

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

Meeting Minutes

274th Meeting
Wednesday, April 29, 2020

Via Zoom

12:00 p.m.

ATTENDING

Board of Governors:

Aven O. Bittinger
Representative Timothy P. Briggs
Nicole L. Dunlop
Alexander H. Fefolt
Donald E. Houser, Jr.
David M. Maser (Vice Chair)
Marian Moskowitz
Thomas S. Muller
Noe Ortega (designee for Secretary Rivera)
Representative Brad Roae
Senator Judith L. Schwank
Cynthia D. Shapira (Chair)
Samuel H. Smith (Vice Chair)
Secretary Meg Snead
Terry Trego (Senator Martin's designee)
Neil R. Weaver
Janet L. Yeomans

Faculty Liaison (non-voting) – Jamie Phillips

Audrey F. Bronson, Senator Scott F. Martin, and Secretary of Education Pedro A. Rivera were absent.

Chairwoman Shapira called the meeting to order at 12:03 p.m.

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

The Pledge of Allegiance was not recited because the meeting was done via Zoom.

CHAIR SHAPIRA'S REMARKS

- COVID-19
- Universities transformed the way they do business
- Remote learning
- Thanked the faculty, staff, presidents, and chancellor's office for all their hard work
- Stepped up to the challenge
- Provide educational opportunities

Chairwomen noted the Board met in executive session on April 10, 2020, from 9:10 a.m. to 10:00 a.m.

PUBLIC COMMENTS

No public comments

Remarks by SCUPA President – unable to attend

Remarks by APSCUF President - Dr. Ken Mash

Remarks by PACT President – Mr. Jeffrey Smith

The Board voted on the Consent Agenda:

- Minutes from January 15-16, 2020, January 30, 2020, and April 10, 2020, meetings.

Voice vote. The motion passed unanimously.

CHANCELLOR GREENSTEIN'S REMARKS

- COVID-19
- Effort by faculty and staff – remote classes
- Quick response to pandemic
- Mission of higher education
- General need for education
- Continue our mission
- Address our challenges
- Confident – together we will prevail

BOARD ACTION

Chairwoman Shapira moved **THAT THE BOARD OF GOVERNORS, AS REFLECTED IN ATTACHMENT 1, FREEZE TUITION AND THE TECHNOLOGY TUITION FEE FOR 2020-21 AND SET THE TENTATIVE 2021-22 TUITION AND TECHNOLOGY TUITION FEE IN ACCORDANCE WITH POLICY AT A 1 PERCENT INCREASE.** (Attachment #1)

Voice vote. The motion passed unanimously.

Chairwoman Shapira moved **THAT THE BOARD OF GOVERNORS APPROVE A LOAN FOR MANSFIELD UNIVERSITY OF PENNSYLVANIA OF UP TO \$6.0 MILLION WITH THE FOLLOWING PAYMENT TERMS AND LOAN COVENANTS.** (Attachment #2)

- **THE BORROWER AGREES THAT THE PRINCIPAL AND ANY AND ALL ACCRUED INTEREST WILL BE PAID BY A TRANSFER OUT OF ITS OPERATING ACCOUNT IN ACCORDANCE WITH SCHEDULE(S) DESCRIBED IN THE DRAFT PROMISSORY NOTE, ATTACHED. THE BORROWER ALSO AGREES TO RECORD A “NOTE PAYABLE” ON ITS FINANCIAL STATEMENTS ON THE EFFECTIVE DATE OF EACH DRAW.**

- **IN ACCORDANCE WITH SYSTEM PROCEDURE/STANDARD 2019-40: *UNIVERSITY FINANCIAL SUSTAINABILITY*, THE BORROWER MUST:**
 - **PROVIDE AN UPDATED SUSTAINABILITY PLAN BY JUNE 19, 2020, WHICH ACHIEVES THE FY 2010-11 STUDENT FACULTY RATIO (17.0:1) AND NONFACULTY RATIO (13.9:1) BY JUNE 30, 2022, TO BE APPROVED BY THE CHANCELLOR.**
 - **AGREE THAT IF THE PLAN DOES NOT ACHIEVE THE RATIOS AND/OR IS NOT APPROVED BY THE CHANCELLOR, THE CHANCELLOR/DESIGNEE, AS DIRECTED BY THE BOARD, MAY TEMPORARILY OR INDEFINITELY SUSPEND SOME OR ALL OPERATIONS IN ACCORDANCE WITH BOARD OF GOVERNORS’ POLICY 2019-01: *UNIVERSITY FINANCIAL SUSTAINABILITY*.**
 - **RECEIVE CHANCELLOR APPROVAL BEFORE ANY HIRING OF NEW EMPLOYEES OR ENTERING INTO NEW CONTRACTS.**
 - **AS PART OF THE UPDATED SUSTAINABILITY PLAN, PROVIDE A HOUSING PLAN TO ADDRESS OCCUPANCY AND DEBT; REPORT EACH SEMESTER ON REVENUE, OCCUPANCY AND CAPACITY BY RESIDENCE HALL.**
 - **PROVIDE MONTHLY CASHFLOW UPDATES, AS PRESCRIBED BY THE OFFICE OF THE CHANCELLOR, REFLECTING ANTICIPATED REVENUES, EXPENDITURES, AND AGING PAYABLES.**
 - **PROVIDE ACTUAL HEADCOUNT AND FULL-TIME EQUIVALENT ENROLLMENT EACH SEMESTER; AND UPDATED ENROLLMENT PROJECTIONS FOR EACH UPCOMING TERM.**
 - **PROVIDE QUARTERLY PROGRESS AGAINST THE SUSTAINABILITY PLAN, WHICH MUST INCLUDE AT A MINIMUM ATTAINMENT OF WORKFORCE AND OPERATING GOALS, AS DESCRIBED IN THE APPROVED SUSTAINABILITY PLAN.**
 - **COMPLY WITH OTHER SUCH ACTIONS AS THE BOARD OF GOVERNORS DIRECTS TO ACHIEVE FINANCIAL SUSTAINABILITY.**

Voice vote. The motion passed unanimously.

Chairwoman Shapira moved **THAT THE BOARD OF GOVERNORS RATIFIES THE COLLECTIVE BARGAINING AGREEMENT WITH THE ASSOCIATION OF PENNSYLVANIA STATE COLLEGE AND UNIVERSITY FACULTIES (NON-FACULTY COACHES) AND AUTHORIZE THE CHANCELLOR AND THE CHAIRWOMAN OF THE BOARD OF GOVERNORS TO EXECUTE THE APPROPRIATE DOCUMENTS.**

Voice vote. The motion passed unanimously.

Chairwoman Shapira moved **THAT THE BOARD OF GOVERNORS RATIFIES THE SIDE LETTERS WITH AFSCME, SEIU, OPEIU, POA, AND SPFPA REGARDING THE ENHANCED SICK LEAVE PAYOUT AND AUTHORIZES THE CHANCELLOR TO EXECUTE THE APPROPRIATE DOCUMENTS. FURTHER, THE BOARD AUTHORIZES THE CHANCELLOR, AT HIS DISCRETION, TO EXECUTE SUCH AGREEMENTS WITH OTHER BARGAINING UNITS TO IMPLEMENT A SIMILAR PROGRAM AND ALSO TO IMPLEMENT A SIMILAR PROGRAM FOR NON-REPRESENTED EMPLOYEES.**

Voice vote. The motion passed unanimously.

NEW BUSINESS

Chairwoman Shapira noted at the July Board meeting resolutions will be presented to:

- Ken Mash, APSCUF President
- Jeffrey Smith, PACT President
- Aven Bittinger, Student Board member (will graduate in May)

There being no further items of business to come before the Board, Chairwoman Shapira adjourned the meeting at 1:25 p.m.

ATTEST:

Randy A. Goin Jr., Ph.D.
Deputy Chancellor

The webcast for the meeting is available at:

<https://youtu.be/el-ZbLF0dWk>

Proposed 2020-21 and Tentative 2021-22 Tuition Rates

Summary for Typical System Student

Excludes Rates for Board-Approved Alternative Tuition Pricing

Student Classification	2019-20 Rates		Proposed 2020-21 Rates				Tentative 2021-22 Rates			
	Per Credit ¹	Full-time Academic Year	Per Credit ¹	Full-time Academic Year	Change		Per Credit ¹	Full-time Academic Year	Change	
					\$	%			\$	%
Basic Tuition Rate²										
In-State Undergraduate	\$322	\$7,716	\$322	\$7,716	\$0	0.0%	\$325	\$7,794	\$78	1.0%
In-State Graduate	\$516	n/a	\$516	n/a	\$0	0.0%	\$521	n/a	\$5	1.0%
Technology Tuition Fee Rate										
Undergraduate In-State	\$20	\$478	\$20	\$478	\$0	0.0%	\$21	\$484	\$6	1.3%
Undergraduate Out-of-State	\$30	\$728	\$30	\$728	\$0	0.0%	\$31	\$736	\$8	1.1%
Graduate In-State	\$28	n/a	\$28	n/a	\$0	0.0%	\$29	n/a	\$1	3.6%
Graduate Out-of-State	\$40	n/a	\$40	n/a	\$0	0.0%	\$41	n/a	\$1	2.5%

¹ For graduate student charges and undergraduate part-time, summer, interim session student charges.

² For universities that do not have an alternative tuition plan approved by the Board of Governors. For more details, see individual university tuition rate schedules.

Note: At the discretion of each university president, graduate and out-of-state tuition rates may vary.

**Draft Promissory Note
Mansfield University of Pennsylvania
Investment Fund/University Loan Program**

THIS Promissory Note, made and entered into this **Xth** day of **May XX, 2020**, between the Pennsylvania State System of Higher Education (State System) as lender, hereinafter referred to as the Lender, and Mansfield University of Pennsylvania as borrower, hereinafter referred to as the Borrower.

WHEREAS, the Borrower desires to borrow up to \$6,000,000 from the Lender's Intermediate-Term Investment Fund, to be drawn upon in any or all amount, as needed by the Borrower, for a term not to exceed ten years for each draw. The draw(s) shall be repaid in accordance with an amortization schedule determined at the time of the draw, at an initial interest rate of **X%** (rate per annum), in accordance with established Policy. This loan will be interest and principal free for the first five fiscal years, with principal and interest repayments beginning in year six of the ten-year period. In consultation with the Borrower, payment may be requested by the Lender at an earlier date, with interest calculated as described above, and

WHEREAS, the Borrower's request has been duly approved by Board of Governors of the State System,

NOW, THEREFORE, for and in consideration of the foregoing, the Borrower makes the following covenants:

- The Borrower agrees that the principal and any and all accrued interest will be paid by a transfer out of its operating account in accordance with schedule(s) described in the draft promissory note, attached. The Borrower also agrees to record a "note payable" on its financial statements on the effective date of each draw.
- In accordance with System Procedure/Standard 2019-40: *University Financial Sustainability*, the Borrower must:
 - Provide an updated sustainability plan by June 19, 2020, which achieves the FY 2010-11 student faculty ratio (17.0:1) and nonfaculty ratio (13.9:1) by June 30, 2022, to be approved by the chancellor.
 - Agree that if the plan does not achieve the ratios and/or is not approved by the chancellor, the chancellor/designee, as directed by the Board, may temporarily or indefinitely suspend some or all operations in accordance with Board of Governors' Policy 2019-01: University Financial Sustainability.
 - Receive chancellor approval before any hiring of new employees or entering into new contracts.
 - As part of the updated sustainability plan, provide a housing plan to address occupancy and debt; report each semester on revenue, occupancy and capacity by residence hall.
 - Provide monthly cashflow updates, as prescribed by the Office of the Chancellor, reflecting anticipated revenues, expenditures, and aging payables.

- Provide actual headcount and full-time equivalent enrollment each semester; and updated enrollment projections for each upcoming term.
- Provide quarterly progress against the sustainability plan, which must include at a minimum attainment of workforce and operating goals, as described in the approved sustainability plan. And,
- Comply with other such actions as the Board of Governors directs to achieve financial sustainability.

IN WITNESS WHEREOF, the signatories hereto have caused this Promissory Note to be executed the date first above-written.

By: _____
Sharon P. Minnich
Vice Chancellor for Administration and Finance
Pennsylvania State System of Higher Education

By: _____
Dr. Charles E. Patterson
President
Mansfield University of Pennsylvania