THE PENNSYLVANIA STATE UNIVERSITY
BOARD OF TRUSTEES

MINUTES OF MEETING
VOLUME 355

February 21, 2025

A meeting of the Board of Trustees was held at the Eric J. Barron Innovation Hub, Room 603 and Via Zoom on Friday, February 21, 2025, beginning at 1:00 p.m.

The following Trustees, constituting a quorum, were present: Kleppinger (Chair), Sokolov (Vice Chair), Bendapudi, Beard, Black, Brown, Cairns, Collins, Davis, Delligatti, Detwiler, Dietrich, Dunn, Fenchak, Fenza, Gursahaney, Harpster, Hasenkopf, Hoffman, Kane, Krieger, Lubrano, Lynch, McGloin, Myers, Nassib, Onorato, Paterno, Potts, Quintos, Redding, Riegel, Rowland, Schneider, Schuyler, K., Schuyler, M., and Short.

Present by invitation were Emeriti Trustees Henning, Oldsey, and Tribeck, constituent representatives Egolf, Duffey, Fegert, Galloway, Marko, Stine and Sykes; and staff members Dale, DelliCarpini, Dowhower, Harvey, Horton, Langkilde, Oman, Pell, Read, Sabol, Smith, Stefan, Thorndike, Uhlman, Wilkes and Wilson. Administrative Fellows Hsu and Lee and Academic Leadership Chair Richardson also attended.

Chair Kleppinger welcomed attendees, including Vice Chair Sokolov, new administrative colleagues, and emeriti trustees. Notably, Alyssa Wilcox was introduced as the new Vice President for Development and Alumni Relations, effective January 13, 2025. Appreciation was extended to David Lieb for his service as interim VP.

The Chair Kleppinger also congratulated Dean Marie Hardin on her appointment as President of Quinnipiac University and acknowledged student government leaders for their engagement. The Board recognized the accomplishments of the women's volleyball team and football team under Coaches Schumacher-Cawley and Franklin, respectively. President Bendapudi' s leadership and achievements, including her engagement with Times Higher Education, IBM, and community-centered initiatives, were commended.

A report was given on the conference session held earlier in the day, which included presentations from President Bendapudi, Senior VP for Finance and Business Sara Thorndike, and VP for Intercollegiate Athletics Pat Kraft. No official actions were taken.

Before beginning the agenda, Chair Kleppinger acknowledged that the Board received 122 public comments: 110 in support of graduate student unionization, 11 concerning Commonwealth Campuses and budgetary concerns, and 1 regarding executive orders and federal policy. All comments were shared with the Board and are available on the Board's website.

Chair Kleppinger called the meeting to order. Shannon Harvey, Assistant Vice President/University Secretary, reported all Trustees were present, constituting a quorum.

<u>Action Items</u>

Chair Kleppinger noted that there were three consent agenda items for consideration before moving to the reports and action items from Standing Committees. Chair Kleppinger requested a motion to approve 3.a. – 3.c. was put forward by Trustee Schneider, seconded by Trustee Delligatti, and unanimously approved by the Board.

- 3.a. Approval of Minutes from November 8, 2024 meeting
- 3.b. Proposed 2026 Dates for Meetings of the Board of Trustees
- 3.c. Proposed Approval of Election of University Officer, Assistant Secretary

Reports from Standing Committees

Chair Kleppinger called for reports from the Standing Committees. He stated that any action item considered and voted on in committee will be included in these reports.

A. Committee on Audit & Risk

Vice Chair Ted Brown reported that a quorum of the Audit and Risk Committee met on February 20, 2025, and approved the November 24, 2024 meeting minutes. He noted that the Committee unanimously approved agenda item 4.a.1. the required annual filings with the Pennsylvania Liquor Control Board.

Vice Chair Brown also reported that the committee also received several reports, including the Compliance Reporting Metrics Dashboard, the Internal Audit Follow-Up Report (as of December 31, 2024), the Summary of Internal Audit Reports (Q4 2024), the Internal Audit Plan Status Report and the Corporation for Penn State IRS Form 990.

Vice Chair Brown announced that consistent with section 708 (a)(4) of the Pennsylvania Sunshine Act, the Committee met in executive session with Vice President and General Counsel Tabitha Oman on privileged litigation matters including *Ramey, et al. v. Pennsylvania State University and Penn State v. Alpha Upsilon.* The committee also received an update on Enterprise Risk Management and IT security, focusing on emergency preparedness and public safety.

In addition, Vice Chair Brown stated that consistent with Sections 707 (c) of the Pennsylvania Sunshine Act, the Committee also held a working session with representatives from Plante Moran to review auditor communications and to meet privately with management, the Plante Moran representatives, and the Internal Audit Director regarding the various accounts and records for which the committee is responsible.

Chair Kleppinger called for a vote on Item 4.a.1. which carried the Committee's recommendation. For Item 4.a.1. the Proposed Annual Applications, Renewals and Other Filings Required by the Pennsylvania Liquor Control Board, the motion was put forward by Trustee Brown, seconded by Trustee Potts. The motion passed unanimously.

B. Committee on Equity & Human Resources

Chair Schuyler reported that the Committee approved the minutes from the November 7, November 29 and January 27 meetings. Additionally, he stated that the primary focus of the Committee's meeting was on the committee's risk oversight responsibility related to attracting and retaining top talent. Jennifer Wilkes, VP for Human Resources, presented the university's annual turnover data and provided an overview of talent preparedness efforts. The scheduled review of the university's Affirmative Action Plan and compliance with Title IX, VAWA, EEO, and anti-discrimination policies was deferred to a future meeting due to evolving Executive Orders, allowing incorporation of new guidance.

Chair Schuyler also provided an overview of the timeline for President Bendapudi' s annual evaluation, which will begin in mid-March with a self-assessment submission, followed by sharing with Board members and direct reports for feedback in early May, a review of the collected feedback in mid-May, a discussion of the draft evaluation with the Board Chair, EQHR Chair, and Vice Chair in early June, and will culminate in the final evaluation being presented to the full Board in July.

There were no action items presented to the Board.

C. Committee on Finance and Investment

Chair Schneider reported a quorum of the Finance and Investment Committee met on February 20, 2024, and the committee approved the November 7, 2024 meeting minutes.

Chair Schneider noted that the Committee also considered and approved four additional action items, which are items 4.c.1 through 4.c.4 on the Board's agenda. For each item requiring a Board vote, she reported the committee's recommendation.

- Item 4.c.1 the proposed Project Approval, Pollock Halls-Phase3A at University Park; the committee unanimously approved this item.
- Item 4.c.2 the proposed Real Estate Divestiture – Penn State Harrisburg - Meade Heights, the committee unanimously approved this item.
- Item 4.c.3 the proposed Real Estate Divestiture – College of Medicine – Hershey, the committee unanimously approved this item.
- Item 4.c.4 the proposed Real Estate Transaction, Ground Lease at Innovation Park Blvd. and I-99, the committee unanimously approved this item.

Chair Schneider mentioned that a number of reports were also made available to Trustees including the long-term investment pool performance and fees report, the quarterly budget reports, the capital plan and borrowing reports, the ICA/Stadium Dashboard and the metrics, cash, debt and reserves summary.

Pursuant to section 708 (a)(3) of the Pennsylvania Sunshine law the Committee also held an executive session to discuss a possible real estate acquisition. No action was taken during the executive session.

Chair Kleppinger called for a vote on each item which carried the Committee's recommendation. For Item 4.c.1 the proposed Project Approval, Pollock Halls-Phase3A at University Park he asked Senior Vice President for Finance and Business Sara Thorndike to provide some remarks and context for their consideration. Thorndike noted that the overall comprehensive renewal of the Pollock Halls complex will include replacement of all building systems, functional and aesthetic improvements, ADA accessibility improvements, and shared private bathrooms. The precinct landscape will be upgraded for improved safety, access, and ADA accessibility. The Pollock Halls renewal is consistent with the 2014 Pollock and East Halls Programming and Master Plan Study and the 2016 acceleration study requested by the Board of Trustees. Phase 3A is the first phase of the overall Pollock Halls renovation, which includes Ritner and Wolf Halls. Each phase will be a separate Penn State project that will be brought forward to the Board of Trustees for consideration and approval. A Motion to approve Action Item 4.c.1 was put forward by Trustee Schneider, seconded by Trustee Riegel. The motion passed with Trustee Fenchak voting no.

For Item 4.c.2 the proposed Real Estate Divestiture – Penn State Harrisburg – Meade Heights, Chair Kleppinger asked Sara Thorndike to provide some remarks and context for their consideration. Thorndike noted the University proposes to dispose of approximately 41.5-acres in Lower Swatara Township, Dauphin County, Pennsylvania. The property was originally acquired in 1968 from the United States of America for $1,175,000 and was previously the Capeheart Housing Area of Olmstead Air Force Base. Penn State Harrisburg utilized the property as student housing from 1970 to 2002. In 2002, the housing structures on the property were demolished, leaving it as vacant land that has since seen limited use. The market value of this property has increased significantly since its original acquisition, presenting an opportunity to reinvest the sales proceeds into other University projects. Dermody Properties, an industrial developer, has expressed an interest in acquiring and developing the site as an industrial distribution center, which aligns with the uses of adjacent properties. It is now the intent of the University to sell the property to Dermody Properties. A Motion to approve Action Item 4.c.2 was put forward by Trustee Fenza, seconded by Trustee Onorato, and unanimously approved by the Board.

For Item 4.c.3 the proposed Real Estate Divestiture – College of Medicine - Hershey, Chair Kleppinger asked Sara Thorndike to provide an overview. Thorndike indicated the University proposes to dispose of approximately 2.765-acres in Hershey, Derry Township, Dauphin County, Pennsylvania. The property was originally acquired in 1980 from Hershey Trust Company as part of a larger 164-acre parcel purchase, for $875,000. The use of the 2.765-acre portion of the property has always been limited due to the topography and forestry conditions. Pennsylvania - American Water Company, the public water supplier of the College of Medicine Campus, has a desire to add an additional water reservoir to meet the needs of the community now and into the future. Pennsylvania - American Water Company has an existing 1.9-acre site adjacent to the College of Medicine Campus, where its existing water reservoir is located. The 2.765-acre parcel is desirable to Pennsylvania - American Water Company because it is level with the existing tank and is accessible by an access road that serves the existing tank. The additional water tank will provide the College of Medicine Campus with an emergency back-up water supply, and reliable water supply and pressure during non-emergencies. The College of Medicine Campus connects directly to the Pennsylvania - American Water Company line. With limited use potential possible for College of Medicine Campus expansion, and the benefits to the Campus and Community of having an additional water reservoir nearby, it is now the intent of the University to sell the property. A Motion to approve Action Item 4.c.3 was put forward by Trustee Lubrano, seconded by Trustee Potts, and unanimously approved by the Board.

For Item 4.c.4 the proposed Real Estate Transaction, Ground Lease at Innovation Park Blvd. & I-99, Chair Kleppinger asked Sara Thorndike to provide some remarks and context for their consideration. Thorndike stated that the University proposes to dispose of approximately 5 acres at I-99 and Innovation Park Blvd., College Township, Centre County, Pennsylvania, via a long-term ground lease structure, for the purpose of developing a new acute care rehabilitation hospital. The property was originally acquired in 1990 from Madeline A. Baylets, for $1,000,000. The original intended use of the property was agricultural, and it has historically been used for that purpose since acquisition. The University now has an opportunity to lease the parcel to a developer to meet a community healthcare need. The developer is Catalyst Healthcare, and the hospital operator is PAM Health. It is the intent of the University to lease the property to Catalyst Healthcare. Action Item 4.c.4 was put forward by Trustee Short, seconded by Trustee Lubrano, and unanimously approved by the Board.

D. Committee on Governance

Chair Onorato reported that a quorum of the Governance Committee met on February 20, 2025, and approved the minutes from the November 7,2024 meeting.

Additionally, he noted that an organizational session of the Nominating Subcommittee was held on January 16, 2025, to review the trustee appointment and election process and set the meeting schedule. The Alumni Trustee nomination period closed on February 4, with 22 candidates meeting the threshold and 19 submitting their application materials. Upcoming meetings include February 26 (review of alumni candidate materials), March 10 (assessment of B&I and At-Large candidates for a May Board recommendation), and April 7 (interview of the Student Trustee candidate).

The committee also reviewed the proposed agenda for the August 12–13, 2025 Board retreat—which aims to boost engagement and advocacy through legislative discussions and align with Ag Progress Days. Presented the draft agenda for the 2025 New Trustee Orientation on July 8 at University Park to introduce new trustees to key governance and operational aspects, and received a presentation from Julia O'Connor of the Association of Governing Boards (AGB) on resources available through AGB to further enhance trustee development.

The Committee also received the expense report for the November 2024 Board of Trustees meetings for review and reference. There were no action items presented to the Board.

E. Committee on Research & Technology & Committee on Student Success

Chair Gursahaney reported that The Research & Technology and Student Success Committees held a joint meeting yesterday, approving their respective November 7, 2024, minutes and focusing on the impact of undergraduate research on student success outcomes.

Presentations by Interim Executive Vice President and Provost Tracy Langkilde, Senior Vice President for Research Andrew Read, and panels of faculty and students highlighted research engagement as key to enhancing learning, persistence, and workforce readiness, while discussions addressed expanding research opportunities, overcoming participation barriers, and aligning with Penn State's strategic plan, with follow-up actions including setting realistic participation goals, engaging Deans and Chancellors, ensuring equitable access, developing a structured roadmap for research growth, and leveraging philanthropy and industry partnerships to support these initiatives, as both committees look forward to further collaboration with university leadership to integrate research into the undergraduate experience.

There were no action items presented to the Board.

President's Report

President Bendapudi emphasized the importance of reflecting on the university's progress and future as we navigate the evolving landscape of higher education in 2025. Penn State is focusing on maintaining a strong and sustainable Commonwealth Campus structure while staying committed to student success. The university is actively engaged with national organizations amidst shifting external dynamics, and despite these challenges, Penn State's enrollment is at an all-time high, reflecting its academic excellence and enduring value. She reiterated the university's commitment to student success, ensuring initiatives are focused on providing students with the skills they need for future leadership.

President Bendapudi provided an update on the importance of Penn State's partnership with the Commonwealth, which allows the university to maintain in-state tuition rates, saving Pennsylvania students approximately $15,000 annually. At the House Appropriations hearing, she urged state leaders to recognize Penn State's value to ensure continued service to Pennsylvania's students and communities. Governor Shapiro's 2025-26 budget proposal, which includes $60 million for performance-based funding, aims to reward student success, affordability, and workforce alignment. While the distribution metrics need finalization before the June 30 deadline, President Bendapudi expressed optimism for increased support. Penn State plays a key role in Pennsylvania's economy, contributing over $15 billion annually and supporting nearly 110,000 jobs. She reaffirmed the University's commitment to working with the General Assembly, Governor Shapiro, and university leaders on the performance-based funding model.

President Bendapudi welcomed Alyssa Wilcox to Penn State, expressing confidence in her ability to enhance engagement with alumni and supporters while strengthening efforts to serve students and communities. She also extended appreciation to Dave Lieb for his dedicated service to the university, with best wishes for his next endeavor.

President Bendapudi highlighted Penn State's continued global impact, including its ranking in the top 5% worldwide. Notable research achievements included groundbreaking studies on prenatal health and Vitamin D, drug storage innovations, AI-driven earthquake predictions, and an interdisciplinary study on bee behavior using QR codes. She also celebrated Faculty excellence, noting three faculty members who received the prestigious Presidential Early Career Award for Scientists and Engineers, and Dr. Richard Alley being honored with the National Medal of Science—only the fifth Penn Stater to receive this distinction. Dr. Alley was invited to share remarks.

She also recognized the achievements of Tineka Lebrun, director of the Undergraduate Research and Fellowship Mentoring (URFM) program, along with students Nate Carey, a Marshall and Goldwater Scholar, and Kueyoung Kim, a Churchill and Goldwater Scholar. Their successes exemplify Penn State's commitment to student success. Each were invited to offer remarks.

Three Penn State staff members were highlighted for receiving University Staff Advisory Council awards: Erik Cagle, recipient of the USAC Staff Leadership Award; Nichole Ginnan, recipient of the USAC Staff Excellence Award; and Dawn Hamaty, recipient of the USAC Staff Morale Award.

President Bendapudi also celebrated recent athletic achievements, including Penn State Football's first-ever 13-win season and CFP Semifinals appearance, Women's Volleyball's 8th National Title under Head Coach Katie Schumacher-Cawley—the first woman to win a Division I national volleyball championship—and the academic excellence of 117 student-athletes earning All-Big Ten academic honors.

President Bendapudi closed by reflecting on Penn State's sustained excellence, with more than 960,000 degrees awarded since 1855 and over 4,500 diplomas signed for the Fall 2024 graduating class. She expressed appreciation to all for their dedication to the university's mission and success.

THON Presentation

Keegan Sobczak, THON Executive Director, and Kelly Altland, Chief Development Officer for Penn State Health and the College of Medicine, provided an overview of the "Top 10 Things to Know About THON." The Board expressed appreciation for their insights and also extended gratitude to Amy, Derek, and Denni Nesbit for sharing their son William Nesbit's story. The Nesbit's story served as a powerful reminder of THON's mission and the profound impact it has on Four Diamonds families. THON remains one of Penn State's most impactful traditions, reflecting the strength, compassion, and dedication of students, alumni, and supporters.

Closing Remarks/Announcements

With the agenda concluded, the public meeting was adjourned at 2:53 p.m.

The meeting is available in its entirety here.

Respectfully submitted,

Shannon S. Harvey
University Secretary, Board of Trustees