



# Board of Governors' Quarterly Meeting Agenda

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Wednesday, April 6, 2011

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**1:30 p.m.**

**Committee Meetings (Boardroom)**

- Academic and Student Affairs
- Audit
- External Relations
- Finance, Administration, and Facilities
- Human Resources
- Information Technology

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Thursday, April 7, 2011

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**9:00 a.m.**

**Meeting of the Board of Governors (Boardroom)**

**Adjournment**



# Board of Governors' Quarterly Meeting Agenda

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

## Agenda Summary

Wednesday, April 6, 2011  
1:30 p.m.

- **Academic and Student Affairs**
  - Approval of a New Bachelor of Arts Degree Program in Arabic Language and Culture at California University of Pennsylvania (ACTION)
  - Approval of a New Bachelor of Science Degree Program in Industrial and Engineering Administration at Edinboro University of Pennsylvania (ACTION)
  - Approval of a New Bachelor of Science Degree Program in Computer Engineering at Shippensburg University of Pennsylvania (ACTION)
  - Recognition of the Recipient of the Annual Syed R. Ali-Zaidi Award for Academic Excellence (INFORMATION) (Recognition will be on Thursday, April 7)
  - Clarion University of Pennsylvania Presentation – Regional Workforce Educational Efforts in Northwestern Pennsylvania (INFORMATION) (Presentation will be on Thursday, April 7)
  - Kutztown University of Pennsylvania Presentation – Undergraduate Research (INFORMATION) (Presentation will be on Thursday, April 7)
- **Audit**
  - Office of Internal Audit and Risk Assessment Project Update (INFORMATION)
- **External Relations**
  - Legislative Update (INFORMATION)

- **Finance, Administration, and Facilities**
  - Nonresident Tuition Plans (ACTION)
  - Proposed Board of Governors' Policy 2011-01: *University Financial Health* (ACTION)
  - Convocation Center Project Bond Financing, California University of Pennsylvania (ACTION)
  - Property Acquisition and Bond Financing, CFRED Building, East Stroudsburg University of Pennsylvania (ACTION)
  - Property Acquisition and Bond Financing, Normal Street, East Stroudsburg University of Pennsylvania (ACTION)
  - Series AM Bond Issue (ACTION)
  - Authorization to Issue Refunding Bonds (ACTION)
  
- **Human Resources**
  - Revisions to Board of Governors' Policy 1983-13-A: *Process for Recommending Presidential Appointment* (ACTION)
  
- **Information Technology**
  - Information Technology Update (INFORMATION)

**Thursday, April 7, 2011**  
**9:00 a.m.**

- **Board Meeting**



# Academic and Student Affairs Committee Meeting

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

April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Approval of a New Bachelor of Arts Degree Program in Arabic Language and Culture at California University of Pennsylvania (ACTION) .....	5
2. Approval of a New Bachelor of Science Degree Program in Industrial and Engineering Administration at Edinboro University of Pennsylvania (ACTION) .....	10
3. Approval of a New Bachelor of Science Degree Program in Computer Engineering at Shippensburg University of Pennsylvania (ACTION) .....	15
4. Recognition of the Recipient of the Annual Syed R. Ali-Zaidi Award for Academic Excellence (INFORMATION) (Recognition will be on Thursday, April 7) .....	20
5. Clarion University of Pennsylvania Presentation – Regional Workforce Educational Efforts in Northwestern Pennsylvania (INFORMATION) (Presentation will be on Thursday, April 7) .....	24
6. Kutztown University of Pennsylvania Presentation – Undergraduate Research (INFORMATION) (Presentation will be on Thursday, April 7) .....	26



Committee Members: Aaron A. Walton (*Chair*), Representative Matthew E. Baker, Senator Jeffrey E. Piccola, Secretary Ronald J. Tomalis, and Kenneth M. Jarin (*ex officio*).

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

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Approval of a New Bachelor of Arts Degree Program in Arabic Language and Culture at California University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** California University of Pennsylvania

**BACKGROUND:** California University of Pennsylvania (Cal U) proposes a new Bachelor of Arts (BA) degree program in Arabic Language and Culture. The proposed program uniquely responds to critical needs and opportunities. Federal agencies have ranked the Arabic language, in relation to other critically needed foreign languages, as a high priority, and particularly need Americans to be trained in these languages, as the U.S. government does not provide security clearances to foreign nationals. The proposed degree also is designed to work in partnership with other PASSHE universities. Cal U will be able to offer online the 30 credit hours of Arabic coursework, seamlessly to students across PASSHE universities. PASSHE universities will be positioned to recruit students for the Arabic major, provide their own general education requirements and electives, and award the degree. In terms of academic quality, the curriculum will follow the guidelines of the American Council for Teaching of Foreign Languages (ACTFL), taking the students to the advanced level of proficiency, providing the foundation to become a certified interpreter. Partnerships also have been established with two international universities, expanding student opportunities.

**MOTION:** That the Board of Governors approve the Bachelor of Arts Degree Program in Arabic Language and Culture at California University of Pennsylvania.

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**Supporting Documents Included:** Executive Summary of Degree Proposal and Five-Year Budget Projection

**Other Supporting Documents Available:** Degree Proposal

**Reviewed by:** California University Council of Trustees, March 2, 2011

**Prepared by:** James D. Moran

**Telephone:** (717) 720-4200

## **Executive Summary of Degree Proposal**

### **Bachelor of Arts in Arabic Language and Culture Degree California University of Pennsylvania**

April 6, 2011

#### **1. Appropriateness to Mission**

California University of Pennsylvania (Cal U) proposes a new Bachelor of Arts (BA) degree in Arabic Language and Culture. The degree is consistent with the mission statements of Cal U and the Pennsylvania State System of Higher Education (PASSHE), particularly in terms of culture, diversity, and meeting the needs of the region, the Commonwealth, and our country. In terms of diversity in recruitment, Cal U will: (1) work with PASSHE universities to recruit a diverse group of students, (2) market directly to urban areas, (3) work with historically black colleges and universities including Cheyney University, and (4) place heavy concentration on Arab American communities of all races. This population of children of immigrant families is particularly important due to the fact that many of these potential students will be American-born U.S. citizens (an important factor for security clearances) and have an inherent interest in learning their cultural native language. Cal U also will target professionals in the fields of law enforcement, intelligence, defense, and public administration, due to the large demand in the public sector for Arabic-speaking professionals. Potential students in this category who currently hold baccalaureate degrees from accredited colleges and universities will be able to earn a second bachelor's degree by successfully completing the 30 required hours for the major. Others can choose Arabic as a minor, or complete a specific set of courses (12 credits hours) to earn a Certificate in Arabic Language and Culture.

#### **2. Need**

Our marketing research has revealed a large demand for this degree by students and by employers. For example, the U.S. Secretary of Education has identified the Arabic language as a high priority. Other federal agencies have ranked the Arabic language, in relation to other critically needed foreign languages, as follows:

- U.S. Department of Agriculture: #2
- U.S. Department of Commerce: #1
- U.S. Department of Defense: #1
- U.S. Department of Health and Human Services: #3
- U.S. Department of Interior: #1
- U.S. Department of Labor: #1
- U.S. Department of State: #1 (further identified as "super critical")
- U.S. Department of Treasury: #1

Federal agencies require people who understand the Arabic culture and who can speak, read, and write the Arabic language. The Federal Bureau of Investigation (FBI), an executive agency under the Department of Justice, for example, places Arabic at the top of its list relative to its ability to translate all critical foreign language material. Moreover, according to the non-profit

Partnership for Public Service, the federal government particularly needs Americans to be trained in these languages, as the U.S. government does not provide security clearances to foreign nationals.

A marketing study commissioned by Cal U (Eduventures) corroborated the needs of federal agencies, such as the FBI and the National Security Administration, and indicated that in addition to the specific needs of federal agencies, there exists a strong demand for people trained in the Arabic language. The Bureau of Labor Statistics projects a 22% increase in average employment growth for interpreters and translators over the next decade, and the demand for Arabic and other Middle East languages was particularly noted. The Occupational Supply Demand System similarly indicates 22.2% growth for interpreters and translators over the same time period. While the proposed program does not purport to provide all of the necessary training in order for one to become a certified interpreter, the academic foundation will indeed be provided.

### 3. **Academic Integrity**

The relevant literature indicates that there is a relationship between native language proficiency and second language acquisition. Currently at Cal U, a writing score of 460 (SAT) or 19 (ACT) or higher is required in order to be eligible for English Composition I. Students with scores falling below these thresholds have two options: (1) a developmental English language skills course, or (2) an online WritePlacer exam for residual English placement. In regard to the latter, scores are based upon the writer's ability to express, organize, and support their positions through focus, organization, development, sentence structure, and mechanical conventions. Transfer students are eligible for placement in English Composition I or II, based upon their academic history. Transfer students who do not meet these placement options also are provided the opportunity to take the WritePlacer exam.

In terms of program quality and comprehensiveness, there are 18 credits hours of speaking, reading, writing, and listening in the Arabic language, which follow the guidelines of the American Council for Teaching of Foreign Languages (ACTFL). This series of courses will take the students to the advanced level, which will be followed by a 12 credit hour field experience. This capstone course will be offered to students in a number of ways depending upon their financial abilities and career goals: (1) foreign study, (2) undertaking internships, or (3) participating in "special topics" courses, which may include field experiences organized at Cal U.

### 4. **Coordination/Cooperation/Partnerships**

To add to the academic integrity, Cal U established solid relationships with the University of Sharjah in the United Arab Emirates and the University of Jordan. These relationships will allow for field placements for our students as well as referrals of international students to Cal U as part of degree completion or second degree programs. All coursework will be taught by Cal U, and accordingly, articulation agreements are not necessary. Official affiliation agreements, pursuant to PASSHE policies, will be sought with these and other

relevant institutions. A regional employer advisory board will also be formed to ensure this program and our Arabic language faculty members are meeting the academic needs of students and employers.

Cal U also recognizes declining enrollment trends in some foreign languages across PASSHE universities. This proposal aims to close this gap through a system that is entrepreneurial and collegial. The proposed degree is designed to work in partnership with PASSHE universities principally through Desire2Learn (D2L), our Learning Management System. Cal U has experience in delivering Arabic language courses in traditional classroom and online formats, and also has faculty expertise from language, pedagogical, and technological perspectives. Through our well-entrenched Global Online and Office of Web-based Programs, Cal U will be able to offer seamlessly the 30 credit hours of Arabic coursework to students across PASSHE universities. Consequently, PASSHE universities will be positioned to recruit students for the Arabic major, provide their own general education requirements and electives, and award the degree.

5. **Assessment**

The objective testing for reading and writing will involve use of examinations specifically developed by the American Council of the Teaching of Foreign Languages (ACTFL) for the Arabic language at the advanced level. Assessment of listening and speaking proficiency will be done by simulated oral proficiency interviews. A draft five-year Assessment of Student Learning (ASL) plan has been developed which will be used by faculty members on an annual basis with the aim of continuous improvement and meeting ACTFL standards in each of the relevant areas. To bring added value, an "employer advisory council" is being established, to ensure program completers have the competencies preferred by prospective employers.

6. **Resource Sufficiency**

Cal U has an existing Arabic language faculty member who has developed the syllabi, drafted the ASL instrument, and is developing the initial D2L courses. The need for additional faculty is itemized in the budget. Taking a conservative approach to enrollments, we have estimated one new 35-student cohort beginning each fall. On this basis, our current 1.0 faculty FTE will be sufficient until the fourth year, at which time a minimum of an additional .50 faculty FTE will be added.

7. **Impact on Educational Opportunity**

The educational opportunity created by the B.A. in Arabic Language and Culture program is significant, as articulated above. Students who might not otherwise have an opportunity to pursue a degree in Arabic Language and Culture will be able to do so with this accessible and affordable program by a proud PASSHE university. Further, Cal U recently hired an instructional technology specialist with expertise in online teaching formats for students with disabilities.

*Prepared by: Geraldine M. Jones, Provost and Vice President for Academic Affairs*

Implementation date: Fall 2011



**FIVE-YEAR BUDGET PROJECTION**  
**UNIVERSITY: California University of Pennsylvania**  
**PROPOSED PROGRAM: Bachelor of Arts in Arabic Language and Culture**

ESTIMATED REVENUES	Year 1 2011-12		Year 2 2012-13		Year 3 2013-14		Year 4 2014-15		Year 5 2015-16	
	Existing	New	Existing	New	Existing	New	Existing	New	Existing	New
Tuition*		\$179,340	\$147,768	\$184,710	\$279,048	\$190,260	\$418,048	\$195,960	\$430,592	\$201,840
External Grants and Contracts		0	0	0	0	0	0	0	0	0
Other = Fees+		\$74,400	\$59,520	\$74,400	\$109,120	\$74,400	\$158,720	\$74,400	\$158,720	\$74,400
<b>TOTAL REVENUE++</b>		<b>\$253,740</b>	<b>\$466,398</b>		<b>\$652,828</b>		<b>\$847,128</b>		<b>\$865,552</b>	
EST EXPENSES	Year 1		Year 2		Year 3		Year 4		Year 5	
Salaries &/or benefits (Faculty/Staff)		\$95,480	\$95,480		\$95,480		\$95,480	\$47,740	\$143,220	
Learning resources		\$10,000		\$5,000		\$5,000		\$5,000		\$5,000
Instructional equipment		\$15,000		\$5,000		\$5,000		\$10,000		\$7,000
Facilities and/or modifications		\$20,000						\$15,000		
Other		\$95,000		\$97,000		\$97,000		\$102,000		\$102,000
<b>TOTAL EXPENSES</b>		<b>\$235,480</b>	<b>\$202,480</b>		<b>\$202,480</b>		<b>\$275,220</b>		<b>\$257,220</b>	
<b>DIFFERENCE Rev.-Exp.</b>		<b>\$18,260</b>	<b>\$263,918</b>		<b>\$450,348</b>		<b>\$571,908</b>		<b>\$608,332</b>	
ESTIMATED IMPACT OF NEW PROGRAM	Year 1		Year 2		Year 3		Year 4		Year 5	
FTE Enrollment		30		54		74		94		94
Projected Annual Credits Generated		900		1,620		2,220		2,820		2,820
<b>Tuition Generated</b>		<b>\$179,340</b>		<b>\$332,478</b>		<b>\$469,308</b>		<b>\$614,008</b>		<b>\$632,432</b>

\* Tuition is based upon 30 new students enrolled in 12–15 credit hours per semester, three percent annual tuition increase, and 80 percent retention. Note: Tuition for non-Arabic courses taught by sister PASSHE schools will be retained by the home institution.

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Approval of a New Bachelor of Science Degree Program in Industrial and Engineering Administration at Edinboro University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** Edinboro University of Pennsylvania

**BACKGROUND:** Edinboro University of Pennsylvania (Edinboro) proposes a Bachelor of Science (BS) degree program in Industrial and Engineering Administration, a unique program in the region. The proposed program builds on the strength of Edinboro's associate-level manufacturing engineering technology program and other technical training programs in the region, to provide more advanced training that will create a career ladder allowing individuals to advance to supervisory and other management positions within their organizations. This new interdisciplinary degree program will combine education in manufacturing engineering technology and business administration to prepare graduates for careers as production team leaders, quality coordinators, new product development coordinators, production analysts, operations analysts, and industrial sales specialists, among others. The applied nature of the program will ensure that graduates provide immediate value to their employers.

**MOTION:** That the Board of Governors approve the Bachelor of Science Degree Program in Industrial and Engineering Administration at Edinboro University of Pennsylvania.

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**Supporting Documents Included:** Executive Summary of Degree Proposal and Five-Year Budget Projection

**Other Supporting Documents Available:** Degree Proposal

**Reviewed by:** Edinboro University of Pennsylvania Council of Trustees, June 14, 2010

**Prepared by:** James D. Moran

**Telephone:** (717) 720-4200

## Executive Summary of Degree Proposal

### Bachelor of Science in Industrial and Engineering Administration Degree Edinboro University of Pennsylvania

April 6, 2011

1. **Appropriateness to the Mission**

Edinboro University of Pennsylvania (Edinboro) proposes a new Bachelor of Science (BS) degree program in Industrial and Engineering Administration. The program closely aligns with the Pennsylvania State System of Higher Education's (PASSHE) mission to prepare students for professional success and to contribute to the economic development of Pennsylvania's communities, the Commonwealth and the nation. Edinboro University is located in a region of the Commonwealth that remains heavily reliant on a competitive manufacturing base. The proposed program also supports the mission of Edinboro University of Pennsylvania through its emphasis on engaging students in practical, hands-on experiences in the area of manufacturing technology and business, allowing graduates to advance professionally in multiple industries throughout the region.

2. **Need**

Throughout the northwest Pennsylvania region, manufacturing employment averages more than 16 percent of total non-farm employment, compared to the national average of just nine percent. Most are modern and competitive, but also face challenges in the areas of employee retention, education and training, and the need to replace a retiring workforce. Based on data from the U.S. Bureau of Labor Statistics, the demand for industrial engineering technicians is expected to grow nationally by seven percent between 2008 and 2018, with employment growth still expected in manufacturing industries even with otherwise slowly growing or declining employment. The proposed program goes beyond providing technical training for engineering technicians and technologists, but also prepares graduates for positions as industrial managers. While employment in this area is not expected to grow nationally as manufacturing declines as a share of total employment, a number of positions are expected to become available to replace workers who retire or transfer to other occupations. Opportunity is indicated to be especially strong for individuals that have production experience and a college degree in industrial engineering, management or business; those with excellent communication skills will be especially in demand.

The proposed program builds from Edinboro's currently offered associate in engineering technology degree, adding complementary training in the functional areas of business, applied statistics, and communications. This allows the program to better meet the needs of graduates desiring advancement in the industrial sector, and to meet employer expectations for workers with the technical, analytical and business backgrounds needed to advance to managerial and leadership positions within these companies. The proposed

program has been reviewed by multiple industrial leaders in the region who were very positive in its ability to meet their needs.

3. **Academic Integrity**

The program is principally comprised of major coursework in the manufacturing engineering technology area and targeted coursework in business administration. The technical coursework relates to new technological developments in industrial engineering technology with an emphasis in manufacturing technology. The business requirements include coursework selected in cooperation with industry partners to prepare graduates for positions in administrative leadership within the industrial sector. Emphasis is placed on the use of financial information for decision-making, management and marketing functions within an organization, and applied statistical methods for business.

To provide flexibility for those already appropriately trained in engineering technology, some course requirements may be satisfied with a journeyman's certificate in a manufacturing trade or an associate degree in engineering technology from an accredited institution. This flexibility allows those who desire a bachelor's degree to make use of their current expertise and training. The program represents an important step on a career ladder for individuals wishing to further develop their technical skills and enact progression in their careers.

4. **Coordination/Cooperation/Partnerships**

The program is fully housed at Edinboro University and was developed jointly by the Department of Physics and Technology and the Department of Business and Economics in order to address industry needs. This curriculum will allow graduates to progress professionally from engineering technology positions to positions that require analytical and financial decision-making for their employers. However, the introductory courses in manufacturing technology are taught, in part, in the industrial classrooms at the Precision Manufacturing Institute (PMI), allowing Edinboro University to leverage existing industrial training resources in the region. Coursework for the Engineering Technology Specialization section of the program may also be completed, at least in part, through coursework completed at PMI in their machinist or mechatronics technology programs. In addition, technology programs at regional community colleges may be articulated to complete this portion of the program, allowing opportunities for students to advance in this field.

5. **Assessment**

Assessment is a continuous process whereby the program students, alumni, and employers provide relevant input regarding program learning outcomes and success. Students will be assessed on a regular schedule using course-embedded measures to determine whether they are achieving competence in the targeted learning outcomes for the program. This data will be used to make changes to courses or the curriculum as appropriate to improve student performance, and will be systematically remeasured to ensure continuous progress in meeting desired outcomes. Students will also be provided with exit surveys upon completion of the program to determine satisfaction with the

program and the quality of related services (e.g., career services, advising quality). Equally important are alumni stakeholders, who will be surveyed on a periodic basis to determine success in placement in relevant career positions and to identify areas where the program should be improved to better prepare students for the workforce. Lastly, an advisory board will be formed to provide regular input on changing industry needs and proposals for curricular changes. The advisory board also will provide a mechanism for the development of internship sites for program students.

6. **Resource Sufficiency**

All courses in both the manufacturing engineering technology and business/management areas are developed and have been offered by the departments to support existing programming. Thus, this program leverages the resources from existing degree programs at the university to create an interdisciplinary offering to meet industry needs for this combination of skills. Additionally, the Department of Physics and Technology had previously secured Technical College Program funding from the Pennsylvania Department of Education to acquire \$400,000.00 worth of advanced technical training equipment and computers. The engineering technology classroom laboratories available at the Edinboro main campus are state-of-the-art and appropriate for providing students in the proposed program with the knowledge and skills that are necessary to develop technical expertise in the manufacturing sector.

7. **Impact on Educational Opportunity**

The BS in Industrial and Engineering Administration program will provide opportunity for students to obtain positions of leadership needed in the region's manufacturing sector. Current programs in the region do not provide the combination of skills in both engineering technology and business needed by industry. Edinboro University's very favorable reputation in both engineering technology and business will allow students to prepare for these sustainable careers in a high-quality program at an affordable cost. Edinboro University principally serves the metropolitan area of Erie, Pennsylvania and the smaller city region surrounding Meadville, Pennsylvania. As noted previously, these are areas where manufacturing is a strong and significant part of the regional economy.

*Prepared by: Dr. Philip E. Ginnetti, Provost and Vice President for Academic Affairs*

Implementation date: Fall 2011

**FIVE YEAR BUDGET PROJECTION**

**UNIVERSITY: Edinboro University of Pennsylvania**

**PROPOSED PROGRAM: Bachelor of Science in Industrial and Engineering Administration Degree**

<b>ESTIMATED REVENUES</b>	<b>Year 1 2011-2012</b>		<b>Year 2 2012-2013</b>		<b>Year 3 2013-2014</b>		<b>Year 4 2014-2015</b>		<b>Year 5 2015-2016</b>	
	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>
Projected University E&G or Tuition		\$59,780		\$98,517		\$158,552		\$163,308		\$168,207
External Grants and Contracts								\$150,000		
Other=Fees										
<b>TOTAL REVENUE</b>	<b>\$59,780</b>		<b>\$98,517</b>		<b>\$158,552</b>		<b>\$313,308</b>		<b>\$168,207</b>	
<b>ESTIMATED EXPENSES</b>	<b>Year 1</b>		<b>Year 2</b>		<b>Year 3</b>		<b>Year 4</b>		<b>Year 5</b>	
Salaries and/or benefits (Faculty and Staff)	\$55,435	\$11,199	\$56,821	\$11,479	\$58,242	\$11,766	\$59,698	\$12,060	\$61,190	\$12,361
Learning resources		\$1,000		\$3,000		\$3,000		\$500		\$2,500
Instructional Equipment								\$150,000		
Facilities and/or modifications										
Other		\$4,000		\$2,500						
<b>TOTAL EXPENSES</b>	<b>\$71,634</b>		<b>\$73,800</b>		<b>\$73,008</b>		<b>\$222,258</b>		<b>\$76,051</b>	
<b>DIFFERENCE (Rev.-Exp.)</b>	<b>(\$11,854)</b>		<b>\$24,717</b>		<b>\$85,544</b>		<b>\$91,050</b>		<b>\$92,156</b>	
<b>ESTIMATED IMPACT OF NEW PROGRAM</b>	<b>Year 1</b>		<b>Year 2</b>		<b>Year 3</b>		<b>Year 4</b>		<b>Year 5</b>	
Student Headcount FTE Enrollment	10		16		25		25		25	
Projected Annual Credits Generated	300		480		750		750		750	
<b>Tuition Generated</b>	<b>\$59,780</b>		<b>\$98,517</b>		<b>\$158,552</b>		<b>\$163,308</b>		<b>\$168,207</b>	

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Approval of a New Bachelor of Science Degree Program in Computer Engineering at Shippensburg University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** Shippensburg University of Pennsylvania

**BACKGROUND:** Shippensburg University of Pennsylvania proposes a new Bachelor of Science (BS) degree program in Computer Engineering. The program is designed to meet or exceed all Association of Computing Machinery (ACM), Accreditation Board for Engineering and Technology (ABET), and the Engineering Accreditation Commission (EAC) program requirements, and is expected to be accredited in its fourth year. The proposed BS in Computer Engineering is designed as an interdisciplinary program, combining the existing embedded systems concentration within the computer science program, with existing coursework in mathematics and physics. The proposed program is designed to prepare graduates for careers developing software and hardware for embedded systems including microcontrollers, industrial controls, and mobile computers. The professional training will enable graduates to enter the workforce, meeting or exceeding the federal government's requirements for journeyman engineers. Students also will be well qualified to pursue graduate study.

**MOTION:** That the Board of Governors approve the Bachelor of Science Degree Program in Computer Engineering at Shippensburg University of Pennsylvania.

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**Supporting Documents Included:** Executive Summary of Degree Proposal and Five-Year Budget Projection

**Other Supporting Documents Available:** Degree Proposal

**Reviewed by:** Shippensburg University Council of Trustees, March 25, 2011

**Prepared by:** James D. Moran

**Telephone:** (717) 720-4200

## **Executive Summary of Degree Proposal**

### **Bachelor of Science in Computer Engineering Degree Shippensburg University of Pennsylvania**

April 6, 2011

#### **1. Appropriateness to the Mission**

Shippensburg University of Pennsylvania (Shippensburg) proposes a new Bachelor of Science (BS) degree program in Computer Engineering. In support of the Pennsylvania State System of Higher Education's (PASSHE's) Strategic Initiatives, the program "enhances the social and economic well-being of the Commonwealth," by providing additional opportunities to recruit and retain in-state students in science, technology, engineering, and mathematics (STEM) education, research and development. Further, the proposed program practices effective stewardship by constructing a new program with primarily existing resources. The BS in Computer Engineering also is aligned with Shippensburg's commitment to demand-driven growth with an emphasis on "strong undergraduate educational programs" that "strengthen the university's capacity to contribute to regional development."

#### **2. Need**

National and regional long-term supply and demand data for computer engineering careers indicate faster than average demand for college graduates. At present, there are 11 computer engineering programs in the Commonwealth at private and state-related institutions, which collectively graduate an average of 232 undergraduates per year. Many are at or near capacity, so there are limited opportunities for PASSHE students to transfer into programs at other universities, and when they do, lead to a loss of revenues for PASSHE. Another factor supporting the need for the proposed program is PASSHE's lower-cost tuition and fees. Therefore, market demand for computer engineers, student demand for accredited undergraduate programs, and PASSHE's competitive costs support need for the proposed program at Shippensburg and an opportunity to expand revenues for PASSHE.

#### **3. Academic Integrity**

The proposed BS in Computer Engineering is designed as an interdisciplinary program, combining the existing embedded systems concentration within the computer science program, with existing coursework in mathematics and physics. This configuration of courses, like similar engineering programs, is a rigorous academic program requiring 120 credit hours of study, comprised of coursework as follows: mathematics (20 credits), physics (20 credits), computer science (12 credits), computer engineering (20 credits), along with internship or elective courses, and the liberal arts general education program.

The program is designed to meet or exceed all Association of Computing Machinery (ACM) and ABET Engineering Accreditation Commission (EAC) program requirements, and is expected to be accredited in its fourth year.



Students will gain experience in the design and fabrication of electronics hardware, development and management of the software for a variety of application domains, advanced study in mathematical reasoning and basic engineering processes.

The curriculum was developed to meet the needs of potential employers, to fulfill ABET accreditation requirements, and to be compatible with aspirant peer institutions. The professional training will enable our graduates to enter the workforce meeting or exceeding the federal government's requirements for journeyman engineers. Those who do not choose to enter the workforce will be well qualified to pursue graduate study.

The program is supported by faculty with a combined 25 years of industrial experience in digital circuit design, embedded systems and technologies, telecommunications, mobile platforms, and experience across a wide range of instrumentation methods and software engineering practices. Furthermore, the faculty has a combined 32 years of teaching undergraduate and graduate computer science, embedded systems, and software engineering courses.

#### 4. **Coordination/Cooperation/Partnerships**

The BS in Computer Engineering will be offered through collaboration among the Computer Science, Mathematics and Physics departments, and represents a new opportunity for improved communication and increased resource sharing. These departments will actively participate in the on-going assessment processes, required by ABET for an engineering program. The three departments will be actively involved using assessment data in curriculum improvement process to ensure that the program continues to be a quality program. As a result of this cooperation, Shippensburg also expects new opportunities for interdisciplinary scholarship and grant funding. The Computer Science Department's BROADSIDE center for joint faculty and student research and development has already completed a number of computer engineering projects for local industrial partners. The center will continue to foster these types of relationships for computer engineering.

The proposed program also makes effective use of traditional service courses, including general education, general science and mathematics courses. Students entering one of the other PASSHE universities or the Commonwealth's community colleges can complete a majority of these core service/introductory courses and transfer to the computer engineering program at Shippensburg.

Furthermore, this program will enhance opportunities for collaborative scholarship and grant funded research and development. Shippensburg's history with applied development projects and presence in the Keystone Innovation Zone create potential for joint industrial-academic development projects and will encourage both employers and employees to remain in the Commonwealth.

5. **Assessment**

The assessment plan for the BS in Computer Engineering parallels the plan developed for the existing ABET accredited Computer Science program. The plan will measure the extent to which the proposed program prepares students to achieve the learning outcomes and program aspirations. These goals are tied to the curriculum and individual courses. Each course has an approved list of learning objectives which support the overall program goals, a course coordinator who determines whether those goals are met, and a process to review and revise how every course offering meets those objectives. The plan also includes review from an external industrial advisory council, which meets semi-annually, and the annual Major Fields Assessment Standardized Test, which is administered to all graduating seniors.

6. **Resource Sufficiency**

The Computer Science Department presently has three computer science faculty members with the training and interest to support the proposed BS in Computer Engineering, who will continue to teach courses in the Computer Science degree program. Across the range of courses required for the proposed program, there is sufficient capacity to support moderate enrollment growth. Resources are sufficient to admit 15 students per year with the existing faculty, courses, and lab equipment, for a total enrollment of 37 students.

There are three general purpose computer classroom/labs to support the course offerings and there is a research lab that contains the specialized fabrication, testing, and development equipment, including microcontroller boards and Field-programmable Gate Array (FPGA) reference boards, rework stations, testing equipment, and parts closets. The department has secured over \$100,000 in software-use grants to provide access to the latest electronic design automation tools from major vendors. No new laboratory resources required to offer this program.

7. **Impact on Educational Opportunity**

It is important to the Commonwealth's future that prospective students have an opportunity to pursue a high-quality, low-cost, in-state Computer Engineering program. This proposed program augments the number of programs that are offered at private and state-related institutions in Pennsylvania and will be the first such program for PASSHE. This program will prepare students for a wide variety of positions throughout the Commonwealth. The program also is important to PASSHE, because it will attract some of the best and brightest students. Students who choose to study an engineering discipline must possess above average skills in a wide array of fields. The BS in Computer Engineering at Shippensburg will offer a path for students who possess strong academic skills, but lack the financial resources to otherwise pursue an engineering degree.

*Prepared by: Dr. Barbara Lyman, Provost and Senior Vice President for Academic Affairs*

Implementation date: Fall 2011

**FIVE YEAR BUDGET PROJECTION**  
**UNIVERSITY: Shippensburg University of Pennsylvania**  
**PROPOSED PROGRAM: Bachelor of Science in Computer Engineering Degree**

<b>ESTIMATED REVENUES</b>	<b>Year 1 2011-2012</b>		<b>Year 2 2012-2013</b>		<b>Year 3 2013-2014</b>		<b>Year 4 2014-2015</b>		<b>Year 5 2015-2016</b>	
	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>	<b>Existing</b>	<b>New</b>
Projected University E&G or Tuition	\$33,452	\$44,602	\$22,970	\$114,851	\$11,830	\$212,934		\$365,537		\$464,354
External Grants and Contracts		\$5,000		\$6,000		\$7,000		\$8,000		\$9,000
Other=Fees										
<b>TOTAL REVENUE</b>	<b>\$83,054</b>		<b>\$143,821</b>		<b>\$231,764</b>		<b>\$373,537</b>		<b>\$473,354</b>	
<b>ESTIMATED EXPENSES</b>	<b>Year 1</b>		<b>Year 2</b>		<b>Year 3</b>		<b>Year 4</b>		<b>Year 5</b>	
Salaries and/or benefits (Faculty and Staff)	\$26,387		\$45,153		\$71,997		\$111,187		\$142,346	
Learning resources		\$12,000		\$12,000		\$12,000		\$12,000		\$12,000
Instructional Equipment										
Facilities and/or modifications										
Other (Advert./Admin.)		\$10,000		\$6,000		\$4,000		\$4,000		\$4,000
Other (ABET Accreditation)								\$12,000		
	<b>\$48,387</b>		<b>\$63,153</b>		<b>\$87,997</b>		<b>\$139,187</b>		<b>\$158,346</b>	
<b>DIFFERENCE (Rev. - Exp.)</b>	<b>\$34,667</b>		<b>\$80,668</b>		<b>\$143,767</b>		<b>\$234,350</b>		<b>\$315,008</b>	
<b>ESTIMATED IMPACT OF NEW PROGRAM</b>	<b>Year 1</b>		<b>Year 2</b>		<b>Year 3</b>		<b>Year 4</b>		<b>Year 5</b>	
Student Headcount FTE Enrollment	7		12		19		30		37	
Projected Annual Credits Generated	210		360		570		900		1110	
<b>Tuition Generated</b>	<b>\$78,054</b>		<b>\$137,821</b>		<b>\$224,764</b>		<b>\$365,537</b>		<b>\$464,354</b>	

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Recognition of the Recipient of the Annual Syed R. Ali-Zaidi Award for Academic Excellence (INFORMATION) (Recognition will be on Thursday, April 7)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** Created in 2000, the Syed R. Ali-Zaidi Award for Academic Excellence is conferred upon a graduating senior from one of the PASSHE Universities. This award was created by Dr. Syed R. Ali-Zaidi, a charter member of the Board of Governors, and was made possible through a gift to the PASSHE Foundation, Inc. Dr. Ali-Zaidi wishes to inspire and honor PASSHE students who exhibit excellence in their pursuit of knowledge.

Candidates for the 2011 award were recommended by their University President at the conclusion of a campus application and selection process that was open to all graduating seniors. Multiple selection criteria included outstanding academic performance in the academic major and in other areas of study; recognition of scholarship, including prizes, honors, and honorary societies; participation in extra/co-curricular activities; and a two-page essay by the nominee addressing how the University has prepared him or her for the next career step.

This year, a review panel appointed by the Chancellor considered 13 nominees in accordance with the criteria outlined above and ranked three finalists. Ms. Alison E. Koser, a student at Kutztown University of Pennsylvania, was selected as the award winner. Ms. Koser will receive a check for \$1,000, along with a commemorative medallion. The two runners-up for the award were Ms. Raeesa S. Khan from Bloomsburg University of Pennsylvania, and Ms. Samantha G. Corvino, from Slippery Rock University of Pennsylvania. Each will receive a check for \$500. This was made possible by a generous donation to the Ali-Zaidi Scholarship Fund by Highmark Blue Shield.

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**Supporting Documents Included:** Letter from President F. Javier Cevallos; Alison E. Koser Résumé

**Other Supporting Documents Available:** Award Winner and Finalists' Resumes

**Reviewed by:** N/A

**Prepared by:** James D. Moran

**Telephone:** (717) 720-4200



OFFICE OF THE PRESIDENT

December 21, 2010

Dr John C. Cavanaugh  
Chancellor  
Pennsylvania State System of Higher Education  
Dixon University Center  
2986 North Second Street  
Harrisburg, PA 17110

Dear Dr. Cavanaugh:

It is with pleasure that I recommend Ms. Alison E. Koser for consideration for the 2011 Syed R. Ali-Zaidi Award for Academic Excellence. She is an outstanding student at our institution with a double major in Physics and Mathematics who has maintained a 4.0 GPA during her six semesters at KU.

With this level of academic performance, Alison has been inducted into several honors societies, earned Dean's List recognition, and has been awarded academic performance-based scholarships.

Alison has been active in undergraduate research since her first semester at Kutztown University; giving three presentations at the American Physical Society Annual Meetings of 2008, 2009 and 2010. Of these 3 presentations, two were co-authored by Dr. Paul Quinn, a KU faculty member, and one by Dr. Heinrich Jaeger, a faculty member of University of Chicago and a recognized expert on granular physics.

For two consecutive summers, Alison has participated in research internship at top programs such as University of Chicago's Physics Research Experience for Undergraduates and Pennsylvania State University's MRSEC Research Experience for Undergraduates.

In the area of extra/co-curricular activities, Alison has been an active member of the Society of Physics Students and has served as the treasurer; additionally, she has been a tutor for physics, and active participant in the Honors Program and activities. Uniquely, Alison also participated in NJ Governor's School of Sciences in the summer of 2008 as a research leader, teacher's assistant, and counselor.

Alison is without a doubt one of our outstanding students and I enthusiastically recommend her for the 2011 Ali-Zaidi award for Academic Excellence. She exemplifies the highest values of Kutztown University and of the Pennsylvania State System of Higher Education.

Thank you for your consideration.

Sincerely,

F. Javier Cevallos  
President

P.O. Box 730, Kutztown, PA 19530-0730 • Phone: 610.683.4102 / TDD: 610.683.4499 • [www.kutztown.edu](http://www.kutztown.edu)

*A member of Pennsylvania's State System of Higher Education*

*An equal opportunity/affirmative action employer and education provider*

# Alison E. Koser

902 Ridge Avenue  
Ephrata, PA 17522  
akose905@live.kutztown.edu  
717-336-6939

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## EDUCATION

### Kutztown University of Pennsylvania, Kutztown, PA

BS Physics  
BS Mathematics  
4.0 GPA  
MAY 2011

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## INTERNSHIPS

### MRSEC Research Experience for Undergraduates, Samarth Group, The Pennsylvania State University, University Park, PA

Growth and characterization of topological insulator  $\text{Bi}_2\text{Se}_3$  (JUN-AUG 2010)

### Physics Research Experience for Undergraduates, Jaeger Group, University of Chicago, Chicago, IL

Formation of clusters in a freely-falling granular stream (JUN-AUG 2009)

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## HONORS

Phi Kappa Phi (Inducted 2010)  
Dean's List (Fall 2007, Spring 2008, Fall 2008, Spring 2009, Fall 2009, Spring 2010)  
Sigma Pi Sigma (Inducted 2010)  
Kutztown University Physical Science Faculty Scholarship (2009)  
Kappa Mu Epsilon (Inducted 2009)  
American Physical Society (2008-Present)  
Cocalico High School Class of 2007 Salutatorian (JUNE 2007)

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## SERVICE

### Honors Program

Physics Tutoring(2010)

### Habitat for Humanity

Building Homes, Pittsboro, NC (Summer 2005)

### Mennonite Disaster Service

Hurricane Katrina Relief, Bayou La Batre, AL (Summer 2005)  
Cleaning up after forest fires, Julian, CA (Summer 2004)  
Repairing Flood Damage, Northfork, WV (Summer 2003)

# Alison E. Koser

Page 2

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## PAPERS

A. Richardella, D. M. Zhang, J. S. Lee, A. Koser, D. W. Rench, A. L. Yeats, B. B. Buckley, D. D. Awschalom, N. Samarth. (DEC 2010). *Coherent Heteroepitaxy on Bi<sub>2</sub>Se<sub>3</sub> on GaAs (111)B* (arXiv:1012.1918)

Alison E. Koser and Paul V. Quinn. (NOV 2010). *Determining the Critical Temperature and Number of Frozen Layers in a Two-Dimensional Bed of Vibrating Hard Spheres* (arXiv:1011.5213)

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## CONFERENCE PRESENTATIONS

Alison E. Koser and Heinrich M. Jaeger, *Cluster Formation in a Freely-Falling Granular Stream*, APS Annual March Meeting, Portland, OR, MAR 2010

Alison E. Koser and Dr. Paul V. Quinn, *The Transition of Two Dimensional Hard Spheres From the Liquid to Solid State Using a Global Equation of State*, APS Annual March Meeting, Pittsburgh, PA, MAR 2009

Alison E. Koser and Dr. Paul V. Quinn, *The Transition of Two Dimensional Hard Spheres From the Liquid to Solid State Using a Global Equation of State*, Quadrennial Congress of Sigma Pi Sigma, Batavia, IL, NOV 2008

Alison E. Koser and Dr. Paul V. Quinn, *The Transition from Liquid to Solid Under Gravity Using a Global Equation of State*, APS Annual March Meeting, New Orleans, LA, MAR 2008

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## EXTRA-CURRICULAR ACTIVITIES

Guest Student Speaker for Kutztown University's Council of Trustees (MAR 2010)

Intramural Soccer (APR 2010)

Student Speaker at Math and Science's Open House (APR 2009)

Society of Physics Students (2007- Present), Treasurer (2008-2009)

Undergraduate Research & Creativity Conference (2008)

Kutztown University Honors Program (2007-Present)

Undergraduate Research (2007-Present)

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## EMPLOYMENT EXPERIENCE

**Kutztown University of Pennsylvania, Kutztown, PA**

Physics Tutor (SEPT 2008-2009)

**New Jersey Governor's School of the Sciences, Drew University, Madison, NJ**

Research Leader, Teacher's Assistant, Counselor (JUL-AUG 2008)

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Clarion University of Pennsylvania Presentation - Regional Workforce Educational Efforts in Northwestern Pennsylvania (INFORMATION) (Presentation will be on Thursday, April 7)

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**UNIVERSITIES AFFECTED:** Clarion, Edinboro, Lock Haven (Clearfield Campus), Indiana (Punxsutawney Campus)

**BACKGROUND:** Clarion University is located in a region of Pennsylvania that is not served by a community college and yet has a significant need for post-secondary learning at the two-year and certificate levels that addresses high-priority workforce educational needs. Clarion's Venango Campus, located in Oil City, has developed a partnership approach to regional workforce education that was the focus of a presentation to the Board of Governors in 2009. Programs in industrial technology, administration technology, and allied health include technical instruction that is provided by accredited, licensed, certified, and/or otherwise approved technical education partners, and general education, business and other support courses provided by Clarion University. Students earn a Clarion University Associate of Science or Associate of Applied Science degree with a technical concentration provided through partnership institutions. In this way, students have a wide variety of choices with respect to technical concentrations within a university degree, all provided by technical education partners that employ their skilled instructors and equipment for the benefit of students.

A "career ladders" approach therefore includes technical partners, university instruction, and, further, the development of specialized bachelor online degree completion programs that allow students to continue their education while working and raising families. The opportunity for continued education to the bachelor level empowers students to aspire to leadership and management positions, combining the technical expertise obtained in the associate degree with management, communication and problem-solving skills developed through upper-division coursework. Examples include Clarion's BSN online degree completion program and proposed online completion programs in Allied Health Leadership and Technology Leadership.

Clarion has recently partnered with three sister universities – Edinboro, Lock Haven, and IUP – all of which are located in regions contiguous to Clarion that also lack community colleges. Each sister university has one or more branch campuses and/or sites, with approaches to workforce education that are similar to Clarion's. Each university provides students with associate degrees within a university environment and program. Our four universities are working together to develop a \$20 million consortium grant to the United States Department of Labor through the Trade Adjustment Assistance Community College and Career Training grant program (TAACCCT).



Our PASSHE consortium has developed a three-pronged approach to working together to serve displaced workers and other students in our collective 15-county region in northwestern and north central Pennsylvania. The consortium is proposing a Career Pathways Program that includes common consortium training programs offered among the four universities; training programs unique to each university; and support services that will be available to all consortium students online and in person using a “high tech, high touch” model. A consortium “support services cloud” will provide comprehensive, intrusive support services and programs designed to increase the recruitment, retention, graduation, and employment of displaced workers and other traditional and non-traditional students. The purpose of the Northwest PASSHE Consortium is to work collaboratively to share resources, expertise, courses and programming, through leveraging collective university assets and expertise in order to expand student learning opportunities, advancing workforce education, employment and economic development in the northwest region.

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**Supporting Documents Included:** N/A

**Other Supporting Documents Available:** N/A

**Reviewed by:** Karen M. Whitney, President, Clarion University

**Prepared by:** Christopher Reber, Executive Dean, Clarion University

**Telephone:** (814) 393-2220

## Academic and Student Affairs Committee Meeting

April 6, 2011

**SUBJECT:** Kutztown University of Pennsylvania Presentation – Undergraduate Research (INFORMATION) (Presentation will be on Thursday, April 7)

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**UNIVERSITIES AFFECTED:** Kutztown University of Pennsylvania

**BACKGROUND:** Dr. Kurt Frieauf, Chair of Kutztown University's Undergraduate Research Committee and Geology Professor, will provide an overview of current undergraduate research at Kutztown and three student-faculty teams will describe specific projects:

- Christiana Weidner, a double major in Social Work and Speech Communication, and Dr. Mary Bock, Assistant Professor, Speech and Theatre Department, will present on the visual rhetoric of Disney's animated movie *The Little Mermaid*.
- Steve Coffey, a French Secondary Education major and member of Kutztown University men's basketball team, and Dr. Thomas Stewart, Professor and Acting Chair, Political Science Department, will describe research on cooperation fostered by international athletics, focusing particularly on basketball.
- Helen Malenda, a Geology major, and Dr. Edward Simpson, Professor and Chair, Physical Sciences Department, will present research on insect trace fossils in Cretaceous age (~78 million years old) wood from Utah, Triassic-age (~210 million years old) fish accumulations, Salton Sea accumulations, and modern biological soil crusts.

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**Supporting Documents Included:** N/A

**Other Supporting Documents Available:** N/A

**Reviewed by:** Dr. Carlos Vargas-Aburto, Provost and Vice President for Academic Affairs, at Kutztown University of Pennsylvania

**Prepared by:** F. Javier Cevallos

**Telephone:** (610) 683-4102



# Audit Committee Meeting

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

Wednesday, April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Office of Internal Audit and Risk Assessment Project Update (INFORMATION) .....	28



Committee Members: Guido M. Pichini, (Chair), Paul S. Dlugolecki, C.R. "Chuck" Pennoni, Christine J. Toretti, and Kenneth M. Jarin (*ex officio*).

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

## Audit Committee Meeting

April 6, 2011

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

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** A report of third quarter FY 2010/11 will be provided at the Board Meeting.

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**Supporting Documents Included:** N/A

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** Dean A. Weber

**Telephone:** (717) 720-4243



# External Relations Committee Meeting

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

Wednesday, April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Legislative Update (INFORMATION) .....	30



Committee Members: Thomas M. "Doc" Sweitzer (*Chair*), Leonard B. Altieri, Marie Conley Lammando, Senator Vincent J. Hughes, Jonathan B. Mack, Joseph F. McGinn, and Kenneth M. Jarin (*ex officio*).

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

## External Relations Committee Meeting

April 6, 2011

**SUBJECT:** Legislative Update (INFORMATION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** A report on recent legislative activity will be provided at the Board meeting.

---

**Supporting Documents Included:** N/A

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** Karen S. Ball

Telephone: (717) 720-4053



# Finance, Administration, and Facilities Committee Meeting

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

Wednesday, April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Nonresident Tuition Plans (ACTION) .....	32
2. Proposed Board of Governors' Policy 2011-01: <i>University Financial Health</i> (ACTION) .....	34
3. Convocation Center Project Bond Financing, California University of Pennsylvania (ACTION) .....	37
4. Property Acquisition and Bond Financing, CFRED Building, East Stroudsburg University of Pennsylvania (ACTION) .....	38
5. Property Acquisition and Bond Financing, Normal Street, East Stroudsburg University of Pennsylvania (ACTION) .....	40
6. Series AM Bond Issue (ACTION) .....	42
7. Authorization to Issue Refunding Bonds (ACTION) .....	54



Committee Members: C.R. "Chuck" Pennoni (Chair), Jennifer G. Branstetter (designee for Governor Thomas W. Corbett), Representative Michael K. Hanna, Senator Vincent J. Hughes, Guido M. Pichini, Harold C. Shields, and Kenneth M. Jarin (ex officio)

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

**Finance, Administration, and Facilities Committee Meeting**

April 6, 2011

**SUBJECT:** Nonresident Tuition Plans (ACTION)

---

**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** Board of Governors' Policy 1999-02-A, *Tuition*, allows Universities with the institutional capacity to develop nonresident tuition plans to create targeted marketing groups of out-of-state undergraduate students who may be charged an alternative nonresident tuition rate. Targeted student groups are based upon geography, academic program, or scholastic achievement.

To assist the Universities in their marketing efforts and to provide potential students with more accurate information concerning their cost of attending college, it is proposed that the Board of Governors approve nonresident tuition plans for 2011/12, recognizing that the actual rates to be charged will be determined when the Board sets tuition at its June 2011 meeting. The proposed plans are reflected in the attached schedule.

The following changes in practice are reflected in this proposed schedule:

- Mansfield University proposes expanding its "good neighbor" rate to students from New Jersey.
- Edinboro and Slippery Rock Universities propose to charge international students in the same fashion as domestic nonresident students.

**MOTION:** That the Board of Governors approve the attached undergraduate nonresident tuition plans for 2011/12.

---

**Supporting Documents Included:** Proposed 2011/12 Undergraduate Nonresident Tuition Plans

**Other Supporting Documents Available:** Board of Governors' Policy 1999-02-A, *Tuition*

**Reviewed by:** Office of the Chancellor

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100



**Pennsylvania State System of Higher Education**  
**Proposed 2011/12 Undergraduate Nonresident Tuition Plans**  
*For Consideration by the Board of Governors, April 6, 2011*

Bloomsburg University	Charge all nonresidents 250% of the resident rate.
California University	Charge 160% of the resident rate to domestic nonresidents from all states. International students are charged 250% of the resident rate.
Cheyney University	Charge 200% of the resident rate to all Delaware, Maryland, New Jersey, and New York residents. All other nonresidents are charged 250% of the resident rate.
Clarion University	Charge 150% of the resident rate to all incoming domestic nonresidents with SAT of 1,100 or higher and at least a 3.0 GPA or the top 30% of their graduating class. Students must maintain a 2.75 GPA to retain this rate. Transfer students qualify with the same criteria and at least a 2.75 GPA from the transferring university. Charge 200% of the resident rate to all other domestic nonresidents. International students are charged 250% of the resident rate.
East Stroudsburg University	Charge 150% of the resident rate to high-achieving domestic nonresident science and technology majors (biology, chemistry, computer science, mathematics, and physics). All other nonresidents are charged 250% of the resident rate.
Edinboro University	Charge 150% of the resident rate to all nonresidents.
Indiana University	Charge, for main campus, 150% of the resident rate to Indiana, Michigan, New Jersey, Ohio, Virginia, and West Virginia residents; and any out-of-state student with a high school cumulative GPA of at least 3.0 out of 4.0 or any transfer student with a GPA of at least 3.0 out of 4.0. For branch campus students, charge 150% of the resident rate to nonresidents from all states. All other nonresidents are charged 250% of the resident rate.
Kutztown University	Charge all nonresidents 250% of the resident rate.
Lock Haven University	Charge \$2,000 less than the maximum rate to all domestic nonresidents. International students are charged 250% of the resident rate.
Mansfield University	Charge 165% of resident rate to all New York and New Jersey residents. All other nonresidents are charged 250% of the resident rate.
Millersville University	Charge all nonresidents 250% of the resident rate.
Shippensburg University	Charge 150% of the resident rate to transfer students from five neighboring Maryland community colleges with dual admission agreements. Charge 225% of the resident rate to all Maryland residents not covered by the tuition differential for transfer students, listed above. All other nonresidents are charged 250% of the resident rate.
Slippery Rock University	Charge 150% of the resident rate to nonresidents with GPA of at least 3.0 out of 4.0. Charge 200% of the resident rate to all other nonresidents.
West Chester University	Charge all nonresidents 250% of the resident rate.
Marine Science Consortium	Charge 150% of the resident rate to all Delaware, Maryland, and Virginia residents. All other nonresidents are charged 250% of the resident rate.

## Finance, Administration, and Facilities Committee Meeting

April 6, 2011

**SUBJECT:** Proposed Board of Governors' Policy 2011-01, *University Financial Health (ACTION)*

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The System Universities were authorized to maintain financial stability under Act 188. Each University's performance in maintaining financial viability can be measured through a series of prudent management tools. Ensuring University financial health provides the stakeholders with a measure of confidence that public institutions are not only well managed, but afford their children an opportunity for a bright future through education at a public institution within Pennsylvania.

Two significant measures of financial health are maintaining (1) an adequate level of unrestricted net assets and (2) a positive operating margin. Attached is a proposed Board of Governors' Policy 2011-01, *University Financial Health*, which establishes expectations for University financial performance in these areas and addresses the following objectives to ensure prudent financial management for the System.

- Establish expectations for Presidents to maintain adequate University unrestricted net assets to address University multiyear planning, emergencies, and/or contingencies.
- Establish expectations for Presidents to maintain appropriate, positive operating margins annually.

**MOTION:** That the Board of Governors approve the proposed Board of Governors' Policy 2011-01, *University Financial Health*, as attached.

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**Supporting Documents Included:** Proposed Board of Governors' Policy 2011-01, *University Financial Health*

**Other Supporting Documents Available:** N/A

**Reviewed by:** Office of the Chancellor

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100



# PA State System of Higher Education Board of Governors

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**Effective:** July 1, 2011

Page 1 of 2

## ***POLICY 2011-01: UNIVERSITY FINANCIAL HEALTH***

**See Also:**

**Adopted:** April 7, 2011

---

### **A. Purpose**

To establish expectations for long-term financial health of System entities through the measure of unrestricted net assets and operating margins.

### **B. Definitions**

**Educational and General**-All activities and resources that support the educational mission of the System or University, including unrestricted instruction, research, public service, academic support, institutional support, scholarship and fellowship, and operations and maintenance of plant activities. Auxiliary and restricted activities are excluded.

**Encumbrance**-A firm commitment or obligation in the form of purchase orders or other contractual agreements.

**Net Assets**-The difference between an institution's assets and liabilities, as defined by the Governmental Accounting Standards Board (GASB). Net assets are displayed on the financial statements in three components: invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

**Unrestricted Net Assets**-This category of net assets includes funds that the Board or University trustees have designated for specific purposes, auxiliary funds, and all other funds not appropriately classified as restricted or invested in capital assets. It represents all funds over which the University can exercise discretion and may be used to meet the general financial requirements of the institutions. For the purposes of this policy, the following unencumbered unrestricted net asset designations will be included: Educational and General Activities, Life Cycle Maintenance, Retirement of Debt, and Plant. The following unrestricted

net asset designations will be excluded: Educational and General Encumbrances, Plant Encumbrances, contractually required Health Care Reserves, Auxiliary net assets, and the unfunded net asset balances attributed to postretirement and compensated absence liabilities.

**Operating Margin**-Reflects the ability to balance operations in any given year by indicating the excess margin (or deficit) by which annual revenues cover operating expenses. The operating margin is calculated in accordance with national best practices.

### **C. Administration**

1. The Presidents and the Chancellor are required to maintain adequate unrestricted net assets at each PASSHE entity to:
  - a. Protect the System and individual PASSHE entities in cases of sudden revenue reductions;
  - b. Provide resources to address unanticipated expenses, including emergencies; and,
  - c. Prepare for multiyear planning needs.
2. University unrestricted net asset balances will be maintained annually within the range of 5% to 10% of the University's current year Educational and General revenue.
3. The University operating margin will be maintained annually within the range of 2% to 4%.
4. Exceptions to the target ranges will be approved by the Chancellor.

## Finance, Administration, and Facilities Committee Meeting

April 6, 2011

**SUBJECT:** Convocation Center Project Bond Financing, California University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** California University of Pennsylvania

**BACKGROUND:** California University requests approval to bond finance \$15 million to supplement funding for its convocation center project.

The University is constructing a 133,500-square-foot, 5,000-seat convocation center at a cost of \$59 million. The Commonwealth provided \$19.1 million in capital funding for the project. In January 2009, the Board of Governors approved financing \$23 million of this project, and the University committed to provide funding from cash on hand and donations totaling \$12.3 million. Unfortunately, only \$2 million of the donations are still viable, and the cash on hand has been used to support other University operational requirements. In addition, project costs have increased by \$5.5 million.

In view of the national recession and its impact on philanthropic activities nationwide, the University is seeking support to facilitate this important University and economic development project. To bridge the gap in fundraising and meet the cash flow required for project construction, the University desires to bond finance an additional \$15 million for a period of 25 years. The financial obligations of the facility are expected to be funded with convocation center operating revenues, University operating funds, and continued fundraising.

Construction on this project started in July 2009 and is expected to be completed in October 2011.

**MOTION:** That the Board of Governors approve California University's request to bond finance \$15 million to complete construction of the convocation center.

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**Supporting Documents Included:** N/A

**Other Supporting Documents Available:** Project Planning Documentation

**Reviewed by:** California University's Council of Trustees, March 24, 2011

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100

## Finance, Administration, and Facilities Committee Meeting

April 6, 2011

**SUBJECT:** Property Acquisition and Bond Financing, CFRED Building, East Stroudsburg University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** East Stroudsburg University of Pennsylvania

**BACKGROUND:** East Stroudsburg University requests approval to purchase and make improvements to the building at 314 Independence Road, East Stroudsburg, Pennsylvania, known as the Center for Research and Economic Development Building (CFRED Building) using System bond financing. The building is located on land owned by the University and leased to the Center for Research and Economic Development, a 501(c)(3) affiliate of the University.

Construction of the CFRED Building was completed in April 2010, financed with loans from a consortium of regional banks, and state and federal grant funding. The objective of the project was to provide research, business incubator, and business development space that would help the local community, the region, and the University. With the current economic climate, the affiliate has not been able to secure tenants necessary to meet the cash flow requirements of the financing.

The building was constructed on 4.4 acres of University land and consists of approximately 51,000 square feet of space. Approximately \$7 million remains on the bank loans, and about \$1 million is needed to complete the interior build-out of the second and third floors. Currently, the first floor is primarily occupied by the University Vice President for Research and Economic Development, the East Stroudsburg University Business Accelerator, and multipurpose classrooms and meeting spaces. The building will be used to provide space for University functions appropriate to its location on the eastern edge of the campus, freeing space in the core of campus for functions requiring proximity to key academic and administrative activities. The University would like to finance the purchase and construction using System bond financing for a term of 15 years.

**MOTION:** That the Board of Governors approve East Stroudsburg University's request to purchase and improve the building at 314 Independence Road, East Stroudsburg, Pennsylvania, using System bond financing of approximately \$8 million.

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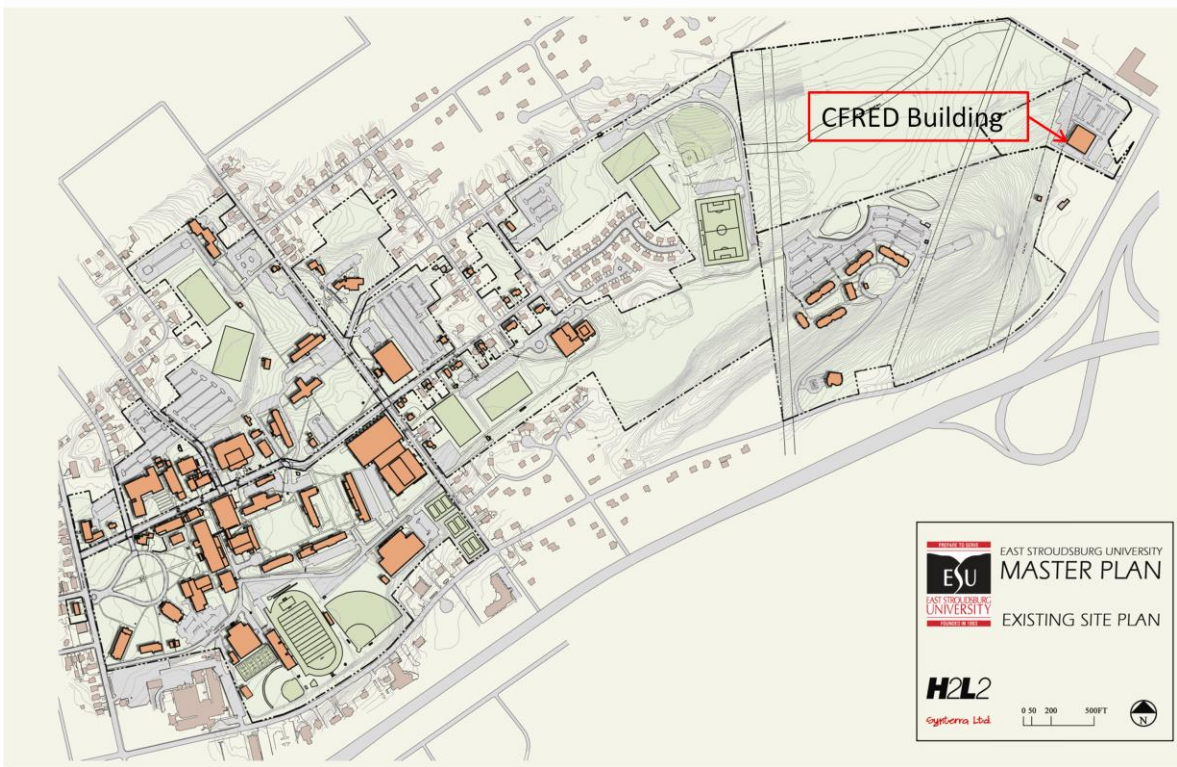
**Supporting Documents Included:** Map and photo of property

**Other Supporting Documents Available:** Project Planning Documentation

**Reviewed by:** East Stroudsburg University's Council of Trustees, February 3, 2011

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100



**East Stroudsburg University of Pennsylvania**



**314 Independence Road, East Stroudsburg, Pennsylvania**

**Finance, Administration, and Facilities Committee Meeting**

April 6, 2011

**SUBJECT:** Property Acquisition and Bond Financing, Normal Street, East Stroudsburg University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** East Stroudsburg University of Pennsylvania

**BACKGROUND:** East Stroudsburg University requests approval to purchase the building at 436 Normal Street, East Stroudsburg, Pennsylvania, using System bond financing. This property is contiguous with University property and zoned Institutional University.

Valued at approximately \$122,000, the property includes about 0.17 acres at the corner of Normal and Gwendolyn Streets. It includes an 848-square-foot, one-story ranch house and detached two-car garage constructed in 1953.

The University's primary purpose for purchasing the property is land control within the campus vicinity. In the near term, they intend to use the building for temporary office space. Eventually, it will be demolished to allow for future athletic facilities, student housing, or parking. The University would like to finance the purchase using System bond financing for a term of 15 years.

**MOTION:** That the Board of Governors approve East Stroudsburg University's request to purchase property at 436 Normal Street, East Stroudsburg, Pennsylvania, using System bond financing.

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**Supporting Documents Included:** Map and photo of property

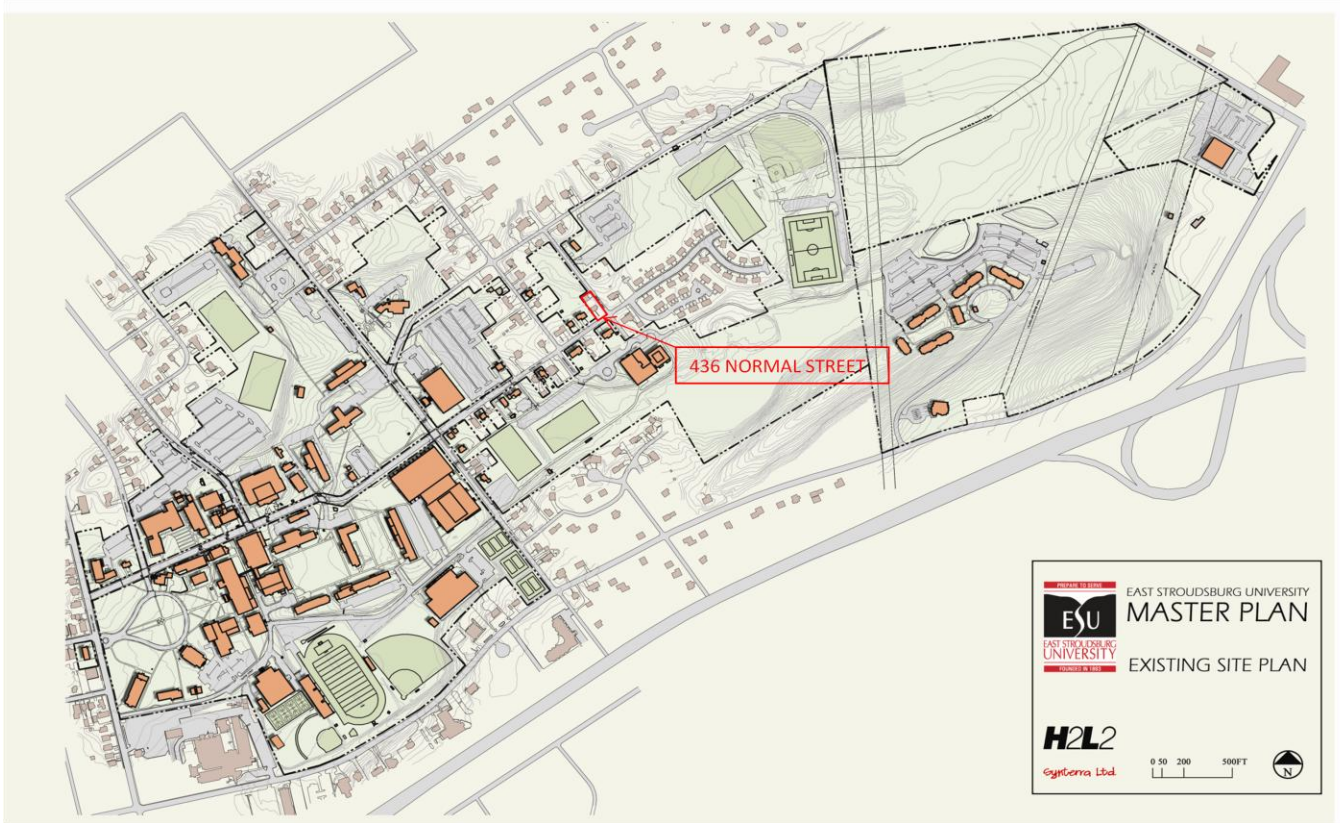
**Other Supporting Documents Available:** Project Planning Documentation

**Reviewed by:** East Stroudsburg University's Council of Trustees, February 3, 2011

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100





**East Stroudsburg University of Pennsylvania**



**436 Normal Street  
East Stroudsburg, Pennsylvania**

**Finance, Administration, and Facilities Committee Meeting**  
April 6, 2011

**SUBJECT:** Series AM Bond Issue (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The proposed Series AM bond issue will provide fixed-rate tax-exempt financing for (1) auxiliary facilities renovation and construction at Bloomsburg, Indiana, Lock Haven, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; (2) academic facilities renovation and construction at California, East Stroudsburg, and Millersville Universities of Pennsylvania; (3) student information systems purchase and implementation at East Stroudsburg University of Pennsylvania; and (4) contingency and issuance costs. The maximum amount of Series AM bonds to be issued is not expected to exceed project cash borrowing of \$130 million.

In keeping with PASSHE's practice of minimizing expense and risk, the bond issue will be competitively bid. Since PASSHE does not possess statutory bond authority, the bonds will be issued through the Pennsylvania Higher Educational Facilities Authority. The bonds will be a general obligation of the System. The attached Tax-Exempt Financing Plan outlines PASSHE's tax-exempt financing history and plan for fiscal year 2011/12.

**MOTION:** That the Board of Governors adopt the attached resolution authorizing issuance of the Series AM bond issue.

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**Supporting Documents Included:** Resolution; 2011 Series AM Bond Issue Tax-Exempt Financing Plan

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** James S. Dillon

**Telephone:** (717) 720-4100

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

WHEREAS, the State System of Higher Education of the Commonwealth of Pennsylvania (the "System") desires that the Pennsylvania Higher Educational Facilities Authority (the "Authority") issue up to \$130 million in project cash of its State System Revenue Bonds Series AM for System projects (the "Projects") consisting of (1) auxiliary facilities renovation and construction at Bloomsburg, Indiana, Lock Haven, Millersville, Shippensburg, Slippery Rock, and West Chester Universities of Pennsylvania; (2) academic facilities renovation and construction at California, East Stroudsburg, and Millersville Universities of Pennsylvania; (3) student information systems purchase and implementation at East Stroudsburg University of Pennsylvania; and (4) contingency and issuance costs for the Series AM Bonds (the "Bonds"); 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 (4) of the definition of the Projects contained above prior to issuance of the Bonds, and the System desires to preserve the ability to reimburse itself with proceeds of the Bonds for any amounts expended for the Projects; and

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

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of the System (the "Board") hereby approve the issuance of the Bonds by the Authority, in an amount in project cash not to exceed \$130 million for the Series AM Bonds, the proceeds of which will be used to undertake the Projects and pay the costs of issuance of the Bonds; and be it

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

RESOLVED, that the Board hereby authorize the pledging of the System's full faith and credit to repayment of the Bonds, as provided in the Loan Agreement, and 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

**2011 Series AM Bond Issue  
Tax-Exempt Financing Plan**

**April 2011**

# Current Debt Structure

## Pennsylvania 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% to 8.20%. Series A bonds were refunded by Series C in June 1987. The refunding took advantage of lower interest rates, saving approximately \$2.2 million, and aligned the principal and interest payments with the cogeneration plant's revenue stream.

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% to 7.10%. 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 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% to 7.60%.

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% to 7.15%. Series D bonds were refunded by Series I in May 1993.

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% to 7.10%. Series E bonds were refunded by Series K in March 1994.

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 range from 2.70% to 6.15%. Series F long-term maturities were refunded by Series P in February 1998.

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 range from 2.70% to 6.15%. Series G bonds were refunded by Series X in May 2003.

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 range from 2.70% to 5.80%. Series H bonds were refunded by Series W in October 2002.

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 range from 2.70% to 5.80%. Series I bonds were refunded by Series X in May 2003.

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 range from 3.35% to 5.75%. Series J bonds were refunded by Series W in October 2002.

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% to 5.70%. The Series K bonds were refunded by Series Z in March 2004.

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 range from 3.75% to 6.30%. Series L long-term maturities were refunded by Series P in February 1998.

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 range from 4.50% to 5.98%. Series M bonds were refunded by Series W in October 2002.

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 range from 3.65% to 5.85%. Series N bonds were refunded by Series Z in March 2004.

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 range from 3.77% to 5.35%.

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 range from 3.50% to 4.40%.

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 range from 3.82% to 5.05%.

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 range from 3.40% to 5.24%.

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 range from 4.54% to 5.81%.

The Series T bonds were issued July 12, 2001, for a par value of \$69.6 million to finance the design and construction of a recreation center 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 range from 2.50% to 5.09%.

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 range from 1.61% to 4.92%.

The Series V bonds were issued August 8, 2002, for a par value of \$25.2 million to finance the acquisition and installation of residence hall sprinklers at all the Universities and the continued implementation of the shared administrative 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 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.

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 range from 0.99% to 4.33%.

The Series Y bonds were issued June 19, 2003, for a par value of \$25.4 million to finance the acquisition and installation of residence hall sprinklers at all the Universities and the continued implementation of the shared administrative computer system. This was the System's second variable rate issue, with terms of 20 years for the sprinklers and 7 years for the shared administrative computer system. Weekly resets of interest rates and monthly payments of interest 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 range from 1.00% to 4.43%.

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 range from 1.66% to 5.00%.

The Series AB bonds were issued July 8, 2004, for a par value of \$21.0 million to finance the acquisition and installation of residence hall sprinklers at all the Universities and the continued implementation of the shared administrative computer system. This was the System's third variable rate issue, with terms of 20 years for the sprinklers and 7 years for the shared administrative computer system. Weekly resets of interest rates and monthly payments of interest 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 upgrade at Clarion University of Pennsylvania; continued installation of fire alarm systems at Indiana University of Pennsylvania; and property acquisitions at East Stroudsburg University of Pennsylvania. Serial interest rates range from 2.66% to 4.50%.

The Series AD bonds were issued July 7, 2005, for a par value of \$7.3 million to finance the acquisition and installation of residence hall sprinklers at all the Universities. This was the System's fourth variable rate issue, with a term of 20 years for the sprinklers. Weekly resets of interest rates and monthly payments of interest 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; energy savings improvements at Edinboro and West Chester Universities of Pennsylvania. Serial interest rates range from 3.70% to 4.82%.

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 ("AFRP") and other academic facilities at East Stroudsburg, Indiana, and Kutztown Universities of Pennsylvania; energy savings improvements at East Stroudsburg and West Chester Universities of Pennsylvania. Serial interest rates range from 3.80% to 4.60%.

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% to 4.70%.

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; energy savings improvements at Bloomsburg, Cheyney, Lock Haven, Mansfield, Millersville, and Slippery Rock Universities of Pennsylvania. Serial interest rates range from 1.75% to 4.77%.

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% to 4.66%.

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; energy savings improvements at Bloomsburg, Cheyney, Lock Haven, Mansfield, Millersville, and Slippery Rock Universities of Pennsylvania. Serial interest rates range from 0.49% to 5.17%.

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% to 4.00%.

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% to 4.50%.

Of the original \$2 billion principal amount issued, through principal repayment and refunding of bond issues, \$927 million is outstanding as of April 1, 2011.

**Pennsylvania State System of Higher Education  
Proposed 2011 Series AM Summary  
Tax-Exempt Bond Issue**

**Auxiliary**

Bloomsburg Elwell Renovation	\$16,000,000
Indiana Student Housing—Punxsutawney	8,232,787
Lock Haven Infrastructure Improvements	3,500,000
Millersville Student Memorial Center	10,000,000
Shippensburg CUB Student Union Renovation/Addition	11,611,126
Slippery Rock Student Union	11,991,000
West Chester Recreation Center	19,947,519

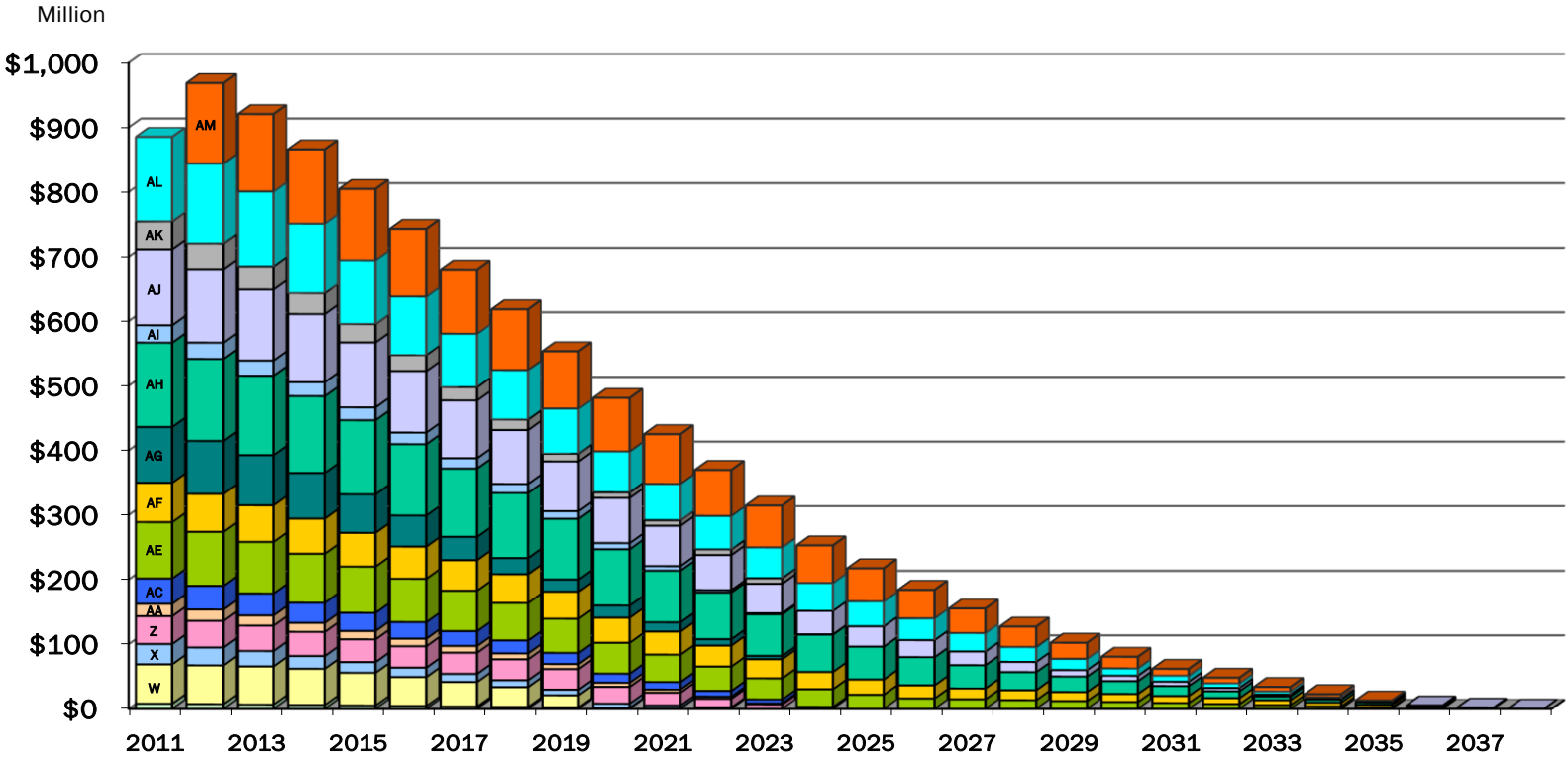
**E & G**

California Technology Infrastructure Upgrades	12,850,000
California Convocation Center	15,000,000
East Stroudsburg CFRED	8,000,000
East Stroudsburg Student Information System Purchase and Installation	1,000,000
East Stroudsburg Property Acquisition	295,000
Millersville ESCO	3,300,000
Millersville Visual and Performing Arts Center	5,700,000
Contingency and Issuance Costs at 1.5%	<u>1,911,411</u>
	<u><u>\$129,338,843</u></u>

# System Debt Outstanding by Bond Issue

## Fiscal Years Ending 2011-2038

Including Proposed Series AM



Series U

Bond Series Indicated by Letter

**Finance, Administration, and Facilities Committee Meeting**

April 6, 2011

**SUBJECT:** Authorization to Issue Refunding Bonds (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** In the current interest rate environment, opportunities arise to refund all or part of certain PASSHE bond issues. The window of opportunity often opens and closes in a matter of days, and missing the window could cost PASSHE millions of dollars in lost debt service savings. The Treasury staff monitors these market conditions and alerts the Board of Governors when the environment may provide debt service savings. The Internal Revenue Service requires the governing board to pass a resolution authorizing issuance of bonds. It is prudent management for the Board to authorize the Chancellor to direct issuance of bonds only when market conditions provide significant savings. It is common for this type of resolution to contain minimum savings limits and an expiration date so control of the bond issuance process is maintained. This Board action will authorize the Office of the Chancellor to issue refunding bonds during fiscal year 2011/12 based upon market conditions to maximize present value savings, provided that the net present value savings equal or exceed 4%, and will establish an expiration date of June 30, 2012.

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

**MOTION:** That the Board of Governors adopt the attached resolution to authorize future issuance of refunding bonds when market conditions permit and after the Vice Chancellor for Administration and Finance consults with the Chair of the Finance, Administration, and Facilities Committee.

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**Supporting Documents Included:** Resolution**Other Supporting Documents Available:** N/A**Reviewed by:** N/A**Prepared by:** James S. Dillon**Telephone:** (717) 720-4100

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

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

WHEREAS, the Board of Governors of the System (the "Board") has determined that it is desirable to authorize the Chancellor to proceed with the issuance of the Refunding Bonds when market conditions permit, as long as the present value savings on the Refunding Bonds equal or exceed 4%, and this authorization expires June 30, 2012; 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%; this authorization will expire June 30, 2012; 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 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





# Human Resources Committee Meeting

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

Wednesday, April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Revisions to Board of Governors' Policy 1983-13-A: <i>Process for Recommending Presidential Appointment (ACTION)</i> .....	58



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

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

## Human Resources Committee Meeting

April 6, 2011

**SUBJECT:** Revisions to Board of Governors' Policy 1983-13-A: *Process for Recommending Presidential Appointment* (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** In the past, there has been some confusion regarding the involvement of the outgoing university president in the activities of the presidential search process. The intent in the policy, 1983-13-A *Process for Recommending Presidential Appointment*, is to ensure that the president has no formal role in the search process (defining expectations, reviewing or interviewing candidates, or expressing opinions on the candidates) that might influence the decision-making of the search committee or university trustees. There was no intention that the candidates would not meet the outgoing president informally. In fact, candidates find it awkward not meeting the outgoing president at some point during their campus visit. The revision to the policy will permit informal interaction between the outgoing president and candidates.

**MOTION:** That the Board of Governors' approve the revisions to Policy 1983-13-A: *Guidelines for Recommending Presidential Appointment*.

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**Supporting Documents Included:** Board of Governors' Policy 1983-13-A: *Process for Recommending Presidential Appointment*

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** Peter H. Garland

**Telephone:** (717) 720-4010



## Board of Governor' Policy 1983-13-A: Process for Recommending Presidential Appointment

**Adopted:** June 20, 1983

**Effective:** June 20, 1983

**Amended:** July 19, 1983;

May 15, 1984; April 18, 1991; October 15, 1992;

October 9, 1997; January 8, 1998; April 8, 2004; January 15, 2009; April 7, 2011

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### A. Purpose

To prescribe the method by which the list of presidential candidates is derived, and by which the appointment is made by the Board, pursuant to Act 188 of 1982, § 2005-A (4) and 2006-A(2).

### B. Search Procedure

#### 1. Staff Liaison

Upon notice of a vacancy in a university presidency, the chancellor shall appoint a staff liaison to the council of trustees, who, as a non-voting member of the Presidential Search Committee, will assist the council and chancellor in conducting the search in accord with pertinent laws, policies, and principles. Consideration should be given not only to Act 188, but Board expectations of the president, diversity, compensation practices, and sound search practices.

#### 2. Presidential Search Committee

a. Upon notice from the chancellor, the chairperson of the university council of trustees shall form a committee, with the advice and consent of the council, to be known as the Presidential Search Committee.

#### b. Membership

(1) Three trustees, elected by the council;

(2) One executive from the university, selected by the council after consultation with those executives; the executive selected shall not report directly to the president;

- (3) Two faculty members, one (and an alternate) selected by faculty election and one (and an alternate) selected by the faculty collective bargaining unit;
- (4) Two non-instructional persons, one of whom will be selected by the leadership of the non-instructional bargaining units and an alternate;
- (5) One student (not a trustee) selected by the student government and an alternate;
- (6) One alumna/us (not a trustee) selected by the trustee chairperson and an alternate;
- (7) OPTIONAL: Up to three others within the university, selected by the council to assure appropriate involvement by constituency, gender, race, generation, etc.; and
- (8) One current or former president/chancellor from a comparable university, from a list designated by the chancellor (non-voting).

c. The chairperson of the trustees shall appoint the chair of the Presidential Search Committee, who shall be one of the three university trustees serving on the committee. It is recommended that the chairperson of the trustees not serve as the chair of the Presidential Search Committee.

d. Committee Authorization

The council chairperson shall submit to the chancellor sufficient information about the proposed committee to assure compliance with § 2.a & b. above and with diversity principles. The council chairperson shall oversee any necessary committee modifications. The chancellor shall then authorize the committee to proceed.

### 3. Consulting Expertise

The chairperson of the Presidential Search Committee shall select a consulting firm, from a presidential search consulting firm list maintained by the chancellor, to (a) undertake a university leadership needs assessment and (b) assist the committee and the chancellor in conduct of the search process.

### 4. Committee Responsibilities

a. Search and Screen

The committee shall invite applications, conduct preliminary screening, invite certain applicants for off-site interviews, invite

leading applicants to visit the campus, and report its findings and recommendations to the trustees.

b. Confidentiality

Confidentiality in presidential searches is essential. Each member of the search committee must agree to maintain confidentiality. All applications and deliberations about individual applications shall remain wholly confidential, and the chair may at his or her sole discretion expel from the committee any member who violates professional standards or codes of confidentiality.

Results of criminal and credit background checks and degree verification information collected by the search consultant will be provided confidentially to the chair of the search committee and the staff liaison for candidates invited to interview at the university. To further ensure confidentiality, visits will not be made to the candidates' current college, university or place of employment as part of the routine background information.

c. Attendance at Meetings

Regular attendance at and participation in committee meetings by all committee members is essential to the work of presidential search; therefore, any committee member who is absent from three meetings of the committee may be excused from the committee by the chair. A member excused by the chair will not be replaced, except in those cases where alternates were identified at the time of the selection of the presidential search committee.

d. Communications

The committee chair will issue intermittent reports to the university trustees and community about its progress, notifying them about such things as committee membership, meeting dates, deadlines, number of applicants, interview dates, etc.

e. Records

The committee shall keep and approve minutes of its meetings, and files regarding all nominees and applicants, and the council shall retain such files for at least seven years after conclusion of the search.

f. Designation of Candidates

The committee shall present to the trustees the names and dossiers of three candidates for the presidency, without ranking, from which the trustees shall forward their recommendations to the chancellor.

5. Presidential Involvement

The retiring or interim president shall ~~have no direct involvement in the activities of the presidential search.~~ not participate as a member of the search committee or in interviews of the candidates.

6. Trustee Recommendations

The trustees shall submit to the chancellor the names and dossiers of at least three candidates, without ranking.

The trustees may confidentially share other information and evaluative material with the chancellor, which may be deemed helpful to the chancellor and Board.

The trustees shall accompany their recommendations to the chancellor with a certified copy of the minutes of the trustee meeting at which the recommendations were approved.

**C. Selection Procedure: Board of Governors**

1. The chancellor shall submit the report of the trustees to the chair of the Board of Governors and shall advise the Board. Should one of the candidates withdraw from the search after the report is made to the Board, the Board in consultation with the chairperson of the council of trustees and the chair of the Search Committee, will have the option to proceed with the search to conclusion.
2. In the absence of a quorum of the Board, The Executive Committee of the Board shall be authorized by the Board to interview the recommended candidates and select the university president.
3. The Board shall invite the chairperson of the university's search committee and the chairperson of the council of trustees to attend and observe the interviews of the recommended candidates and to share other information and evaluative material with the Board.
4. The chancellor shall notify the chairperson of the university's search committee and the final candidates of the Board's selection; a public announcement will be made by the chancellor.



# Information Technology Committee Meeting

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

Wednesday, April 6, 2011

## Agenda

<u>Item</u>	<u>Page</u>
1. Information Technology Update (INFORMATION) .....	64



Committee Members: Paul S. Dlugolecki (*Chair*), C.R. "Chuck" Pennoni, and Kenneth M. Jarin (*ex officio*).

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

## Information Technology Committee Meeting

April 6, 2011

**SUBJECT:** Information Technology Update (INFORMATION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The Student Information System (SIS) Institutional Coordinating Team has provided the attached report for the Board.

In summary, all seven universities that are implementing a Student information System are on time and within budget. Admissions and Financial Aid modules are implemented. Accounts Receivable and Registration modules will be completed by the fall. While some processes have been impacted due to a learning curve with implementing new systems, these impacts had been planned and are being mitigated.

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**Supporting Documents Included:** Report from the SIS Institutional Coordinating Team

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** Arthur C. Stephens

**Telephone:** 717-720-4140



## **Report from the SIS Institutional Coordinating Team Banner and PeopleSoft Project Implementations Overview from September 2010 to March 2011**

In the September/October 2010 timeframe, all implementing institutions went live with their Admissions modules. This was the first major component of the systems to be used by the universities. In most schools, this involved utilizing a new online admissions application form, preparing and training the employees who enter and work with admissions applications and the admissions process, and loading applications, test scores, and other data into the new systems and processing them. As was expected, this new set of business practices and unfamiliarity with the new system resulted in some backlog of admissions processing. In most cases, those are now all cleared up due to the dedication of time and staff members. There are a few outstanding minor technical issues with the PeopleSoft admissions process that are being worked out with the consultants.

Financial Aid was the next major component to get underway in development. All seven of the universities began processing for the 2011 – 2012 aid year in February and that combined with the upcoming registration cycle results in new components being moved into production throughout February and March and continuing into early April.

Accounts Receivable training is underway at all four Banner schools in preparation for the upcoming switch to the new systems. A/R is a key component to both the Financial Aid and Registration operations and it is critical that all the schools are comfortable and knowledgeable in this area. It also is an essential link to the PASSHE finance system and understanding the Banner module is needed as an interface is designed and developed by the PASSHE staff.

The mock registrations and user acceptance testing for all the schools occurred primarily in February; they are designed to fully test all aspects of the system that are used during the spring registration cycle and to verify that all needed processes and products are in place, work correctly, and achieve the needed results for all of the implementing universities. Clearly, that requires all interfaces be in place, procedures defined, the users trained, and that all hardware and software are deployed appropriately. It is a significant step just prior to go live and was the focus of much of the work over the past several months. With the pressure to meet upcoming go live dates, several of the Banner schools have looked to SunGard HE (SGHE) for additional support in both technical and functional areas. SGHE has been able to meet most of these needs and is actively pursuing other requests.

All institutions are preparing for or have completed their third and final rollouts, known as R3 for the PeopleSoft implementations and Registration for the Banner institutions. R3 cutovers to the new systems for PeopleSoft are now completed. The Banner institutions are at varying stages of their Registration module completion. All are expected to be completed by the end of April. Data validation has occurred at all institutions. Major system integrations are complete; testing continues for the minor systems at all institutions.

Some aspects/products are being deferred at some of the schools to a later phase of the implementation or even beyond 31 August 2011. Implementation of these auxiliary products has been moved due to workload and priorities at the individual universities. As is typical with projects of this complexity, there remains a significant amount of post implementation development work to get done to achieve full system functionality.

In terms of budget, consultant billable hours and expenses continue to track closely to original estimate. Reallocation of the budget is occurring to address supplemental institution-specific services in support of the final rollout. These services fall within the contingency category included in the original project estimates.

Collaboration activities continue to add value to the projects by reducing staff time working on interfaces, being more efficient with training time and dollars, and instituting best practices through the experiences of others rather than learning by trial and error. It has been a tremendous strength of these projects to have colleague institutions to work with (which includes the universities who had previously implemented these systems), and to learn from each other as each component is brought into production.



# Board of Governors

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

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

Thursday, April 7, 2011  
9:00 a.m.

## Agenda

Call to Order and Roll Call of the Members

Pledge of Allegiance

Approval of the Minutes of the January 20, 2011, March 2, 2011, and March 15, 2011 Meetings.

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

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

Public Comments

Committee Reports with Related Actions

- A. Academic and Student Affairs** ..... Mr. Aaron A. Walton
1. Approval of a New Bachelor of Arts Degree Program in Arabic Language and Culture at California University of Pennsylvania
  2. Approval of a New Bachelor of Science Degree Program in Industrial and Engineering Administration at Edinboro University of Pennsylvania
  3. Approval of a New Bachelor of Science Degree Program at Shippensburg University of Pennsylvania
  4. Recognition of the Recipient of the Annual Syed R. Ali-Zaidi Award for Academic Excellence (Recognition will be on Thursday, April 7)

**Academic and Student Affairs (continued)**

- 5. Clarion University of Pennsylvania Presentation – Regional Workforce Educational Efforts in Northwestern Pennsylvania (Presentation will be on Thursday, April 7)
- 6. Kutztown University of Pennsylvania Presentation – Undergraduate Research (Presentation will be on Thursday, April 7)

**B. Audit** .....Mr. Guido M. Pichini  
1. Office of Internal Audit and Risk Assessment Project Update

**C. External Relations** .....Mr. Thomas M. “Doc” Sweitzer  
1. Legislative Update

**D. Finance, Administration, and Facilities**.....Mr. C.R. “Chuck” Pennoni  
1. Nonresident Tuition Plans  
2. Proposed Board of Governors' Policy 2011-01: *University Financial Health*  
3. Convocation Center Project Bond Financing, California University of Pennsylvania  
4. Property Acquisition and Bond Financing, CFRED Building, East Stroudsburg University of Pennsylvania  
5. Property Acquisition and Bond Financing, Normal Street, East Stroudsburg University of Pennsylvania  
6. Series AM Bond Issue  
7. Authorization to Issue Refunding Bonds

**E. Human Resources** ..... Ms. Marie Conley Lammando  
1. Revisions to Board of Governors' Policy 1983-13-A: *Process for Recommending Presidential Appointment*

**F. Information Technology**..... Mr. Paul S. Dlugolecki  
1. Information Technology Update

**Board Action** ..... Chairman Kenneth M. Jarin

**Other Business**..... Chairman Kenneth M. Jarin

**Announcements**

**Adjournment**



**Board Members:** Kenneth M. Jarin (*Chair*), Leonard B. Altieri III, Representative Matthew E. Baker, Jennifer G. Branstetter (designee for Governor Thomas W. Corbett), Marie Conley Lammando, Governor Thomas W. Corbett, Paul S. Dlugolecki, Representative Michael K. Hanna, Senator Vincent J. Hughes, Jonathan B. Mack, Joseph F. McGinn, C.R. “Chuck” Pennoni (*Vice Chair*), Senator Jeffrey E. Piccola, Guido M. Pichini, Harold C. Shields, Thomas M. “Doc” Sweitzer, Secretary Ronald J. Tomalis, Christine J. Toretta and Aaron A. Walton (*Vice Chair*)

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