

**Board of Governors
of the
Pennsylvania State System of Higher Education**

Meeting Minutes

161st Meeting
Thursday, January 20, 2011
Boardroom, First Floor
Administration Building
2986 North Second Street
Harrisburg, PA 17110-1201

8:30 a.m.

ATTENDING

Board of Governors:

Mr. Leonard B. Altieri
Representative Matthew E. Baker
Ms. Marie Conley Lammando
Representative Michael K. Hanna
Mr. Kenneth M. Jarin (*Chair*)
Mr. Jonathan B. Mack
Mr. C. R. "Chuck" Pennoni
Senator Jeffrey E. Piccola
Mr. Guido M. Pichini
Secretary Ronald J. Tomalis
Ms. Christine J. Toretta
Mr. Aaron A. Walton (via conference call)

Ms. Jennifer G. Branstetter (designee for Governor Thomas W. Corbett), Mr. Paul S. Dlugolecki, Senator Vincent J. Hughes, Mr. Joseph F. McGinn, Mr. Harold C. Shields, and Mr. Thomas M. Sweitzer, were absent.

Office of the Chancellor:

Dr. John C. Cavanaugh (Chancellor)
Ms. Karen S. Ball
Mr. Gary K. Dent
Mr. James S. Dillon
Dr. Peter H. Garland
Dr. James D. Moran
Mr. Leo Pandeladis
Mr. Arthur C. Stephens

Also in attendance for participation or in support of Committee and Board activities from the Office of the Chancellor: Ginger S. Coleman, Steve R. Dupes, Audrey J. Guistwhite, Kathleen M. Howley, Lois M. Johnson, Barry E. Kopetz, Kenneth D. Marshall, Cathleen A. McCormack, Georgia K. Prell, Ann G. St. Ledger and Dean A. Weber.

University Presidents in attendance: Angelo Armenti, Jr., F. Javier Cevallos, Robert J. Dillman, Barbara B. Dixon, Michelle R. Howard-Vital, Maravene S. Loeschke, Francine G. McNairy, William N. Ruud, Robert M. Smith, David L. Soltz, Greg R. Weisenstein, David J. Werner, and Karen M. Whitney

Dr. Philip E. Ginnetti represented President Jeremy Brown.

Chairman Jarin called the meeting to order at 8:47a.m.

Attendance taken at the direction of the Chairman established that the Board members assembled did not constitute a quorum of the Board present.

The Pledge of Allegiance was recited by those in attendance.

Executive Session convened at 9:10 a.m.

Executive Session adjourned at 10:30 a.m.

The Board Meeting reconvened at 10:40 a.m.

REMARKS OF THE CHAIR

Attendance taken after Executive Session established that a quorum of the Board was present.

Chairman Jarin welcomed everyone to the first meeting of 2011.

Chairman Jarin mentioned this was the second Board meeting to be webcast and welcomed everyone who may be watching. Chairman Jarin said the first Board meeting that was webcast was at Kutztown University of Pennsylvania on October 13, 2010.

Chairman Jarin welcomed the new Secretary of Education, Mr. Ronald J. Tomalis.

Chairman Jarin mentioned Governor Thomas W. Corbett's designee, Ms. Jennifer G. Branstetter, will be serving as Director of Policy and Planning in the new administration.

Chairman Jarin said the Board was looking forward to working closely with Governor Corbett and everyone in the new administration.

Chairman Jarin recognized Mr. John M. Brinjac and Ms. Donna Cooper for their significant contributions during the time they served on the Board of Governors along with former Governor Edward G. Rendell for his commitment to education at all levels.

Chairman Jarin acknowledged that Representative Michael K. Hanna was selected as the Democratic Whip in the House and Senator Vincent J. Hughes was selected as Minority Chair for the Senate Appropriations.

Chairman Jarin stated that in October 2010, the Board approved PASSHE's 2011-12 appropriations request. The request was submitted to the Governor's Budget Office and in early March 2011 PASSHE will find out the new governor's funding recommendation for PASSHE when he presents his first budget to the General Assembly.

Chairman Jarin mentioned that he attended the Advocacy meetings at West Chester University of Pennsylvania to introduce PASSHE's new website along with Chancellor John C. Cavanaugh, Ms. Karen S. Ball, Vice Chancellor for External Relations, Mr. Leonard B. Altieri, Student Board member, and Dr. Greg R. Weisenstein, President of West Chester University.

Chairman Jarin stated that PASSHE universities are the most affordable of all four-year colleges and universities in Pennsylvania and that PASSHE continues to provide a high-quality, affordable education to our students.

Chairman Jarin called on Chancellor John C. Cavanaugh for his report.

REPORT OF THE CHANCELLOR

Chancellor Cavanaugh welcomed Secretary of Education, Ronald J. Tomalis, and looks forward to working with him and Ms. Jennifer G. Branstetter, Governor Thomas W. Corbett's designee.

Chancellor Cavanaugh thanked Mr. John M. Brinjac, Ms. Donna Cooper, and former Governor Edward G. Rendell for their many years of service and leadership on the Board.

Chancellor Cavanaugh said PASSHE looks forward to working with the Corbett administration and looks forward to the opportunity to sit with Governor Corbett's team and talk through important issues to the System and continue our background briefings for them. We provided a significant amount of information during the transition process but we look forward to the on-going communication with the new administration.

Chancellor Cavanaugh stated he has a number of appointments scheduled with members of the General Assembly to talk about PASSHE's needs. Chancellor Cavanaugh said we recognize this is a difficult year facing the Commonwealth but we do have a number of important issues that face the System and want to make certain all the members of the General Assembly, particularly the new ones, are all aware of the efforts that we have gone through over the last decade in terms of cost reduction and making sure that we are excellent stewards of the public scholars. PASSHE looks forward to those ongoing conversations.

Chancellor Cavanaugh indicated the Board would be seeing the new website which had approximately 70,000 viewers in the first couple of weeks. People are actually going to this website and finding more information than what was on PASSHE's old website.

Chancellor Cavanaugh stated that Ms. Karen S. Ball is leading an effort for advocacy among our students and presidents, members of the Council of Trustees, alumni and etc. to make sure all the members of the General Assembly are well versed in our history, our legacy and the strategic directions in which PASSHE is heading. The goal is to build a good solid friendship network and make sure that everybody understands that PASSHE universities are not only the Commonwealth's universities but are the best value for high-quality education.

Chancellor Cavanaugh mentioned that in the past week he participated in a conference call with the deputy secretary for post-secondary education at the federal level. There have been a number of conversations about federal regulations pertaining to the definition of a credit hour as well as issues pertaining federal rules. PASSHE is an active participant in those conversations. Chancellor Cavanaugh is meeting with some members of the Pennsylvania Congressional delegation in Washington in February.

Chancellor Cavanaugh mentioned the Lumina Foundation, one of the largest funders in higher education in the country, has recognized PASSHE as one of the leaders for best practices in performance funding in the country. With that in mind, Lumina is sponsoring a strategy lab which PASSHE will be hosting in late March for legislators and higher education leaders from across the country. PASSHE will have visitors at the Dixon University Center to learn more about our performance funding system; the country's premier performance funding system that was not legislatively mandated. Another indication of national leadership is PASSHE's efforts to keep costs down, to be efficient, and to hold institutions accountable for their performance. Such national publicity PASSHE is getting recognized.

Chancellor Cavanaugh's full report to the Board was sent via e-mail. The report includes highlights of university accomplishments and other noteworthy activities, fundraising, grants and other awards, university and community partnerships, student and faculty recognition, and fall sports highlights. (Attachment #1)

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF THE MINUTES OF THE OCTOBER 13, 2010 AND NOVEMBER 30, 2010 MEETINGS.

Chairman Jarin noted that the minutes of the October 13, 2010 and November 30, 2010 meetings were distributed prior to the meeting. The Chairman moved **THAT THE MINUTES OF THE OCTOBER 13, 2010 and NOVEMBER 30, 2010 MEETINGS BE APPROVED.**

The motion passed unanimously.

COMMITTEE REPORTS WITH RELATED ACTIONS

A. Academic and Student Affairs Committee

Mr. Walton presented the report on behalf of the Academic and Student Affairs Committee. The Committee reviewed one information item: College Completion: Access to Success and Complete College America.

There were no action items to report.

B. External Relations Committee

Chairman Jarin presented the report on behalf of the External Relations Committee. The Committee reviewed one information item: PASSHE's New Website.

There were no action items to report.

C. Finance, Administration, and Facilities Committee

Mr. Pennoni presented the report on behalf of the Finance, Administration, and Facilities Committee. The Committee reviewed one information item: Demolition of Faculty Office Building, Bookstore Storage Building, and Etter Health Center, Shippensburg University of Pennsylvania.

Mr. Pennoni noted that the Committee had three action items to recommend to the Board for approval.

MR. PENNONI moved **THAT THE BOARD OF GOVERNORS APPROVE THE ATTACHED AMENDED POLICIES: TUITION (1999-02-A); STUDENT FEES (1989-05-A); AND SOURCES OF FUNDING FOR UNIVERSITY SCHOLARSHIPS (1996-01-A).** (Attachment #2)

The motion passed with one abstention.

Mr. Pennoni moved **THAT THE BOARD OF GOVERNORS APPROVE LOCK HAVEN UNIVERSITY'S REQUEST TO ACCEPT GIFTS OF PROPERTIES LOCATED AT 230 AND 236 NORTH FAIRVIEW STREET, LOCK HAVEN, PENNSYLVANIA.** (Attachment #3)

The motion passed unanimously.

Mr. Pennoni moved **THAT THE BOARD OF GOVERNORS APPROVE MILLERSVILLE UNIVERSITY'S REQUEST TO BOND FINANCE A GESA PROJECT ESTIMATED AT \$3.3 MILLION.**

The motion passed unanimously.

D. **Human Resources**

Ms. Conley Lammando presented the report on behalf of the Human Resources Committee. There were no information items to report.

Ms. Conley Lammando noted that the Committee had one action item to recommend to the Board for approval.

Ms. Conley Lammando moved **THAT THE BOARD OF GOVERNORS APPROVE THE TENTATIVE PASSHE - AFSCME AGREEMENT REACHED ON DECEMBER 6, 2010 REGARDING CONTRIBUTIONS TO THE PENNSYLVANIA EMPLOYEE BENEFITS TRUST FUND (PEBTF).** (Attachment #4)

The motion passed unanimously.

F. **Executive**

Chairman Jarin presented the report on behalf of the Executive Committee. There were no information items to report.

Chairman Jarin noted that the Committee had two action items to recommend to the Board for approval.

Chairman Jarin moved **THAT THE BOARD OF GOVERNORS APPROVE THE ATTACHED RECOMMENDATIONS FOR PASSHE'S PERFORMANCE FUNDING PROGRAM.** (Attachment #5)

The motion passed unanimously.

Chairman Jarin moved **THAT THE BOARD OF GOVERNORS APPOINT A STEERING COMMITTEE FOR THE DEVELOPMENT OF THE SYSTEM'S FIVE YEAR STRATEGIC PLAN BASED ON PASSHE STRATEGIC INITIATIVES. SAID COMMITTEE CONSISTING OF:**

- EXECUTIVE COMMITTEE OF THE BOARD OF GOVERNORS
- TWO PRESIDENTS: DR. KAREN M. WHITNEY AND DR. J. JAVIER CEVALLOS
- ONE STUDENT BOARD MEMBER: MR. LEONARD B. ALTIERI III
- PACT PRESIDENT: MR. LEO KRANTZ, CHAIR OF COUNCIL OF TRUSTEES AT CALIFORNIA UNIVERSITY OF PENNSYLVANIA
- THE CHANCELLOR
- ONE FACULTY MEMBER TO BE DESIGNATED BY THE CHANCELLOR

(Attachment #6)

The motion passed unanimously.

BOARD ACTION

Chairman Jarin moved **THAT THE BOARD OF GOVERNORS AUTHORIZE THE EXECUTIVE COMMITTEE TO REVIEW AND APPROVE THE APPOINTMENT OF A PRESIDENT FOR LOCK HAVEN UNIVERSITY OF PENNSYLVANIA IN THE EVENT THAT THERE IS AN ABSENCE OF A QUORUM OF THE BOARD WHEN SUCH APPOINTMENT IS TO BE MADE.**

The motion passed unanimously.

Chairman Jarin moved **THAT THE BOARD OF GOVERNORS APPROVE THE STANDING COMMITTEE ASSIGNMENTS AS SHOWN IN THE STANDING COMMITTEE ASSIGNMENTS DOCUMENT DISTRIBUTED AT THE QUARTERLY BOARD MEETING, EFFECTIVE JANUARY 20, 2011.** (Attachment #7)

The motion passed unanimously.

Ms. Conley Lammando read into the record a resolution honoring Mr. John M. Brinjac.

Ms. Conley Lammando moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION.** (Attachment #8)

The motion passed unanimously.

Chairman Jarin read into the record a resolution for Ms. Donna Cooper. Ms. Cooper was not present.

Chairman Jarin moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION.** (Attachment #9)

The motion passed unanimously.

Mr. Pennoni read into the record a resolution for Governor Edward G. Rendell. Governor Rendell was not present.

Mr. Pennoni moved **THAT THE BOARD OF GOVERNORS APPROVE THE RESOLUTION.** (Attachment #10)

The motion passed unanimously.

ANNOUNCEMENT

Chairman Jarin announced the next quarterly Board of Governors' meeting is scheduled for April 6-7, 2011 at the Dixon Center in Harrisburg.

ADJOURNMENT

There being no further items of business to come before the Board, the Chairman adjourned the meeting at 12:39 p.m.

ATTEST:

Peter H. Garland
Secretary to the Board



Highlights from the Pennsylvania State System of Higher Education (PASSHE) January 20, 2011

University Accomplishments and Other Noteworthy Activities

West Chester, Bloomsburg and Millersville Universities of Pennsylvania recently were listed among the 100 Best Values in Public Colleges by Kiplinger's *Personal Finance* magazine. The listing is based on academics and affordability, starting with data from more than 500 public four-year colleges and universities. Criteria include SAT/ACT scores, student/faculty ratio and admission, retention and graduation rates. Also considered are in-state and out-of-state costs and financial aid. West Chester ranked 71st on the list; Bloomsburg, 88th; and Millersville, 99th... **West Chester and Millersville** universities were among 115 universities selected by the Carnegie Foundation for the Advancement of Teaching for its 2010 Community Engagement Classification. Colleges and universities with an institutional focus on community engagement were invited to apply for the classification, first offered in 2006 as part of an extensive restructuring of the Carnegie Classification of Institutions of Higher Education.

Bloomsburg University of Pennsylvania's clinical athletic training program is one of 23 programs nationwide accredited at the entry-level master's degree level by the Commission on Accreditation of Athletic Training Education (CAATE). The program prepares students to serve as health care providers in the areas of injury prevention, recognition and treatment. Accreditation recognizes that the program meets all nationally recognized standards for entry-level athletic training education established by the American Academy of Family Physicians, the American Academy of Pediatrics, the American Orthopedic Society for Sports Medicine and the National Athletic Trainers' Association... The **Bloomsburg University** Players made their third appearance at the Kennedy Center American College Theatre Festival, presenting "Anon(ymous)" at Towson University. KCACTF is a four-day, national event for college and university theater programs featuring workshops and performances. To be performed, a production must be reviewed by theater professionals and recommended at a play selection meeting.

California University of Pennsylvania's Bachelor of Science in athletic training program has been re-accredited for five years. The program, which educates clinically competent, entry-level athletic trainers who are capable of serving the community in a variety of employment settings, is

accredited by the Commission on Accreditation of Athletic Training, which develops, maintains and promotes appropriate standards of quality for entry-level Athletic Training education programs.

Cheyney University of Pennsylvania hosted a segment of the Pennsylvania Cable Network's program, "On the Road," at its new broadcast studio in the Duckery Social Science Building. The segment focused on the mid-term elections. A few days before the November election, former President Bill Clinton visited the campus to participate in a campaign rally...Cheyney University was a winner of the NCAA DII Game Environment Award. Eleven institutions were selected as winners, each receiving \$ 500 to use toward future game environment initiatives on campus. The C Club membership drive along with the White Out on the same afternoon proved to be the winning combination for Cheyney. The C Club, Cheyney's athletic booster club, held their annual membership drive and apparel sale while fans were encouraged to wear white in solidarity to support the Wolves in their quest for victory.

Clarion University of Pennsylvania's rehabilitative sciences associate and baccalaureate degree programs have received accreditation through October 2015 from the Council for Standards in Human Service Education (CSHSE). The board complimented the Department of Special Education and Rehabilitative Sciences' human services programs and described the self-study as "thorough and comprehensive."... **Clarion University** has been approved by the Pennsylvania State Board of Auctioneer Examiners to offer an auctioneering program through its Department of Applied Technology. The program, the only approved auctioneering training program in western Pennsylvania, prepares students to sit for the Pennsylvania State Auctioneer Licensure Exam... **Clarion's** Eagle Commons dining facility has received LEED certification, joining the Campus and Valley View suites as Silver LEED certified buildings. The commitment to pursuing LEED certification for all building projects is part of the university's strategic plan.

East Stroudsburg University of Pennsylvania's Reading Department observed its 40th anniversary last month. The nationally accredited graduate degree program, known for its outstanding academic reputation, has been recognized and accredited by the National Council for Accreditation for Teacher Education (NCATE). The program's graduates score higher than the average in national measures, such as the Reading Specialist Praxis Examination, and experience excellent rates of employment... **ESU's** recently approved Keystone Center will be the largest campus building and the university's central hub of student life and learning. Students voted in November support the project, which is expected to be completed in 2018.

Edinboro University of Pennsylvania newest student housing facility, The Highlands at Edinboro University, received LEED Silver Certification, a nationally accepted benchmark recognizing sustainable building projects. LEED, which stands for Leadership in Energy and Environmental Design, is a nationally recognized and coveted certification coming from the U.S. Green Building Council.

Indiana University of Pennsylvania's Eberly College of Business and Information Technology is included in the Princeton Review's "Best 300 Business Schools," 2011 edition. This is the seventh consecutive year the College has been selected for this annual guidebook. The listing is based on independent surveys from current students, recent graduates and college officials to determine which colleges and universities merit inclusion. This year's publication is a reflection of interviews with more than 18,000 business students from across the nation. There are approximately 1,600 schools or colleges of business throughout the United States... **IUP** nursing graduates for the third year in a row have achieved a more than 90 percent passing rate for first-time test takers on the National Council Licensure Examination for Registered Nurses (NCLEX). All nursing graduates are required to pass the exam before being permitted to practice in the field. IUP students scored a 96.1

percent passing rate, compared to a national average pass rate of 87.5 percent and a state average of 86 percent.

Kutztown University of Pennsylvania President F. Javier Cevallos was awarded the National Education Award of Excellence by La Fundacion para la Integracion y Desarrollo de America Latina (FIDAL) in Ecuador. Cevallos was recognized for his years of service to education in the United States and for being the president of an American university, the first native-Ecuadorian to hold such a position... Dr. Cevallos also was appointed to the Tuition Account Program Advisory Board. The 19-member board considers, studies and reviews the work of the Tuition Account Guaranteed Savings Program Bureau, which offers state residents the opportunity to prepay college tuition at eligible universities... The Professional Grounds Management Society recognized **KU** with an Honor Award in the Society's 2010 Green Star Awards competition. This is the second time in as many years the university was recognized by the PGMS for excellence.

Mansfield University of Pennsylvania has adopted a new general education program, which was developed by the university faculty over the last nearly year-and-a-half. The program changes include a newly designed seminar course for first-year students as well as new expectations for senior-level projects that require students to synthesize in more advanced ways their learning across their undergraduate years. More specific goals of the new general education program are to challenge students to think clearly, encourage lifelong learning and personal growth, prepare students for leadership in a rapidly changing world and inspire them to live engaged lives.

Shippensburg University of Pennsylvania's John L. Grove College of Business has received continuing accreditation from AACSB International – The Association to Advance Collegiate Schools of Business. In 1981, Grove College became the first school in the Pennsylvania State System of Higher Education and the ninth college overall in Pennsylvania to become accredited by AACSB International. The college was established in 1971 and has earned a reputation as one of the premier business schools in the Mid-Atlantic Region... **SU's** human resource program has been recognized as being aligned with the Society for Human Resource Management's human resource curriculum guidelines. SHRM is an association that serves the needs and improves the capabilities of all human resource professionals...

Shippensburg University's personal financial planning program has earned renewal from the Certified Financial Planner Board of Standards. The program is designed to prepare students who are on the career path to a professional financial planner. The program has received registration from the CFP since June 2005.

Slippery Rock University has been ranked 10th nationally among masters-degree granting institutions for the number of students participating in short-term study abroad programs. The Institute of International Education, which provided the ranking, noted that SRU placed 402 students into study-abroad programs of eight weeks or less in 2008-09. The institute's Open Doors report also ranked institutions with the total number of students abroad, including short, mid and long-term programs. SRU ranked 25th with 429 students participating.

West Chester University of Pennsylvania's School of Music programs have received continuing accreditation from the National Association of Schools of Music through 2017. The WCU Department of Theatre and Dance programs recently received full accreditation from the National Association of Schools of Theatre, while the Department of Art is in the final stages of the National Association of Schools of Art and Design national accreditation application process.

Fundraising, Grants and Other Awards

Bloomsburg University assistant professor of psychology Kevin Ball has received a \$50,000 grant from the National Institutes of Health/National Institute on Drug Abuse for his current project using rats to research the effects of the drug, ecstasy. Ball's research focuses on the psychobiology of drug use and addiction. The project aims to determine brain and behavioral traits related to certain animals' increased vulnerability to addiction-like behaviors. Such studies may aid in the development of improved treatment options for human drug abuse and addiction. Ball is a 2001 graduate of BU... **Bloomsburg University** received approval of an \$85,000 expansion grant for the Workforce Leadership 2+2+2 program in computer forensics. The grant is administered by the Pennsylvania State System of Higher Education through a contracting agreement with the Pennsylvania Department of Community and Economic Development (DCED). The grant enables students to progress, with credits, from secondary to two-year postsecondary and four-year postsecondary programs in the field of information technology/computer forensics.

The Private Industry Council of Westmoreland/Fayette Inc. (PIC) has awarded **California University of Pennsylvania** an additional \$56,000 to help students in Fayette County earn associate degrees in fields related to "green" energy. The funding is part of PIC's \$2.7 million Pathways Out of Poverty grant for Fayette County. Earlier this year, PIC provided \$24,000 in tuition assistance through the same program. With this additional funding, a total of 10 students will receive tuition assistance... As part of **Cal U's** participation in PASSHE's Marine Science Consortium at Wallops Island, Va., the university has secured \$50,337 from NASA's Wallops Island Flight Facility for a project that will develop and test aerial data-gathering systems using kites. The *Inexpensive Aerial Data Gathering Platform* is one of four NASA research projects in PASSHE.

East Stroudsburg University's Student Support Services has been awarded a \$1.3 million Department of Education grant to continue providing counseling, tutoring and social-cultural services to students. Dr. Fernando Perez, associate professor of academic enrichment and learning, submitted the grant application. The grant funds will be distributed over a five-year period... **ESU**, in association with the Pocono Mountains Keystone Innovation Zone (KIZ), has received a \$100,000 grant from Pennsylvania's Innovation Grant program. The KIZ programs around the state have leveraged about \$14 million in state funds to attract nearly \$1 billion from private sources—or more than \$68 in private funding for every state dollar invested. That funding has helped launch 725 new companies, create more than 4,000 jobs and retain another 9,300 positions.

Indiana University of Pennsylvania alumnus Terry A. Serafini has donated \$1 million to the university for use by the Eberly College of Business and Information Technology. The gift by the 1961 education graduate will be used to renovate the Eberly College of Business atrium, which will be renamed the Serafini Atrium, and to establish the Serafini Outstanding Scholars Program to provide scholarship support to students in the Eberly College of Business and Information Technology and in math education in the College of Natural Sciences and Mathematics.

Kutztown University of Pennsylvania associate professor Kunal Das and assistant professor Adrienne Oakley were each awarded research grants from the National Science Foundation. Professor Das' grant is to support work in quantum transport dynamics with ultra-cold atoms, a theoretical study involving quantum mechanics and nanotechnology and how the flow (or transport) of electrons is different at extremely low temperatures. Professor Oakley along with Woods Hole Oceanographic Institute and Texas A&M University submitted a proposal to lead a magnetic and seismic study of the Hawaiian Jurassic Crust. Both studies will involve participation by KU student researchers.

Lock Haven University will receive a \$1 million gift from the estate of Stephanie Ann Wollock to establish an endowed fund to create and support the Stephanie A. Wollock Learning Commons on

the second floor of Stevenson Library. The learning commons will comprise the university's writing center, small group study rooms, a student lounge area, computer kiosks and the Schantz Tutorial Center. It will open in August... Dr. Kathleen Allison, an associate professor in the Department of Health Science, was one of 80 recipients nationwide of the Love of Learning Award from the Honor Society of Phi Kappa Phi. The \$500 award is intended to help fund post-baccalaureate studies and career development.

West Chester University has received grants totaling \$5 million to expand the geothermal system on campus. This is the third phase in a 10-year initiative to convert the heating and cooling systems of more than 25 buildings to geoexchange, utilizing a common well field. The grants will be used to convert Anderson, Recitation and Ruby Jones halls. Construction will begin this summer. The conversion of these three buildings will reduce carbon dioxide emissions by 4.7 million pounds a year.

University and Community Partnerships

Representatives from **Bloomsburg University** and Harrisburg Area Community College signed an agreement offering HACC graduates seamless transfer into BU's early childhood education-elementary education program. The agreement is in effect beginning with students who entered HACC in fall 2010 and plan to transfer to Bloomsburg in fall 2012. As a program-to-program transfer, HACC students graduating with an associate degree in early childhood education-elementary education can transfer all credits to Bloomsburg University for their bachelor's degree and be admitted with full junior status provided they fulfill all BU academic requirements. All requirements for the bachelor's degree can be completed at the Dixon University Center in Harrisburg or at Bloomsburg University's main campus... Eighty-one **BU** students participated in the SHARE (Students Helping Adolescents Reach Excellence) tutoring program serving 11 elementary, middle and high schools and the Women's Center of Columbia and Montour counties. SHARE links undergraduates as tutors or mentors to students who have demonstrated social and/or academic needs.

More than 200 **Clarion University** students in 35 teams and litter crews performed a variety of services and clean-up activities as part of the university's annual Community Service Day. Sites were added to accommodate the high level of student interest.

East Stroudsburg University associate professor Susan N. Bonser is developing projects to support Monroe County nonprofits and their technology needs, including: working with a non-profit citizens group information website that accepts charitable contributions, and an associated "memory collection"; working with the New Jersey State Police in producing a website designed to visualize data for their gang control division; and co-creating with another faculty member and students, a non-profit online newsletter called *Pocono Good*, which focuses on compelling human interest stories about the unsung people who run Monroe County non-profit organizations (NPOs) and the missions of the NPOs themselves

Lock Haven University's Institute for International Studies is hosting 37 visiting students from LHU's partner institution, Chungnam National University (CNU) located in Daejeon, South Korea. The students are sponsored by the Korean government and will spend a semester or a year at LHU. They will be enrolled in various disciplines and some also will be involved in community service organized by Stephanie O'Donnell, an AmeriCorps member from the MountainServe Office working with IIS... The IIS also has established a new exchange program in New Zealand with Unitec, a state institution that has four campuses situated in Auckland. Unitec's undergraduate academic programs include communications, business, English, hospitality and tourism, health science, computer science, music and Maori language and culture. LHU students will be able to attend a semester at the university while continuing to pay LHU tuition and fees... **LHU's** Small Business Development Center (SBDC)

received a “Townie Award” from Downtown Lock Haven, Inc., for Community Partnerships. The award recognizes an organization or business that reached out and forged innovative and mutually beneficial relationships with the Main Street Program. As an award winner, the SBDC’s nomination will be forwarded to the Pennsylvania Downtown Center for consideration of the statewide Townie Awards.

Slippery Rock University has signed a letter of understanding with three secondary schools in China to provide a framework for education and cultural exchanges that will begin later this year... Education majors at **SRU** launched an education program for kindergarten through sixth-graders in nearby Sharon elementary schools to help them better understand service provided by military veterans. The program included letter writing and opportunities to talk with local veterans.

West Chester University in collaboration with Microsoft is working on a Demonstration and Application Center (DAC) and the Classroom of the Future to review applicability of products, software or hardware and to have a central/regional location that offers product awareness, demonstration, research, evaluation and training opportunities for students, educators and others. The Classroom of the Future project will be a location where K-12 and higher education entities working with educators and students can test the latest classroom technologies and experience hands-on demonstration and applicability of future classroom technologies... The newly established Philadelphia Orchestra Partnership with the **WCU** School of Music will benefit West Chester restaurants as a result of the Dinner and a Show Initiative cultivated by the borough, university and Business and Industry Development for West Chester, PA. Not only will the partnership educationally benefit music students and faculty of WCU, but concerts and master classes conducted by members of the Philadelphia Orchestra will be open to the public, as well... **West Chester’s** College of Health Sciences has launched the Center for Healthy Schools to promote and support health, learning and academic success for children and adolescents in Pennsylvania schools and communities. The center will assist schools and community prevention partners through professional development opportunities, research, advocacy and networking... **WCU’s** pre-medical program has signed an affiliation agreement with The Commonwealth Medical College... The College of Arts and Sciences in partnership with the College of Education and the School District of Philadelphia received a grant from the American Association of State Colleges and Universities to implement a civic minor in urban education... The Philosophy Department has developed an agreement to collaborate with other PASSHE schools guaranteeing that their students can successfully transfer six credits at the 400 level toward the master's degree in philosophy at **WCU**.

Student and Faculty Recognition

Bloomsburg University’s student newspaper, *The Voice*, received 11 Gold Circle awards from the Columbia Scholastic Press Association. The annual awards are given to individual student journalists for excellence in writing and design. This year’s competition attracted 9,460 entries from college, university and secondary school newspapers, magazines and online media sites throughout the United States and Canada... Manek Kirpalani, associate professor of marketing at **Bloomsburg University**, was awarded the title “Visiting Distinguished Professor, Ph.D. Advisor” from Aalto University School of Economics in Finland. This institution is one of the few international universities accredited by the Association to Advance Collegiate Schools of Business (AACSB), like BU’s College of Business.

For the second time in four years, the **California University of Pennsylvania** Meteorology Club has received the Chapter of the Year Award from the National Weather Association. Cal U’s Meteorology Club students and faculty adviser Dr. Chad Kauffman were honored at the NWA’s 35th annual meeting in Tucson, Ariz. The Cal U chapter was recognized for exemplary outreach, mentoring, and

science sharing activities, which have significantly raised the awareness of weather and the NWA in both the community and region.

Latanya Ingraham of Yeadon, a library science graduate student, is the first **Clarion University** student to be awarded a \$5,000 Spectrum Scholarship from the American Library Association (ALA). The scholarship is funded by the American Association of School Librarians... **Clarion University** running back Alfonso Hoggard played in the 2011 Cactus Bowl in Kingsville, Texas. The game features the top NCAA Division II seniors in the nation... Nick Sipes was honored as a member of the First Team ESPN Academic All-American (College Division) Football Team as selected by the College Sports Information Directors of America. Sipes was a selection at defensive back, where only four players were chosen on the first team from players that included universities in NCAA Division II and III as well as the NAIA and junior colleges from across the country... Professor Miguel R. Olivas-Luján has been appointed editor-in-chief of the Business Journal of Hispanic Research (BJHR), a publication of the National Society of Hispanic MBAs (NSHMBA)... Beth Jackson, a mathematics faculty member at **Clarion University–Venango Campus**, was recognized as a distinguished advisor by the Middle States Region of Phi Theta Kappa. She also was recognized as one of 30 outstanding advisors at the international level of Phi Theta Kappa.

East Stroudsburg University alumna Danielle M. Kovach was named the 2010-2011 New Jersey Teacher of the Year. Kovach is a third-grade special education teacher at Hopatcong's Tulsa Trail Elementary School... **ESU** alumnus Steve Flanagan was named Pennsylvania's Outstanding Elementary Social Studies Teacher of the Year for 2010 by the Pennsylvania Council for Social Studies. Flanagan has spent 27 of his 28-year teaching career at the Barrett Elementary Center in the Pocono Mountains School District.

Edinboro University Professor George Roberts, a two-time Edinboro alumnus and member of Edinboro's Health and Physical Education Department for more than 25 years, was appointed to the Pennsylvania Board of Medicine in October. He is the first certified athletic trainer to serve on the Board.

Indiana University of Pennsylvania music professor John Kuehn recently won the SmartMusic music education essay contest. Kuehn will receive a prize of \$2,000, which he will use to help establish a music program in India. He plans to travel to India in the fall semester of 2012 to establish a wind band program... Teresa Shellenbarger, a professor and doctoral program coordinator in **IUP's** Department of Nursing and Allied Health Professions, has been elected to the position of governor-at-large for the National League for Nursing. The National League for Nursing, based in New York City, includes more than 30,000 nurse educators and community members and 1,200 education and health care agencies. The association offers faculty development programs, networking opportunities, testing and assessment, nursing research grants and public policy initiatives.

Kutztown University head football coach Raymond Monica was named the American Football Coaches' Association (AFCA) Division II Region 1 Coach of the Year. He was honored earlier this month at the AFCA banquet in Dallas, Texas. Monica guided the Golden Bears to their best year in the 95-season history of the football program. Kutztown posted a 10-2 overall record and finished 6-1 in the Pennsylvania State Athletic Conference (PSAC) Eastern Division.

Lock Haven University's student chapter of the American Chemical Society received an Honorable Mention Award for its activities conducted during the 2009-2010 academic year. Lists of award winning chapters will be published in Chemical & Engineering News and in *inchemistry*, the student member magazine. The award winning chapters also will be honored at the 241st ACS National Meeting in Anaheim, California, in March. Dr. Kevin Range, assistant professor of chemistry and faculty adviser of the chapter, was cited by the ACS as deserving special commendation.

Shippensburg University's Beta Gamma Sigma Chapter is one of 121 Premier Chapters for 2009-10, according to the Board of Governors of Beta Gamma Sigma (BGS). Beta Gamma Sigma is the international honor society serving business programs accredited by AACSB International – The Association to Advance Collegiate Schools of Business. Membership in BGS is the highest recognition a business student can receive in a business program accredited by AACSB International. Beta Gamma Sigma has 486 collegiate chapters in all 50 U.S. states and 19 countries and territories. Additionally, 24 alumni chapters serve the needs of alumni members in major metropolitan areas, including Hong Kong... Lucas Kalathas, a senior physics major and math minor at **Shippensburg**, will compete in the annual NASA Student Launch Projects Rocketry Challenge against more than 500 students in the two-leveled competition this spring. Kalathas received a \$5,000 grant to compete in the competition... Finance professor Sarah Bryant will travel to South America in May to participate in the Faculty/Professional Development in International Business Overseas program. Bryant's trip to Brazil, Argentina and Chile will be sponsored by Florida International University.

Slippery Rock University art professor Richard Wukich is working in Haiti to help dedicate a newly certified water filter plant in Jacmel. The filters can quickly turn non-potable water into bacteria-free drinking water for just pennies.

West Chester University sophomore piano performance major John Kline recently won the Music Teachers National Association's State of Pennsylvania piano competition and will advance to the Eastern Division MTNA competition. Also, recent music graduate, Erin Behler together with current business and finance student Gregory Fiorentino, won second prize in the prestigious Ellis National Duo-Piano Competition... The Department of Theatre & Dance's production of *Sorrows and Rejoicings* was selected to compete in the Kennedy Center American College Theatre Festival held earlier this month at Towson University... Fran Cleland, a professor in the Department of Kinesiology, will be the keynote speaker at the National Australian Conference for Health, Physical Education and Recreation in April.

Fall Sports Highlights

Shippensburg University currently ranks second in the standings for the Learfield Sports Directors' Cup, which is presented annually to the top Division II athletic program in the country. Also in the Top 25 after the conclusion of the fall sports season are **Bloomsburg** (16th), **California** (17th) and **Kutztown** (24th). Shippensburg's field hockey team finished second in the NCAA Championships and its women's cross country team finished fourth. Bloomsburg's field hockey team finished third in the NCAA Division II championship, losing to Shippensburg in the national semifinal. The Learfield Cup was developed as a joint effort between the National Association of Collegiate Directors of Athletics and *USA Today*. Points are awarded based on each institution's finish in up to 14 sports – seven women's and seven men's.

Below is a summary of individual and team champions crowned during the fall sports season in the Pennsylvania State Athletic Conference (PSAC):

Men's cross country – PSAC Champion: **Shippensburg** won its first ever title in the PSAC's 53-year history. The individual winner was Scott Anderson of **Edinboro**. NCAA Regional Champion: **Lock Haven**. NCAA Championship: **Shippensburg** finished seventh and **Lock Haven**, 11th, out of 24 teams. All-Americans: Scott Anderson, **Edinboro** (18th), Alex Monroe, **Lock Haven** (32nd), Brandon Boyer, **Shippensburg** (38th).

Women's cross country – PSAC Champion: **Shippensburg** won its third straight title. The individual winner was Neely Spence of **Shippensburg**. NCAA Regional Champion: **Shippensburg**. NCAA

Championship: **Shippensburg** finished fourth and Kutztown, 13th. Neely Spence won the NCAA individual title. Others who earned All-American status for their top finishes were Elicia Anderson, **Millersville**, 14th; Jennifer Harpp, **Slippery Rock**, 15th; Katie Spratford, **Shippensburg**, 23rd; Rose Mascoli, **East Stroudsburg**, 24th; and **Mary Dell**, Shippensburg, 25th.

Field Hockey – PSAC Champion: **Bloomsburg** won its third straight title. NCAA Championship: **Bloomsburg** defeated **East Stroudsburg** in opening round; **Shippensburg** defeated **Bloomsburg** in semifinal; **Shippensburg** lost NCAA Championship Game, 1-0, to UMass Lowell.

Football – PSAC Champion: Mercyhurst defeated **Bloomsburg** in the championship game. NCAA Championship: **Bloomsburg**, **California**, **Kutztown** and Mercyhurst all qualified. Mercyhurst defeated **Bloomsburg** in regional semifinal; Mercyhurst lost to Shepherd in regional final. **Kutztown** set school record for wins with 10 and made school's first-ever NCAA playoff appearance.

Men's golf – PSAC Champion: **IUP** won its fourth straight conference championship, with Sean Sweithelm capturing the individual medalist title. The NCAA Regional will take place in the spring.

Women's golf – PSAC Champion: **California** won its third straight title, with Jenna Rothermel capturing the individual medalist title for the second straight year. The NCAA regional will take place in the spring.

Men's soccer – PSAC Champion: **Shippensburg** won its second overall title and first since 1975. NCAA Championship: **Shippensburg** and Mercyhurst lost in the opening round.

Women's soccer – PSAC Champion: **West Chester** won its second straight title and fourth overall, the most among PSAC schools. NCAA Championship: **West Chester**, **California**, **Bloomsburg**, **Slippery Rock** and **Kutztown** all qualified: **West Chester** defeated **California** for regional title then lost to St. Rose in NCAA Elite Eight.

Women's volleyball – PSAC Champion: **Clarion** won its second title overall and first since 1988. NCAA Championship: **Clarion**, **California**, **Edinboro**, **IUP**, **Lock Haven** and Gannon all qualified. **Clarion** won regional title for first time in school history, then lost in NCAA Elite Eight to Dowling.



Proposed Final Version

PA State System of Higher Education Board of Governors

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POLICY 1999-02-A: TUITION

See Also:

Adopted: April 8, 1999

Amended: October 10, 2002, July 14, 2005, October 11, 2007, July 17, 2008, and
January 20, 2011

A. Purpose

The Board of Governors has statutory authority to set tuition for the State System of Higher Education. This policy articulates the basic philosophy, objectives, and guidelines of the System's tuition structure, providing a common understanding of the basis for establishing tuition for the State System of Higher Education.

B. Definitions

- **Capacity**—The optimum academic year full-time equivalent student enrollment at each university that most efficiently utilizes their facilities and faculty.
- **Distance Education**—Instruction where the faculty member(s) and the student(s) are separated geographically so that face-to-face communication is absent; communication is accomplished instead by one or more technological media. This linkage with technology allows real-time or delayed interaction using voice, video, data and/or text. Examples of technological methods that can be used singly or in combination include live or recorded visual presentations and material using direct signal or cable transmission by telephone line, fiber-optic line, video-conferencing using compressed video, digital and/or analog video, audiotape, CDROM, computer or Internet technology, email, or other electronic means now known or hereafter developed, utilized to teach any course approved by one of the State System universities. On-line/web-based courses must have 80% of the course instruction delivered on-line.

- **Full-time Tuition**—The tuition rate charged to undergraduate students enrolled for 12–18 semester credits.
- **Graduate Student**—A student who holds at least a bachelor’s or first professional degree and is enrolled at the post-baccalaureate level, including nondegree students in graduate courses who may or may not be admitted to a graduate program.
- **Nonresident Student**—A student who is not a legal resident of Pennsylvania, as defined in Board of Governors’ Policy 1985-03, *Student Domicile Regulations*.
- **Resident Student**—A student who is a legal resident of Pennsylvania, as defined in Board of Governors’ Policy 1985-03, *Student Domicile Regulations*.
- **Technology Tuition Fee**—A separate tuition fee established by the Board of Governors for rendering technology resources and services to enhance student learning experiences.
- **Tuition**—The basic fee established by the Board of Governors for rendering educational services, as enumerated in Act 188 of 1982.
- **Undergraduate Student**—A student in a bachelor’s degree program, an associate’s degree program, a vocational or technical program below the baccalaureate level; or a nondegree-seeking student matriculated in a lower or upper division course.

C. Policy

1. Undergraduate Tuition

- a. The Board of Governors will establish annually one undergraduate resident tuition rate, based primarily on the financial requirements of the System and the Commonwealth’s commitment toward meeting those requirements. Secondary consideration will be given to other factors, such as change in family income, financial aid availability, inflation, and relative standing in terms of tuition charges at peer institutions of higher education.
- b. The chancellor may adjust the undergraduate resident tuition rate solely to allow the State System to establish partnerships with other institutions in collaborative/consortial arrangements.
- c. The Board of Governors will establish annually the undergraduate nonresident tuition rate at a level to ensure that undergraduate nonresident students are paying the System’s average net cost of education.

- d. The Board of Governors, upon recommendation of the chancellor, may consider differential nonresident tuition rates for individual universities, based upon such factors as the average net cost of undergraduate education; the goals and objectives of the System; the degree to which universities are at, above, or below student enrollment capacity; and the current relationship between pricing and student demand.

2. Graduate Tuition

- a. Graduate students will be charged per credit at a tuition rate set annually that reflects more accurately the average System cost of graduate education.
- b. The Board of Governors will establish annually the graduate nonresident tuition rate at a level to ensure that graduate nonresident students are paying the System's average net cost of education.
- c. The chancellor, upon recommendation of the president, has the authority to adjust the graduate tuition rate for specific graduate programs, based upon such factors as the cost of instruction, the level of service provided to the student, and the level of tuition necessary for the university to offer programs.

3. Summer/Winter Session Tuition

The chancellor, upon the recommendation of the president, may set alternative tuition rates for summer or winter sessions.

4. Distance Education Tuition

- a. Resident distance education students, both graduate and undergraduate, will be charged at the appropriate prevailing per-credit resident rate.
- b. Nonresident distance education students, both graduate and undergraduate, will be charged a per-credit tuition of at least 102% of the prevailing resident per-credit tuition rate. Presidents may set the nonresident distance education per-credit tuition rate on a course-by-course or program-by-program basis.
- c. The chancellor, upon recommendation of the president, has the authority to adjust the resident tuition rate for a particular course or program.
- d. This policy applies to students who are charged on a per-credit-hour basis. Full-time undergraduate students continue to pay the applicable full-time tuition rate. The president may establish a full-

time nonresident undergraduate distance education rate based upon the per-credit nonresident distance education rate for students enrolled 100% in distance education courses.

5. Technology Tuition Fee

- a. The Board of Governors will establish annually the technology tuition fee in a manner that is proportional to enrollment and residency status (in-state/out-of-state).
- b. Technology tuition fee revenues shall be expended only on instructional technology. These revenues shall be used for the direct benefit of students to help them to achieve the learning objectives of their academic programs.



Proposed Revisions PA State System of Higher Education Board of Governors

~~Effective: Part II is effective April 1999; Part III is effective fall 2003
Part IV is effective fall 1999; Part V is effective fall 1998; Part VI is
effective fall 2007~~

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POLICY 1999-02-A: TUITION

See Also:

Adopted: April 8, 1999

Amended: October 10, 2002, July 14, 2005, October 11, 2007, ~~and~~ July 17, 2008, and
January 20, 2011

A. Purpose

The Board of Governors has statutory authority to set tuition for the State System of Higher Education. This policy articulates the basic philosophy, objectives, and guidelines of the System's tuition structure, providing a common understanding of the basis for establishing tuition for the State System of Higher Education.

B. Definitions

- ~~• **Academic Year FTE Enrollment**—The full-time equivalent undergraduate enrollment for fall and spring semesters, exclusive of all intersessions and summer sessions.~~
- **Capacity**—The optimum academic year full-time equivalent student enrollment at each university that most efficiently utilizes their facilities and faculty.
- **Distance Education**—Instruction where the faculty member(s) and the student(s) are separated geographically so that face-to-face communication is absent; communication is accomplished instead by one or more technological media. This linkage with technology allows real-time or delayed interaction using voice, video, data and/or text. Examples of technological methods that can be used singly or in combination include live or recorded visual presentations and material using direct signal or cable transmission by telephone line, fiber-optic line, video-conferencing using compressed video, digital and/or analog video, audiotape, CDROM, computer or Internet technology, email, or other electronic means now known or hereafter developed, utilized to teach any course approved by one of the State System universities. On-

line/web-based courses must have 80% of the course instruction delivered on-line.

- **Full-Time Student Tuition**—~~An~~ The tuition rate charged to undergraduate students enrolled in for 12–18 semester credits, ~~or a graduate enrolled in 9–15 semester credits.~~
- **Graduate Student**—A student who holds at least a bachelor's or first professional degree and is enrolled at the post-baccalaureate level, including nondegree students in graduate courses who may or may not be admitted to a graduate program.
- **Nonresident Student**—A student who is not a legal resident of Pennsylvania, as defined in Board of Governors' Policy 1985-03, *Student Domicile Regulations*.
- **Resident Student**—A student who is a legal resident of Pennsylvania, as defined in Board of Governors' Policy 1985-03, *Student Domicile Regulations*.
- **Technology Tuition Fee**—A separate tuition fee established by the Board of Governors for rendering technology resources and services to enhance student learning experiences.
- **Tuition**—~~The price charged or listed for rendering educational services, as established by the Board of Governors.~~ The basic fee established by the Board of Governors for rendering educational services, as enumerated in Act 188 of 1982.
- **Undergraduate Student**—A student in a bachelor's degree program, an associate's degree program, a vocational or technical program below the baccalaureate level; or a nondegree-seeking student matriculated in a lower or upper division course.

~~II. Undergraduate Resident Tuition~~

~~A. Background~~

- ~~1. Resident student enrollment is not sensitive to moderate price increases since the State System offers a quality baccalaureate education at a significantly reduced rate from all other providers.~~
- ~~2. Moderate differentiation in the undergraduate resident rates among System universities would not result in students changing their choice of university based on price. If the System were to consider a significant reduction in tuition at under-enrolled universities, the necessary increase in enrollment to produce a net increase in tuition revenue may not be attainable.~~

- ~~3. Multi year price setting is usually practiced by higher education institutions that operate under a biennial budget or where there is a financial commitment with the state in support of its multi year tuition plan.~~

~~B. Purpose~~

~~To establish the parameters by which undergraduate resident tuition decisions will be based.~~

C. Policy

1. Undergraduate Tuition

- a. The Board of Governors will establish annually one undergraduate resident tuition rate, based primarily on the financial requirements of the System and the Commonwealth's commitment toward meeting those requirements. Secondary consideration will be given to other factors, such as change in family income, financial aid availability, inflation, and relative standing in terms of tuition charges at peer institutions of higher education.

~~D. Policy Administration~~

- ~~1. The Board of Governors will set tuition annually.~~
- ~~2. The tuition rate established by the Board of Governors is applicable to undergraduate resident students at all State System universities.~~
- 3b. The chancellor may adjust the undergraduate resident tuition rate solely to allow the State System to establish partnerships with other institutions in collaborative/consortial arrangements.

~~E. Effective Date~~

~~April 1999.~~

~~III. Undergraduate Nonresident Tuition~~

~~A. Background~~

~~As public universities, it is important that every effort be made to ensure that state appropriations support only Pennsylvania resident students. Through the use of nationally developed common definitions for the determination of the cost of education, it is possible to determine the average net cost of education for students enrolled in the System. The cost to educate nonresident students can be determined and tuition rates established so that nonresident students pay tuition at a rate at least equal to the average net cost of education at individual universities.~~

~~B. Purpose~~

~~To establish the undergraduate nonresident tuition rate that ensures undergraduate nonresident students are paying the System's average net cost of education.~~

~~C. Policy~~

- ~~c.~~ The Board of Governors will establish annually the undergraduate nonresident tuition rate at a level to ensure that undergraduate nonresident students are paying the System's average net cost of education.
- ~~d.~~ ~~Upon recommendation of the chancellor,~~ The Board of Governors, upon recommendation of the chancellor, may consider differential nonresident tuition rates for individual universities, based upon such factors as the average net cost of undergraduate education; the goals and objectives of the System; the degree to which universities are at, above, or below student enrollment capacity; and the current relationship between pricing and student demand. ~~Differential rates may not apply to international students. Though these rates may vary, the chancellor and the Board of Governors shall ensure the System wide average net cost of education is assessed through nonresident tuition rates.~~

~~D. Policy Administration~~

- ~~1. Each spring, the university presidents may negotiate with the chancellor an undergraduate nonresident tuition rate(s) recommendation for the university in the upcoming year. The recommendation will be based upon such factors as the average net cost of undergraduate education; the goals and objectives of the State System; the degree to which universities are at, above or below student enrollment capacity; and the current relationship between pricing and student demand.~~
- ~~2. University presidents may recommend to the chancellor up to two undergraduate nonresident tuition rates, if the university has a specific targeted marketing group that has been established based upon geographic region, academic program or scholastic achievement.~~

~~E. Implementation Date~~

~~Fall 2003.~~

IV2. Graduate Tuition

A. ~~Background~~

- ~~1. Graduate demand for education at State System universities generally is not dependent upon the prevailing tuition rate, but tends to be based more on the location and quality of specific programs. Therefore, moderate increases in graduate rates should have an insignificant effect on graduate enrollment.~~
- ~~2. Graduate education is more costly to provide than undergraduate education. Consequently, graduate full-time tuition should be higher than undergraduate to reflect the cost of graduate education more accurately.~~
- ~~3. Some graduate programs are significantly more costly than others; some may serve a specific market. In these cases, tuition should be adjustable to reflect the cost of the program and/or market demand.~~

B. ~~Purpose~~

- ~~1. To reflect the cost of graduate education in the tuition rates charged to graduate students and to optimize graduate tuition revenue.~~
- ~~2. To allow universities to be competitive in the graduate education arena by providing them with the flexibility and responsiveness necessary to price graduate education courses appropriately in relation to market demand and program cost.~~

C. ~~Policy~~

- ~~1a.~~ The full-time tuition rate charged to resident graduate students will be charged per credit at a tuition rate set annually to that reflects more accurately the average System cost of graduate education.
- ~~2b.~~ The tuition charged to full-time nonresident graduate students will be 160% of the full-time graduate resident rate. The Board of Governors will establish annually the graduate nonresident tuition rate at a level to ensure that graduate nonresident students are paying the System's average net cost of education.
- b. The chancellor, upon recommendation of the president, has the authority to ~~increase further~~ adjust the graduate tuition rate for specific graduate programs ~~that are high cost or serve a specific market.~~ based upon such factors as the cost of

instruction, the level of service provided to the student, and the level of tuition necessary for the university to offer programs.

~~D. Policy Administration~~

- ~~1. To implement this policy, the graduate resident rate initially will be 120% of the undergraduate resident rate, and will be reviewed and adjusted periodically by the chancellor.~~
- ~~2. The Board of Governors delegates to the chancellor approval of institutional graduate tuition rates for particular programs, in consultation with representatives of the Board of Governors, the university presidents, and legal counsel.~~
- ~~3. Presidents may request annually, in conjunction with their budget request, graduate tuition rate requirements over and above the System's normal graduate tuition rate for high cost or market-specific graduate programs. These requests must substantiate the appropriateness of the tuition increase based on the following criteria:
 - ~~• The cost of instruction or delivery is higher than other graduate programs.~~
 - ~~• The level of service provided to the student is greater than for other programs.~~
 - ~~• Raising the level of tuition allows the university to offer programs that would not be available at the lower rate.~~~~

~~E. Implementation Date~~

~~Beginning in fall 1999/2011, with a phase-in of the resident and nonresident rate adjustment of up to four years.~~

3. Summer/Winter Session Tuition

The chancellor, upon the recommendation of the president, may set alternative tuition rates for summer or winter sessions.

~~V4. Distance Education Tuition Policy~~

~~A. Background~~

~~The technologies that are making quality distance education possible are requiring institutions of higher education to become global; geographic boundaries are becoming less meaningful. Distance education programs, by their very nature, provide access to new student populations. The needs of these students require a more flexible and responsive price structure.~~

~~B. Purpose~~

~~To allow universities to be competitive in the distance education arena by providing them with the flexibility and responsiveness necessary to price distance education courses appropriately in relation to market demand and cost of delivery.~~

~~C. Policy~~

- ~~1~~a. Resident distance education students, both graduate and undergraduate, will be charged at the appropriate prevailing per-credit resident rate.
- ~~2~~b. Nonresident distance education students, both graduate and undergraduate, will be charged a per-credit tuition ~~within the range of~~ at least 102% to 250% of the prevailing resident per-credit tuition rate. Presidents may set the nonresident distance education per-credit tuition rate on a course-by-course or program-by-program basis.
- ~~3~~c. The chancellor, upon recommendation of the president, has the authority to ~~reduce~~ adjust the resident tuition rate for a particular course or program.
- ~~4~~d. This policy applies to students who are charged on a per-credit-hour basis. Full-time undergraduate students continue to pay the applicable full-time tuition rate. The president may establish a full-time nonresident undergraduate distance education rate based upon the per-credit nonresident distance education rate for students enrolled 100% in distance education courses.

~~D. Policy Administration~~

~~Presidents will have the discretion of setting the nonresident distance education per credit tuition rate on a course by course or program by program basis. Presidents may request from the chancellor a revision to the resident distance education tuition rate for particular courses or programs. Proposed courses and rates to be charged will be shared throughout the System.~~

~~E. Implementation Date~~

~~Fall 2008.~~

~~VI5. Technology Tuition Fee Policy~~

~~A. Background~~

~~The importance of technology and its applications continue to grow throughout society. To be competitive in the workplace, university students need access to state of the art technology integrated with their educational program. Additional and dedicated resources are necessary to ensure greater infusion of technology.~~

~~**B. Purpose**~~

~~The purposes of the technology fee are: (1) to acquire, install, and maintain up to date and emerging technologies for the purpose of enhancing student learning outcomes; (2) to provide equitable access to technology resources; and (3) to ensure, ultimately, that State System graduates are competitive in the technologically sophisticated workplace. All hardware, software, databases, and other capital equipment procured with these revenues are strictly limited to clearly articulated learning experiences for students.~~

~~**C. Policy**~~

~~1a. The Board of Governors will establish annually the technology tuition fee is not a user fee but is instead a fee that is paid by all students in a manner that is proportional to their enrollment status (full time/part time) and to their residency status (in-state/out-of-state).~~

~~2b. Technology tuition fee revenues shall be expended only on instructional technology and shall not be expended for administrative applications. These revenues shall be used for the direct benefit of students to help them to achieve the learning objectives of their academic programs. No more than 25% of technology fee revenues may be expended on personnel to support instructional technology.~~

~~**D. Policy Administration**~~

~~1. Universities should procure technologies collaboratively, when appropriate. Universities must make continuing allocations for maintenance, support, upgrades, and replacement of technologies purchased with technology fee revenues.~~

~~2. Each university is accountable for ensuring that technology fee revenues are expended in accordance with this policy.~~

~~3. The universities' uses of the revenues may be audited to ensure that all expenditures are consistent with this policy. Such audits shall be conducted at the request of the chancellor or the Board of Governors.~~

~~**E. Implementation Date**~~

~~Fall 2007.~~

Addition

~~Deletion~~



PA State System of Higher Education Board of Governors

Effective: October 19, 1989

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POLICY 1989-05-A: STUDENT FEES

See Also:

Adopted: October 19, 1989

Amended: July 18, 1996, ~~and~~ April 8, 1999, and January 20, 2011

A. **Purpose**

To establish a delineation between the purposes of tuition and other fees, provide clarity regarding the purposes of the fees for which students are assessed, and limit the use of various miscellaneous fees for instructional purposes.

AB. **Definitions**

- ~~• **Application fee**—such as advance deposits, registration fees, application fees.~~
- **Fee**—A fixed charge established by a council of trustees or university president, according to authorities under Act 188 of 1982, to recover costs of certain services, materials, or activities provided.
- **Fees for optional, individual services**—Fees for such one-time services, such as application, transcripts, or graduation participation; or optional services that a student may choose to receive, such as student parking, transcripts, placement services, individual music lessons, competency exam, advanced placement exam, graduation participation, licensure exam, certifications, interest on deferred payment, ROTC uniform, equipment rental, international experiences, distance education, off-campus site participation, noncredit education, optional field trips, and similar services.
- **Instructional fees**—Instructional fees may be used to support general instructional operations and academic facilities needs. These fees may be used to cover unusual costs of certain special programs and/or operational and equipment needs such as music lessons or instruments, practica, instructional equipment, international exchange participation, required course/university tests and examinations, laboratory supplies;

~~instruction beyond baccalaureate degree work,~~ course-required field trips, student teaching, clinical experiences, or related activities.

- Mandatory fees—Fees charged to all students participating through a particular campus or delivery mode, such as instructional fees, student activity fees, student union fees, recreation center fees, health center fees, registration fees, and transportation fees.
- Fines/Penalty fees—To offset costs of special services, such as late fees (late registration, payment, application, library return, etc.), bad check, drop/add, lost key, parking fines, I.D. replacement, room change, ~~actual~~ breakage, damage, or related expenses.
- ~~Public service fees~~ such as fees for non credit instruction, clinical and other services provided to the public, laboratory school, day care, etc.
- ~~Refundable deposit fees~~ such as for breakage, room damage, equipment rental.
- Student activity fees—Fees established for activities associated with student ~~unions~~ associations and, governments, and to support other extracurricular activities such as lectures, concerts, athletics, student newspaper, forensics, dramatics, and related activities.
- Tuition—The basic ~~charge fee~~ established by the Board of Governors ~~to supplement state appropriations in support of instruction and instructional services at a State System university~~ for rendering educational services, as enumerated in Act 188 of 1982. Also, the technology tuition fee, a separate tuition fee established by the Board of Governors for rendering technology resources and services to enhance student learning experiences.

BC. Policy

- ~~1.~~ ~~The Board shall fix annual tuition rates for undergraduate and graduate students, with a differential between resident and nonresident rates.~~
21. As enumerated in Act 188 of 1982, ~~T~~the councils of trustees ~~shall limit the aggregated instructional and facilities fees~~ may establish university fees. The councils of trustees may establish a mandatory instructional fee to support the educational mission of the university. The instructional fee assessable to a student ~~to the limit of~~ shall be limited to tuition as follows:
 - a. Baccalaureate Degree—10%
 - b. Master's Degree—15%
 - c. Graduate Professional Programs—20%
 - d. Doctoral Degree—20%

2. All other mandatory fees established by the councils of trustees must support auxiliary and/or other activities that are ancillary to the educational mission of the university.
3. As enumerated in Act 188 of 1982, the presidents may, in cooperation with their respective student association, establish student activity fees.

Addition
~~Deletion~~



PA State System of Higher Education Board of Governors

Effective: January 18, 1996

Page 1 of 2

POLICY 1996-01-A: SOURCES OF FUNDING FOR UNIVERSITY SCHOLARSHIPS

See Also:

Adopted: January 18, 1996

Amended: April 2, 2009, [and January 20, 2011](#)

A. Purpose

To provide limited flexibility for universities to award need-based institutional scholarships to enrolled Pennsylvania students. This policy does not apply to scholarships supported by restricted funding sources.

B. Definitions

Institutional scholarships—University-funded financial assistance to a student for the purpose of undertaking for-credit course work not to exceed the full cost of attendance less other grant awards.

~~Need-based institutional scholarships~~—~~university provided financial assistance to a student, for the purpose of undertaking for credit course work not, to exceed the full cost of attendance less other grant awards.~~ Institutional §scholarship eligibility is based upon an analysis of financial need, to include information reported in the Free Application for Federal Student Aid (FAFSA).

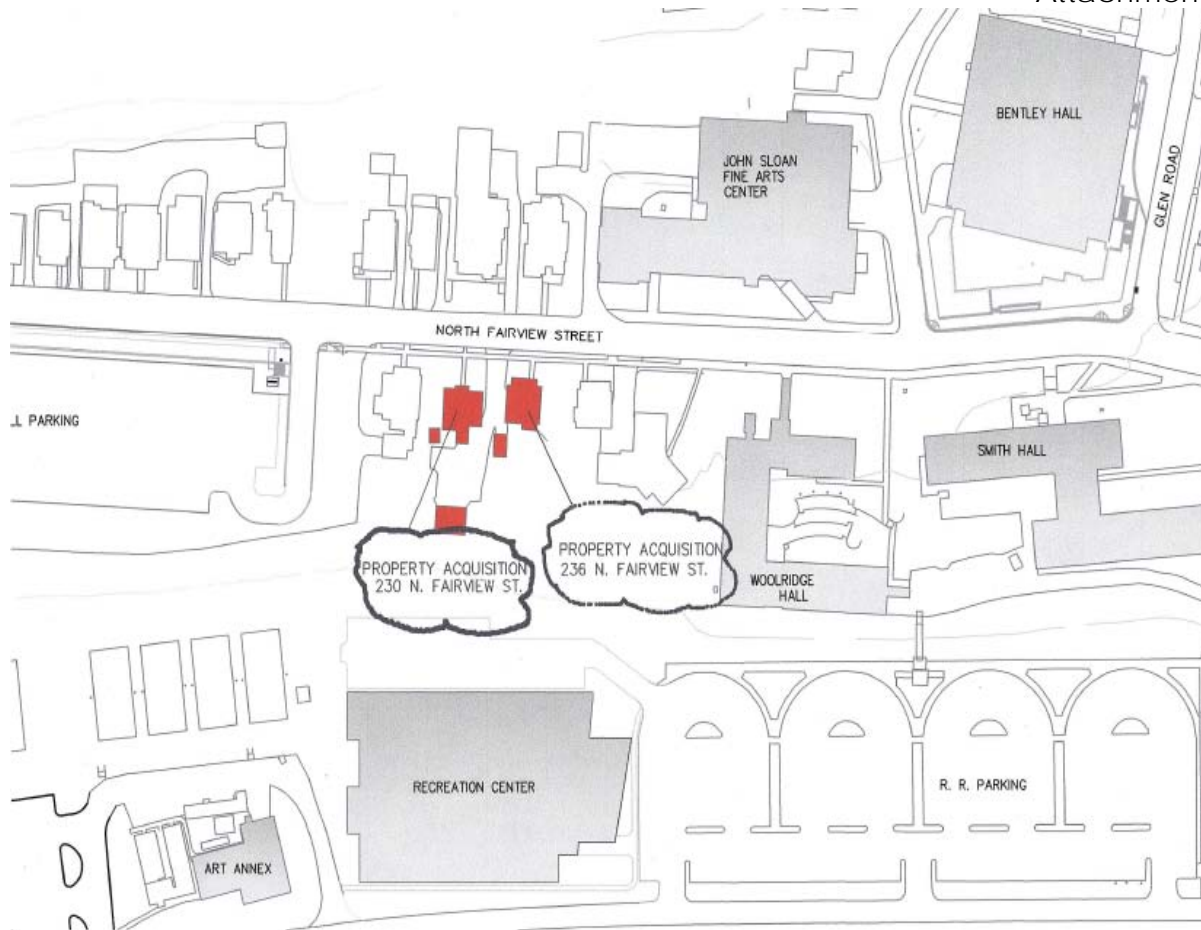
C. Administration

1. Need-based institutional §scholarships may be granted to students who meet the following criteria:
 - a. Domiciled in Pennsylvania;
 - b. Has completed the FAFSA for the award year; and,
 - c. Has demonstrated financial need.
2. Need-based institutional §scholarships administered as a result of this policy must meet the following criteria:
 - a. Awards are based upon student financial need;

- b. Awards are “last dollar;” all other gift aid sources must be used prior to awarding an institutional scholarship; and,
 - c. The total financial aid awarded to a student cannot exceed the cost of attendance.
3. To use this policy, presidents must develop university procedures for establishing and maintaining a ~~a~~ need-based institutional scholarship fund and its administration. University procedures must include funding expectations, utilization guidelines, and requirements for annual reports and audits. University procedures must be submitted to the chancellor for approval.
4. Subject to the recommendation of the president and approval of the university council of trustees, as part of the annual university budget approval process, the following sources of *Unrestricted* revenue may be used to fund institutional scholarships that are not based on need:
- a. Gifts;
 - b. Unrestricted endowment income;
 - c. Corporate sponsorship;
 - d. Camp, conference, and similar event income (net of expenditure);
and/or
 - e. Other sources of revenue, as approved by the chancellor.
45. Nothing herein shall be deemed to govern the awarding of scholarships that are based on sources of funding which are specifically restricted for that purpose by an external source or donor.

Addition

~~Deletion~~



Partial Map of Lock Haven University



230 North Fairview Street, Lock Haven



236 North Fairview Street, Lock Haven

Memorandum of Agreement – Rank and File

And Now, this 20th day of January 2011, this Memorandum of Agreement is made by and between Council 13, American Federation of State, County and Municipal Employees (“Union”) and the Pennsylvania State System of Higher Education (“PASSHE”).

Whereas, the global fiscal crisis of an unprecedented magnitude has resulted in PASSHE experiencing a sustained substantial and dramatic reduction in PASSHE revenues;

Whereas, PASSHE is utilizing approximately \$38 million in nonrecurring federal stimulus funds to balance its Fiscal Year 2010/2011 budget;

Whereas, as a result of this fiscal crisis, PASSHE has taken and will continue to take significant steps to reduce expenses across the System and, as part of that cost reduction effort, must identify ways to reduce personnel costs;

Whereas, the Union has opposed the Governor’s request to relinquish negotiated wage increases, including increments and general wage increases, for bargaining unit members;

Whereas, the parties recognize that the projected funding of the Pennsylvania Employees Benefit Trust Fund (“PEBTF”) by PASSHE for the duration of the current master memorandum will result in a substantial reserve level which can be reduced on a temporary basis to generate cost savings for PASSHE during this fiscal challenge without impacting adversely the fiscal stability of the PEBTF or the level of benefits offered;

Now Therefore, PASSHE and the Union, subject to ratification by its members, in their respective capacities as signatories to the collective bargaining agreement now in effect, have met, negotiated and agreed to the terms of the Memorandum of Agreement as an amendment to their collective bargaining agreement.

1. PEBTF Deferred Contributions. The parties agree that the reduction of twenty (20%) in the applicable employer contribution rate to PEBTF, as set forth in Article 25, Section 1c, which took effect with the April 2009 monthly payment (for March 2009 contributions), ceased with the June 2010 monthly payment (for May 2010 contributions). This deferral of a portion of the employer contributions was permitted by virtue of a Memorandum of Agreement entered into by the parties on April 2, 2009, a copy of which is attached hereto and incorporated herein by reference.

The parties further agree that the PASSHE contribution rate to the PEBTF as outline in Article 25, Section 1 (c) shall be temporarily reduced to \$400 bi-weekly per employee, rather than \$440 bi-weekly per employee, as required by the collective bargaining agreement, through June 30, 2011. This reduced contribution rate shall be retroactive and pertain to contributions beginning July 1, 2010.

PASSHE is committed to meeting its contractual obligations to fund the PEBTF in accordance with the parties' collective bargaining agreement. As provided herein, PASSHE will make up the deferred contributions and will satisfy its full and complete contractual funding commitment. The fiscal stability of the PEBTF is a testament to the prudent management of the fund, and PASSHE would propose no action that would undermine these achievements. For these reasons, PASSHE has agreed to the deferral make-up provisions contained in Paragraph 2.

2. Deferral Make-Up Provisions. The parties agree that the deferred contributions for the period April 2009 (for March 2009 contributions) through July 2011 (for June 2011 contributions) will be made up and paid to the PEBTF in full, in accordance with the following modified schedule:

a. General Make-Up Payments. PASSHE will increase its contribution rate to \$530 bi-weekly per employee (representing the \$440 contractual contribution plus a \$90 make-up payment), effective with the first full pay period in July 2011 and continuing for a period of 18 months, up to and including the month of December 2012. PASSHE will notify the Union of any delay in the make-up payments.

b. Accelerated Make-Up Payments. If, at any point in time, the actuarially projected reserves for the PEBTF fall below one (1) month, PASSHE will make-up a sufficient amount of the deferred contributions to restore the one (1) month reserve within thirty (30) day or earlier to ensure there is no cash flow crisis. In addition, if the economy improves to the point that PASSHE can accelerate make-up payment schedule in Paragraph 2.a. above, it will do so. Any accelerated make-up payments hereunder will reduce PASSHE's obligation under the general make-up payment provision in Paragraph 2.a.

3. Benefit Levels. It is agreed that there shall be no reduction in the level of benefits provided by the PEBTF as a result of this Memorandum of Agreement. The parties will request that the PEBTF actuary provide a letter confirming that the deferred contributions hereunder will not result in a reduction in the level of benefits and that, while the deferred contributions will cause a temporary drop in the level of reserves below the current three plus month reserve level, the deferral make-up provisions above are projected to restore this level of reserves. The actuary's letter will be attached hereto.

4. Furloughs. In exchange for the Union's agreement to defer contributions to the PEBTF, the PASSHE kept its commitment that it would not impose rolling furloughs of the participating Union members during the period that the reduced contribution rate remained in effect (i.e. through June 30, 2010).

In exchange for the Union's agreement that the PASSHE contribution rate to the PEBTF shall be frozen at \$400 bi-weekly per employee during Fiscal Year 2010/2011, PASSHE has committed that it will not impose rolling furloughs of the participating Union members during the period that the contribution rate is frozen (i.e. through June 30, 2011).

The Union has strongly urged PASSHE to refrain from conducting permanent furloughs as well. While PASSHE in its discretion retains the right to conduct permanent furloughs in accordance with Article 29, Section 7 of the parties' collective bargaining agreement, the Chancellor has expressed his preference to minimize such furloughs to the extent possible. In the event permanent furloughs occur, PASSHE will follow the contractual process for such furloughs.

This agreement to refrain from rolling furloughs shall be a non-precedent setting agreement and nothing contained herein shall be construed to create a duty to negotiate over the decision to undertake such furloughs. It further is understood that each party reserves its respective position and legal arguments regarding such furloughs.

5. Scope and Effect. This agreement shall remain in full force and effect regardless of whether any other union whose members are covered by the PEBTF agrees to the deferral and/or reduction of PASSHE contributions to the PEBTF.

6. Ongoing Discussions. PASSHE is fully committed to continuing the process of meeting with the Union to discuss any and all cost-containment ideas, suggestions, and recommendations that the Union wishes to raise.

7. Dispute Resolution. It is in the best interests of the parties to agree upon a dispute resolution mechanism to resolve disputes arising under this Memorandum, if any. A dispute will be initiated by either party by written notice to the other within ten (10) calendar days of the dispute arising. If the dispute remains unresolved for twenty (20) calendar days following such notice, the initiating party may move the dispute to arbitration. It is agreed that the parties will endeavor to resolve such dispute on an expedited basis. If more than one union is involved in the same or similar dispute, the matters will be consolidated and heard together. The parties will bear equally the expense of the arbitration, including the arbitrator's fees and associated costs. The parties will agree on the arbitrators who will be available on an expedited basis, from which they will select one to hear the dispute. If they are unable to agree, the union will strike one name, and PASSHE will strike one name, and the remaining name will be the arbitrator to hear the dispute.

Subject to ratification, the parties have signed this Memorandum of Agreement to indicate their assent to its terms.

Council 13, American Federation of State, County, and Municipal Employees

David Fillman, Executive Director

Date

Pennsylvania State System of Higher Education

John Cavanaugh, Chancellor

Date

Memorandum of Understanding – First Level Supervisors

And Now, this 20th day of January 2011, this Memorandum of Understanding is made by and between Council 13, American Federation of State, County and Municipal Employees (“Union”) and the Pennsylvania State System of Higher Education (“PASSHE”).

Whereas, the global fiscal crisis of an unprecedented magnitude has resulted in PASSHE experiencing a sustained substantial and dramatic reduction in PASSHE revenues;

Whereas, PASSHE is utilizing approximately \$38 million in nonrecurring federal stimulus funds to balance its Fiscal Year 2010/2011 budget;

Whereas, as a result of this fiscal crisis, PASSHE has taken and will continue to take significant steps to reduce expenses across PASSHE and, as part of that cost reduction effort, must identify ways to reduce personnel costs;

Whereas, the Union has opposed the Governor’s request to relinquish negotiated wage increases, including increments and general wage increases, for bargaining unit members;

Whereas, the parties recognize that the projected funding of the Pennsylvania Employees Benefit Trust Fund (“PEBTF”) by PASSHE for the duration of the current master memorandum will result in a substantial reserve level which can be reduced on a temporary basis to generate cost savings for PASSHE during this fiscal challenge without impacting adversely the fiscal stability of the PEBTF or the level of benefits offered;

Now Therefore, PASSHE and the Union, subject to ratification by its members, in their respective capacities as signatories to the memorandum of understanding now in effect, have met, negotiated and agreed to the terms of the Memorandum of Agreement as an amendment to their memorandum of understanding.

1. PEBTF Deferred Contributions. The parties agree that the reduction of twenty (20%) in the applicable employer contribution rate to PEBTF, as set forth in Recommendation 25, Section 1c, which took effect with the April 2009 monthly payment (for March 2009 contributions), ceased with the June 2010 monthly payment (for May 2010 contributions). This deferral of a portion of the employer contributions was permitted by virtue of a Memorandum of Agreement entered into by the parties on April 2, 2009, a copy of which is attached hereto and incorporated herein by reference.

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PASSHE is committed to meeting its contractual obligations to fund the PEBTF in accordance with the parties’ memorandum of understanding. As provided herein,

PASSHE will make up the deferred contributions and will satisfy its full and complete contractual funding commitment. The fiscal stability of the PEBTF is a testament to the prudent management of the fund, and PASSHE would propose no action that would undermine these achievements. For these reasons, PASSHE has agreed to the deferral make-up provisions contained in Paragraph 2.

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The Union has strongly urged PASSHE to refrain from conducting permanent furloughs as well. While PASSHE in its discretion retains the right to conduct permanent furloughs in accordance with Recommendation 29, Section 7 of the parties' memorandum of

understanding, the Chancellor has expressed his preference to minimize such furloughs to the extent possible. In the event permanent furloughs occur, PASSHE will follow the contractual process for such furloughs.

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7. Dispute Resolution. It is in the best interests of the parties to agree upon a dispute resolution mechanism to resolve disputes arising under this Memorandum, if any. A dispute will be initiated by either party by written notice to the other within ten (10) calendar days of the dispute arising. If the dispute remains unresolved for twenty (20) calendar days following such notice, the initiating party may move the dispute to arbitration. It is agreed that the parties will endeavor to resolve such dispute on an expedited basis. If more than one union is involved in the same or similar dispute, the matters will be consolidated and heard together. The parties will bear equally the expense of the arbitration, including the arbitrator's fees and associated costs. The parties will agree on the arbitrators who will be available on an expedited basis, from which they will select one to hear the dispute. If they are unable to agree, the union will strike one name, and the PASSHE will strike one name, and the remaining name will be the arbitrator to hear the dispute.

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Council 13, American Federation of State, County, and Municipal Employees

David Fillman, Executive Director

Date

Pennsylvania State System of Higher Education

John Cavanaugh, Chancellor

Date

**Pennsylvania State System of Higher Education
Performance Funding Program Recommendations**

Conceptual Framework

The Performance Funding Program must support the strategic direction of the Pennsylvania State System of Higher Education (PASSHE).

The challenges facing PASSHE are more complex and critical than at any point since its founding in 1983. The face of our students is changing, the global economy into which our graduates head requires new skills that give them intellectual flexibility, the issues facing the Commonwealth require multifaceted and creative solutions, the need for more university-prepared citizens is high, and the need for our institutions to engage their communities has never been greater. These challenges, if they are to be addressed, require a more inclusive approach in terms of people and viewpoints. This approach must be one that breaks down traditional silos and replaces it with a functional, strategic process that is dynamic, responsive, and grounded in a learner-focused culture of continuous improvement. The spirit of entrepreneurship must be reflected in our students and universities. PASSHE universities must be known as places where knowledge is generated to advance understanding across all academic disciplines, improve professional practice, and enhance the quality of life in the regions served. Four primary drivers have been identified to shape the future direction of the universities and PASSHE:

1. Transforming students and the learning environment.
2. Transforming the resources.
3. Transforming university-community relations.
4. Transforming PASSHE's role in determining the Commonwealth's future.

As PASSHE and the universities transform teaching and learning, secure resources, engage their communities and regions, and provide leadership for the future, the Performance Funding Program is designed to measure the outcomes of these efforts in the **success** of our students, comprehensive **access** to opportunity, and **stewardship** of our resources and the Commonwealth's communities and regions.

Success: The primary mission of PASSHE universities is to help students achieve their educational goals successfully. To be successful in the 21st century, students must be prepared for lifelong learning, a habit of the mind that will force them to refresh their content knowledge continually. To ensure this outcome, PASSHE must lead the way in changing the manner in which students learn, faculty teach, and courses are delivered. As the Commonwealth's universities, PASSHE institutions have a special relationship with the state. As a result, PASSHE is obligated to address the strategic needs of the Commonwealth, filling an appropriate role in creating the policy and direction for the state's future.

Access: As the state-owned universities, PASSHE serves a critical role through providing access to higher education, building college aspirations and enrollment among underserved populations, and facilitating the opportunity for advancement of educational achievement from pre-baccalaureate through baccalaureate and graduate degrees and professional certifications. PASSHE must ensure that the students who learn in its universities reflect the diversity of the communities from which they come, that the faculty and staff who teach and support them do as well, and that students are well prepared to enter a global work force.

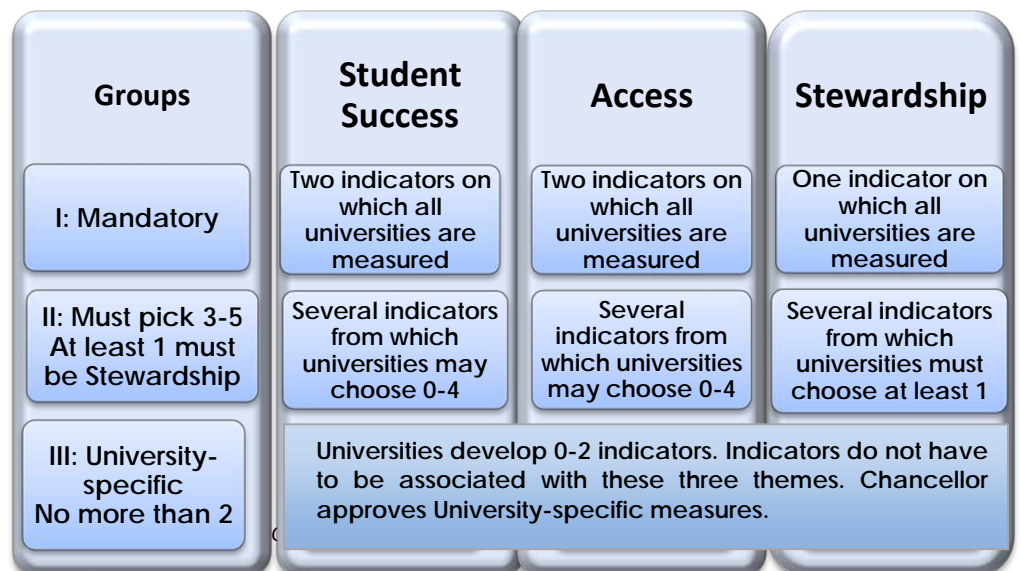
Stewardship: As stewards of public resources, PASSHE universities must be fiscally efficient and responsible. The human, financial, and physical resources necessary to create the highest quality learning opportunities for our students need to be effectively and efficiently managed. PASSHE prides itself as a national leader in identifying and implementing significant cost reductions and cost avoidance strategies. Providing adequate resources in difficult economic times will require continual rethinking of university entrepreneurship and flexibility, and a realization that new ways of thinking and conducting our operations are essential. The communities and regions in which PASSHE universities are located must be better for and enhance those institutions. This mutually beneficial relationship must be nurtured and enhanced in many ways that respect and use each other's strengths. PASSHE universities have an obligation to enhance the quality of life of the citizens of our communities, and help improve local and regional economic conditions.

The Performance Funding Program is designed around specific principles:

- The program will be clear, understandable, and replicable.
- The primary focus will be on results (outputs rather than inputs or throughputs).
- There will be transparency and visibility of all data.
- University efforts to distinguish themselves on programs, students, locations, and delivery methods will be possible.
- The design will reduce inter-institutional competition and will support collaboration.
- The program will align with System and university strategic directions and System policies, e.g., allocation formula.
- The program will align with national accountability efforts, including Middle States accreditation, Voluntary System of Accountability (VSA) requirements, and the EdTrust/NASH Access to Success initiative.

Selection of Performance Measures/Indicators

To achieve the principles within the three themes, each institution will commit to ten performance indicators for the next five years. The performance measures are organized into



three groups. Each university has the opportunity to choose its measures within limitations. All the universities will be responsible for the five performance indicators in Group I. The universities will select the remaining five performance measures from Groups II and III. Each university must select at least one measure from the Stewardship theme in Group II. Otherwise, there are no limits on the number of performance measures selected from any theme. Group III allows the university to propose to the Chancellor a maximum of two unique performance measures not listed in Group II. Any proposed measure should be derived from the university's strategic plan, have an element of risk as well as reward, have an external comparative base, and be capable of being quantified such that it can be determined if the university meets or does not meet the goal.

Performance Measurement

For all indicators, university performance will be measured via progress toward institution-specific goals and against external comparisons or expectations. Whenever possible, external comparisons will be based upon similar universities participating in national studies. As needed, benchmark institutions will be developed in consultation with the Chancellor and based on, but not limited to, such factors as numbers of FTE students, budgets, etc. Institutional goals, established in concert with the Office of the Chancellor, will take into consideration each University's historical trends, overall performance levels, and reasonable expectations for improvement. University performance will be measured either as meeting or not meeting each performance target; there will no longer be a three-tiered assessment of performance on each target (e.g., exceeding performance will no longer be used). All indicators and goals must be established by June 2011 to be used for the 2011-2012 award year.

Performance Funding Pool and Distribution

In recent years, performance funding was provided from two separate fund sources: 6% of the Educational and General (E&G) Appropriation and the equivalent of 2% from the Program Initiatives Line Item. Given the impact of the current economic downturn on Commonwealth funding for PASSHE, it is likely that this source of funds will continue to diminish and, perhaps, that the Program Initiatives Line Item may be discontinued. To maintain a reasonable performance funding pool that will continue to encourage performance, it is proposed that the performance funding pool be established as equal to approximately 2.4% of PASSHE's total E&G revenue, which is roughly equivalent to the current performance funding level. The performance funding pool will continue to be funded completely from state appropriations. Several options for the distribution of these funds were considered. The recommended distribution method is outlined below.

Distribution Method

- Performance funding will be determined for each university based upon performance on the ten indicators.
- Each university will have the ability to meet performance on each measure for a maximum total of ten points, or one point per measure. Measures will include components for individual performance and performance in relation to peers or external standards.

- Points are earned by a university for at least meeting the performance requirement. For measures that contain submeasures, each submeasure is worth the appropriate fraction of a point. For example, for an indicator with two submeasures, each submeasure is worth 0.5 point.
- All points are totaled for each university, then weighted by the university's base appropriations funding determined by the allocation formula, to adjust for institutional size.
- The weighted points are divided into the total performance funding pool to create a dollar-per-point value that is multiplied by the number of points the university earned to establish the allocation.

Transition Year

Performance funding awards to be distributed in 2010-2011 will be based upon a set of transitional indicators. These indicators have been used in the current System Accountability Plan and are consistent with the focus of the new performance funding program, approximating the focus of the five mandatory indicators that will be in place for the 2011-2012 award year. The following indicators will be used, with some slight modifications.

Degrees Awarded

Second-Year Persistence

Graduation Rates

Credit Hour Productivity (in the absence of the Common Cost Accounting Report, calculations will be based on course data submissions)

Employee Diversity

Private Support (including the top three gifts)

Faculty with Terminal Degrees

Performance will be measured in the same manner used in recent years, based upon a combination of historical trends. Awards will be determined based upon individual performance and peer comparisons; the System target comparison will no longer be used. Similarly, awards will be determined based upon meeting or not meeting performance; exceeding performance will no longer be recognized.

Distribution of awards in 2010-2011 will be based upon the new distribution methodology, presented above.

Performance Indicators

The mandatory and optional indicators for each theme are summarized below.

Student Success

Group I: Two measures

1. Degrees Conferred (1.0)
 - a. Number of associate, baccalaureate, and graduate degrees conferred (.50)
 - b. Baccalaureate degrees awarded per FTE undergraduate enrollment (.50)
2. Closing the Achievement Gaps (1.0)

- a. Closing the Achievement Gap for Pell Recipients (.50)
- b. Closing the Achievement Gap for Underrepresented Minority (URM) Students (.50)

Group II: Universities can select from the following:

1. Deep Learning Scale Results-National Survey of Student Engagement (NSSE) (1.0)
2. Senior Survey-National Survey of Student Engagement (NSSE) (1.0)
 - a. Academic challenge (.20)
 - b. Active/collaborative learning (.20)
 - c. Student/faculty interaction (.20)
 - d. Enriching educational experiences (.20)
 - e. Supportive campus environment (.20)
3. Student Persistence (1.0)
 - a. Overall percentage of students returning for a third academic year (.50)
 - b. Overall percentage of students returning for a fourth academic year (.50)
4. Value-Added-Senior CLA, CAAP, or ETS® Proficiency Profile Scores (1.0)
5. STEM Degree Recipients-Percentage of university degree recipients in high need programs such as science, technology, engineering, and mathematics (STEM) or health care (1.0)

Access

Group I: Two measures

1. Closing the Access Gaps (1.0)
 - a. Closing the Gap for Pell Recipients (.50)
 - b. Closing the Gap for Underrepresented Minority Students (URM) (.50)
2. Faculty Diversity (1.0)
 - a. Percent of full-time tenure/tenure-track faculty who are nonmajority persons (.50)
 - b. Percent of full-time tenured faculty who are female (.50)

Group II: Universities can select from the following:

1. Faculty Career Advancement (1.0)¹
 - a. Percent of Associate Professors who are nonmajority (.25)
 - b. Percent of Associate Professors who are female (.25)
 - c. Percent of Professors who are nonmajority (.25)
 - d. Percent of Professors who are female (.25)
2. Employment (Nonfaculty) Diversity (1.0)
 - a. Percent of Executives who are nonmajority (.25)
 - b. Percent of Executives who are female (.25)
 - c. Percent of Professional staff who are nonmajority (.25)
 - d. Percent of Professional staff who are female (.25)
3. Student Experience with Diversity and Inclusion-Measured by average of the combined scores on applicable NSSE items (1.0)

¹ Need to be careful about limit on full professors and distribution across disciplines/departments.

4. Student Diversity (1.0)
 - a. Percent of total student enrollment who are federal Pell Grant recipients (.50)
 - b. Percent of total student enrollment who are nonmajority (.50)

Stewardship

Group I: One measure

1. Private Support-Three-year average of total dollars raised (1.0)

Group II: Universities must select at least one from the following:

1. Facilities Investment-Composite measure of annual stewardship, operating effectiveness, and quality of service in the physical plant arena, as measured by the annual Sightlines Return on Physical Assets (ROPA) Study (1.0)
2. Administrative Expenditures as Percent of Cost of Education (1.0)
3. Credit Hour Productivity-Student credit hours as ratio of total FTE faculty (1.0)
4. Employee Productivity-FTE student/FTE employee (faculty and staff) (1.0)

University-Specific Indicators

Group III: Universities may create no more than two Group III indicators, which have to be approved by the Chancellor for inclusion in the performance funding program. Proposals should follow the prescribed template for defining the performance indicator including the data source(s). The Accountability and Performance Funding Committee members are available to consult with universities to help develop successful indicators.

PASSHE Strategic Initiatives

Context

Throughout its twenty-seven year history, PASSHE has been guided by a series of strategic plans which have identified goals for performance and service excellence. PASSHE's most recent strategic plan, *Leading the Way*, expired in 2009. Much has changed since its adoption and the need for a new vision is critical if PASSHE universities are able to play an ever-growing role in the Commonwealth's future. *PASSHE Strategic Initiatives* serves as the outline of the major strategic initiatives for the System that will frame the next strategic plan for adoption by the Board of Governors. As individual campuses revise their strategic plans in the interim, this document will inform that process. Additionally, it will inform the revised outcomes-based performance funding model.

PASSHE Strategic Initiatives is grounded in the System's mission, "to be among the nation's leading systems of public universities, recognized for (1) access and affordability of excellent undergraduate and graduate education; and (2) responsiveness to state, regional, and national needs through quality academic programs, research, and service." PASSHE's focus has always and will continue to be focused on our students, and on how to ensure that the experiences they have are the most enriching possible.

PASSHE Strategic Initiatives is predicated on the need for transformation: in how, when, and where learning occurs; in how the resources necessary to ensure learning need to be recruited, retained, and sustained; in how our universities relate to their various communities; and in how we partner with the Commonwealth in creating and delivering a shared vision of the future. Only through such transformation, grounded in thoughtful re-examination of our traditional ways of conducting ourselves, will we be assured of thriving in these very difficult economic times.

The Strategic Initiatives

The four strategic areas are:

- Transforming students and the learning environment
- Transforming resources
- Transforming university-community relations
- Transforming PASSHE's role in determining the Commonwealth's future

Each of these areas will incorporate several key goals that will be the focus of ongoing and planned efforts by individual universities and/or the Office of the Chancellor. Examples of goals under each initiative are not meant to be exhaustive, but reflective of the highest priorities for the betterment of our students and the citizens of the Commonwealth.

PASSHE Initiative 1: Transforming Students and the Learning Environment

To be successful in the 21st century, students must be prepared for lifelong learning, a habit of the mind that will force them to continually refresh their content knowledge. To ensure this outcome, PASSHE must lead the way in changing the way students learn, faculty teach, and courses are delivered. To achieve this will require us to provide state-of-the-art support services. To meet its educational mission, PASSHE must ensure that the students who learn in its universities reflect the diversity of the communities from which they come, and that the faculty and staff who teach and support them do as well. Additionally, the physical spaces in which learning occurs and the means by which information and courses are delivered must adapt and be more flexible. Goals in this area include ensuring quality and currency in academic programs and services; expanding greater inter-university collaboration; employing technology and designing facilities to enhance teaching and learning; and providing evidence of student learning and achievement.

PASSHE Initiative 2: Transforming Resources

The human and financial resources necessary to create the highest quality learning opportunities for our students need to be identified and provided. PASSHE prides itself in being a national leader in implementing significant cost reductions and cost avoidance strategies. Providing adequate resources in difficult economic times will require continual rethinking of university entrepreneurship and flexibility, and a realization that new ways of thinking and conducting our operations are essential. Close collaboration with the General Assembly and the Governor will be essential to ensure that PASSHE universities are afforded the same opportunities for revenue creation as other publicly-funded institutions. Investment in our faculty and staff through professional development programs will be even more important as a means to retain and sustain our talent. Goals in this area include creating an inclusive environment in which our diverse students, faculty, and staff can thrive; implementing best practices in teaching and learning; enhancing institutional flexibility; and increasing private fundraising while diversifying financial resources to support our mission.

PASSHE Initiative 3: Transforming University-Community Relations

The communities and regions in which PASSHE universities are located must be better for and enhance those institutions. This mutually beneficial relationship must be nurtured and enhanced in the myriad ways that respect and utilize each other's strengths. PASSHE universities have an obligation to enhance the quality of life of the citizens of our communities, and help improve local and regional economic conditions. All core constituency groups (students, staff, and faculty) must work together with local, regional, national, and international communities to ensure that each of us leaves the situation better than we found it. Goals in this area include enhancing community and regional engagement; expanding opportunities for workforce development; and fostering local and regional economic and community development.

PASSHE Initiative 4: Transforming PASSHE's Role in Determining the Commonwealth's Future

As the Commonwealth's universities, PASSHE institutions have a special relationship with it. As a result, we have an obligation to ensure that the strategic needs of the Commonwealth are our focus, and that PASSHE plays an appropriate role in creating the policy and direction for the state's future. This means that PASSHE must be part of the vision of the future, and have a significant role in creating and delivering it. Goals in this area include expanding capacity for public policy development; capitalizing on the broadband initiative for educational, health, and economic improvement; and aligning academic programs at all levels with the Commonwealth's strategic needs.



Board of Governors Standing Committee Assignments

Academic and Student Affairs

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

Audit

Pichini, Guido M. (*Chair*)
Dlugolecki, Paul S.
Pennonni, C.R. “Chuck”
Toretti, Christine J.
Jarin, Kenneth M. (*ex officio*)

Executive

Jarin, Kenneth M. (*Chair*)
Conley Lammando, Marie
Dlugolecki, Paul S.
Pennonni, C.R. “Chuck”
Pichini, Guido M.
Sweitzer, Thomas M. “Doc”
Walton, Aaron A.

External Relations

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

Finance, Administration, and Facilities

Pennonni, C. R. “Chuck” (*Chair*)
Branstetter, Jennifer G. (*Designee for Governor Thomas W. Corbett*)
Hanna, Representative Michael K.
Hughes, Senator Vincent J.
Pichini, Guido M.
Shields, Harold C.
Jarin, Kenneth M. (*ex officio*)

Human Resources

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

Information Technology

Dlugolecki, Paul S. (*Chair*)
Pennonni, C.R. “Chuck”
Jarin, Kenneth M. (*ex officio*)

Updated: January 20, 2011



**Resolution Honoring the Contributions
of
John M. Brinjac**

WHEREAS, John M. Brinjac provided distinguished service to the Board of Governors of the Pennsylvania State System of Higher Education (PASSHE) as the designee to the Board representing Governor Edward G. Rendell; and

WHEREAS, John M. Brinjac served as an adviser to the Chancellor and to the staff of the Pennsylvania State System of Higher Education as academic, financial, administrative, advancement and human resources policies were developed to guide PASSHE within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, John M. Brinjac contributed significantly to Board discussions and deliberations as a member of both the Finance, Administration and Facilities Committee and the Information Technology Committee; and

WHEREAS, John M. Brinjac has provided extraordinary volunteer service to the Commonwealth and to all of its citizens throughout his professional career;

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

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

Unanimously adopted by the Board
January 20, 2011

Kenneth M. Jarin, Chairman



**Resolution Honoring the Contributions
of
Donna Cooper**

WHEREAS, Donna Cooper provided distinguished service to the Board of Governors of the Pennsylvania State System of Higher Education (PASSHE) as the designee to the Board representing the Secretary of the Pennsylvania Department of Education; and

WHEREAS, Donna Cooper served as an adviser to the Chancellor and to the staff of the Pennsylvania State System of Higher Education as academic, financial, administrative, advancement and human resources policies were developed to guide PASSHE within the mission and strategic direction identified by the Board of Governors; and

WHEREAS, Donna Cooper contributed significantly to Board discussions and deliberations as a member of both the Academic and Student Affairs Committee and the Finance, Administration and Facilities Committee; and

WHEREAS, Donna Cooper provided extraordinary service to the Commonwealth and to all of its citizens throughout her career, most recently as Secretary of Policy and Planning in the Cabinet of Governor Edward G. Rendell;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of the Pennsylvania State System of Higher Education does acknowledge the many fine contributions of Donna Cooper to the Board and to the entire Pennsylvania State System of Higher Education; and

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

Unanimously adopted by the Board
January 20, 2011

Kenneth M. Jarin, Chairman



**Resolution Honoring the Contributions
of
Edward G. Rendell**

WHEREAS, Edward G. Rendell served as governor of Pennsylvania from January 2003 to January 2011, providing distinguished service to the Commonwealth of Pennsylvania and to all of its citizens; and

WHEREAS, as governor, Edward G. Rendell demonstrated an unwavering commitment to enhancing the educational opportunities available to all Pennsylvania citizens, from preschool children to our oldest citizens, resulting in unprecedented support for public education; and

WHEREAS, because of his exceptional commitment to education, Pennsylvania students have demonstrated significant gains in achievement, as documented in several national studies; and

WHEREAS, as governor and as a member of the Board of Governors of the Pennsylvania State System of Higher Education, Edward G. Rendell consistently demonstrated his personal commitment to the PASSHE mission of providing high quality, affordable education to the citizens of the Commonwealth; and

WHEREAS, as governor, Edward G. Rendell increased the Commonwealth's capital commitment to PASSHE from \$65 million to \$130 million annually, ensuring the future enhancement of our campuses and benefitting not only our students, but also the communities surrounding our universities;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of the Pennsylvania State System of Higher Education does acknowledge the many fine contributions of Edward G. Rendell to the Pennsylvania State System of Higher Education, to its students and to the entire Commonwealth; and

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

Unanimously adopted by the Board
January 20, 2011

Kenneth M. Jarin, Chairman