<i>Full-Time Semester</i>				
In-State Undergraduate	\$218	\$224	\$6	2.8%
Out-of-State Undergraduate	\$332	\$341	\$9	2.7%
<i>Per Student Credit Hour (For part-time and graduate students)*</i>				
In-State Undergraduate (less than 12 credits)	\$19	\$19	\$0	0.0%
Out-of-State Undergraduate (less than 12 credits)	\$28	\$29	\$1	3.6%
In-State Graduate	\$25	\$26	\$1	4.0%
Out-of-State Graduate	\$37	\$38	\$1	2.7%

**For graduate student charges; and for undergraduate part-time, summer, and interim session student charges.*

**Pennsylvania's State System of Higher Education
Funding of System-Wide Initiatives from the Fiscal Year 2016/17 E&G Appropriation**

Performance Funding..... \$39,061,000

Consistent with the performance funding program revisions adopted by the Board of Governors at its January 2011 meeting, the performance funding pool is established at 2.4 percent of the System's 2016/17 E&G budget, which is estimated to be \$1.63 billion.

Dixon University Center Academic Consortium..... \$1,235,000

The academic programming performed at Dixon University Center has been partially funded through the E&G appropriation for many years. The appropriation provided for continuation of these academic services, and associated maintenance of the Dixon University Center site for 2015/16 was \$1,148,000. The recommended level represents a 5 percent increase over the prior year, consistent with the System's 2015/16 appropriation increase, as well as a 2.5 percent increase that is consistent with the System's 2016/17 appropriation increase.

Office of Internal Audit and Risk Assessment..... \$900,533

The Office of Internal Audit and Risk Assessment is responsible for facilitating risk assessment activities and, in turn, structuring and executing an internal audit plan based on high-risk areas. The office's fiscal year 2016/17 budget of \$934,693 was approved by the Audit Committee at its meeting on March 29, 2016. It is recommended that the Office of Internal Audit and Risk Assessment's budget be funded at \$900,533, as \$34,160 remains from the previous year's allocation.

Replenishment of the System Reserve..... \$613,700

The total recommended allocation to the System Reserve for fiscal year 2016/17 is \$613,700, which will replenish the System Reserve to the \$1,500,000 level required by Board of Governors' Policy 1984-07-A: *System Reserve Allocation and Expenditure Criteria*. Attachment 2 is a detailed list of expenditures for fiscal year 2015/16 and a list of projected expenditures for fiscal year 2016/17. The amount to be replenished differs from total expenditures due to interest earnings.

McKeever Environmental Learning Center..... \$325,062

The Commonwealth created the McKeever Environmental Learning Center in 1974 to assist citizens of all ages in becoming better stewards of the earth's resources. The environmental education programs offered by the McKeever Center meet the needs of students from preschool through, and beyond, college and provide student interns with valuable teaching experience while working in an outdoor setting. The McKeever Center is administered by Slippery Rock University of Pennsylvania and is funded through a portion of the State System's E&G appropriation and user fees. The appropriation provided for the Center in 2015/16 was \$302,032. The recommended level represents a 5 percent increase over the prior year, consistent with the System's 2015/16 appropriation increase, as well as a 2.5 percent increase that is consistent with the System's 2016/17 appropriation increase.

**Pennsylvania's State System of Higher Education
Report of Expenditures from the System Reserve**

Actual 2015/16 Expenditures

Official Residence (Shippensburg)	\$383,726
Presidential Searches (California, Edinboro)	166,667
System Financial Audit (Fiscal Year 2014/15)	<u>65,500</u>
Total Actual Fiscal Year 2015/16 Expenditures	\$615,893

Anticipated 2016/17 Expenditures

Presidential Searches (West Chester)	\$85,000
System Financial Audit (Fiscal Year 2015/16)	<u>66,563</u>
Total Anticipated Fiscal Year 2016/17 Expenditures	\$151,563