

# Appropriations Request 2012-13



**PASSHE**

Pennsylvania State System of Higher Education



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# The Pennsylvania State System of Higher Education: Serving students and the Commonwealth

## Fiscal Year 2012-13 Appropriations Request

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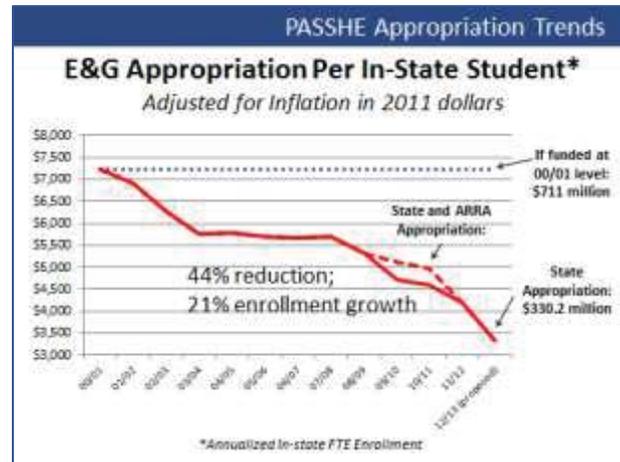
## The Pennsylvania State System of Higher Education: Serving students and the Commonwealth

The proposed cuts in state support for the Pennsylvania State System of Higher Education (PASSHE) present the most challenging financial framework since the System's creation in 1983. The funding level recommended in the Governor's 2012/13 proposed budget is less than PASSHE received in 1988/89 – 24 years ago – when 23,000 fewer students attended the member universities.

In the current fiscal year, PASSHE is managing a loss of almost \$90 million in state and federal appropriations. The Board of Governors has deferred a request to freeze an additional \$20 million from this year's appropriation until it has had the opportunity to fully review the impact it would have on students and on academic programs. When combined with the proposed reduction of more than \$82 million in the 2012/13 fiscal year, PASSHE could be facing a loss of almost \$192 million, or 12.4 percent of its total Educational and General budget, in an 18-month period.

PASSHE's capital funding also has been reduced by 50 percent, from \$130 million to \$65 million annually. This will make it much more difficult for the universities to renovate outdated academic facilities, such as science labs, that are essential for providing students with the skills in demand by the Commonwealth's business community.

The Governor's budget also would eliminate all of the funding the System receives for maintenance of its facilities through the Keystone Recreation, Park and Conservation Fund (Key '93). Failure to maintain facilities now will inevitably result in much higher costs later.



The Commonwealth's withdrawal of financial support creates two major pressures. First, the rapid decline in state support is occurring faster than PASSHE can, in some cases, legally shed costs. At the same time, there is ever-increasing pressure from students and their families to keep the universities affordable. If funding is not restored, PASSHE's historic focus on access and affordability cannot be maintained.

### Challenges to the Status Quo

The Commonwealth's dramatic funding reductions are occurring during a period when nearly every aspect of PASSHE is changing, from its leadership to academic opportunities it offers students.

Since 2008, PASSHE has named a new chancellor and has hired new presidents at Clarion, Edinboro, Indiana, Lock Haven and West Chester Universities of Pennsylvania. Presidential searches either are in progress or will soon begin at four additional universities: East Stroudsburg, Mansfield, Millersville and Slippery Rock. The perspectives offered by these new leaders, coupled with the insights

provided by the System's group of experienced presidents, will result in dynamic new approaches to effective management.

Significant changes continue to be made to academic program offerings at the 14 PASSHE universities; phasing out those that no longer command sufficient student interest, and, more important, introducing new fields of study specifically designed to meet the emerging needs of the Commonwealth.

Over the last four years more than 130 academic programs have been placed into moratorium or discontinued, primarily because of low student demand. Programs placed in moratorium no longer admit new students, but remain active until all currently enrolled or admitted students graduate.

Also since 2008, more than 60 programs have been reorganized to better respond to market demands. Examples include:

- A Bachelor of Science in Mathematics focused on biomathematics and actuarial science at Lock Haven University of Pennsylvania
- A Professional Science Master's in Applied and Industrial Chemistry at Indiana University of Pennsylvania
- A Bachelor of Science in Applied Engineering and Technology Management at Millersville University of Pennsylvania

PASSHE also has reallocated resources to create new educational opportunities that reflect emerging fields. All new programs must meet rigorous standards adopted by the Board of Governors that include a demonstrated strategic need for the Commonwealth, sustainable enrollment and collaboration among PASSHE institutions or, in some cases, with other institutions of higher

education in the Commonwealth. Additionally, all new programs are subject to a formal review after five years; in order to continue, they must demonstrate sustained enrollment and evidence of appropriate student learning outcomes.

Twenty-three new degree programs have been approved by the Board of Governors under these standards, including programs leading to:

- A Bachelor of Science in Allied Health Leadership at Clarion University of Pennsylvania
- A Bachelor of Applied Science in Technical Leadership at Bloomsburg University of Pennsylvania, offered in collaboration with Lehigh Carbon Community College
- A Professional Science Masters in Integrated Science Applications at Millersville University of Pennsylvania
- A Master of Science in Weapons of Mass Destruction from Indiana University of Pennsylvania, offered in partnership with the FBI

New programs in development are focused on growth industries, including shale exploration and production and pharmaceuticals, and on those businesses that need workers with skills in the areas of science and technology, computer security and allied health.

Examples include:

- A Bachelor of Science in Mechatronics at California University of Pennsylvania
- A Bachelor of Science in Software Engineering at Shippensburg University of Pennsylvania
- An Associate of Applied Science in Natural Gas Production and Services

at Mansfield University of Pennsylvania

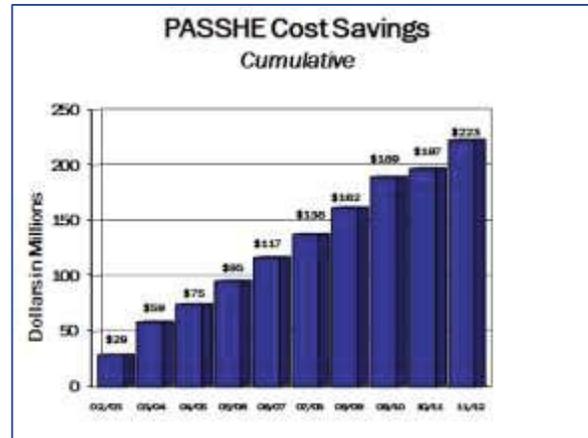
- A Bachelor of Science in Applied Physics and Renewable Energy Technology at Edinboro University of Pennsylvania.

These and other programs at PASSHE universities that have been created through collaboration with employers help fill the workforce training gaps that exist throughout the Commonwealth, including across Pennsylvania's Northern Tier.

Many of these new programs will take advantage of the latest technology, whether through virtual presence in real time or the use of high-tech classrooms or by being offered online.

In just the last two years, PASSHE increased the percentage of students who enroll in at least one online course from 25 percent to 35 percent. Mastering online learning prepares students for lifelong learning so they can remain current throughout their careers. However, a significant barrier to further online program development exists, and needs to be addressed. Currently, the Pennsylvania Higher Education Assistance Agency (PHEAA) will not provide need-based financial aid to students who take more than half of their courses online, preventing many students from taking advantage of this flexible study option.

Finally, the number of students earning PASSHE degrees annually has steadily grown since 2000/01, from 18,000 a year to 24,000, or by more than 34 percent. Contributing to this growth are students who transfer from community colleges and other institutions, active duty military personnel, military veterans and other returning adult learners. PASSHE is not satisfied with the significant progress it has made. As will be



described later, the State System has established even higher goals for degree completion at all levels by 2017.

### Cost controls have reduced expenses by \$223 million

Fully accepting the responsibility to be good stewards of both its state appropriations and student tuition and fees, PASSHE has done more over the last decade than any other four-year sector of higher education in the Commonwealth, not only to control its costs but also to hold down tuition rates.

Cost cutting/cost avoidance procedures system wide have generated \$223 million in savings during that period. Combined with an aggressive management of tuition, the leadership of the State System has kept the cost of attending the universities as low as possible.

PASSHE was among the first public university systems in the nation to voluntarily adopt performance-based funding, to help ensure its universities were doing what they needed to do to enhance their students' opportunities for success and their own operating efficiency. The Board of Governors recently adopted revisions to the more than decade-old program to make it even more effective. The program changes, which place a much greater

focus on student outcomes, such as closing achievement gaps and setting even higher goals for degree completion, already have captured national attention from groups such as the Lumina Foundation, a philanthropic organization that promotes education advances.

PASSHE's redesigned performance funding program also will be featured in *Change* magazine. The article, written by PASSHE Chancellor John C. Cavanaugh and Executive Vice Chancellor Peter Garland, discusses performance funding in the context of the new environment facing higher education in the nation. They write:

*“Greater accountability in public higher education systems is a fact of life in the current political climate. Increasingly, one form this accountability takes is performance funding, which arises from elected officials’ need for assurance that taxpayer funds are not only being invested and used properly but are resulting in desired outcomes at acceptable levels or rates. Ideally, performance funding helps both those officials and institutions focus on what matters most, what measures best capture what matters most, and what incentives best ensure that the result is continuous improvement in what matters most.”*

In these challenging fiscal times, PASSHE's presidents have made tough decisions to balance the universities' budgets. Among them are:

- Hiring fewer adjunct faculty, which has resulted in larger class sizes, especially in introductory level courses.
- Eliminating or holding vacant more than 900 positions on the campuses

- Postponing investments in new equipment and technology
- Delaying or canceling facility maintenance and renovation projects
- Eliminating athletic programs
- Consolidating business and IT operations

PASSHE will continue to explore ways to further reduce costs. The Office of the Chancellor and the university presidents are committed to identifying and implementing new cross-university collaborations in all areas of operation that could produce additional savings. For example, more back-office functions can be shared and/or operated on a regional or central basis, requiring fewer staff over time. All agree that certain functions do not need to be housed at every university.

Because 75 percent of university budgets are allocated to personnel costs – both salaries and benefits – efforts at additional significant cost savings must necessarily be directed to this area. New or replacement hires are rigorously reviewed, and position/cost reallocation is being viewed at the system level.

Two years ago, PASSHE offered a retirement incentive program that will produce savings of about \$10.8 million annually. This year, negotiations with the seven unions that represent PASSHE employees took center stage, resulting in some progress in managing personnel costs.

Pay increases in the agreement negotiated between the Commonwealth and the American Federation of State County and Municipal Employees (AFSCME) – which includes about 4,000 PASSHE employees – largely will be offset by savings from changes in health care payments and work rules. Similarly, PASSHE's new contract with the

union representing its police and security officers will generate savings through work rule changes. Although new agreements have not yet been reached with either the Association of Pennsylvania State College and University Faculties (APSCUF), which represents PASSHE faculty and coaches, or the State College and University Professional Association (SCUPA), which represents professional staff, the focus of the negotiations has been on similar issues.

### **Rising healthcare, pension costs causing significant pressures**

There are a number of factors that are not solely under PASSHE's control that, if not addressed, will create additional sustainability issues for the State System.

PASSHE's most expensive long-term obligations relate to annuitant health care and pensions. PASSHE active employees and annuitants, excluding those enrolled in the Pennsylvania Employee Benefit Trust Fund (PEBTF), are covered under a group health plan. Workforce demographics reflect an aging population – 50 percent of the System's current employees are over the age of 50. Annuitant health care costs, which total \$41 million this year, are expected to continue to increase. By 2020 it is likely that the number of annuitants will exceed the number of active employees in the health plan. PASSHE's long-term annuitant health care obligation is \$792 million, a figure that is now required to be reflected in the System's financial statements.

PASSHE employer funding obligations to the two state pension funds, SERS and PSERS, are increasing rapidly. It is projected that the employer contribution rate for SERS will grow from its current average of approximately 7 percent of salary to 25 percent in 2016/17,

for an estimated increase in annual retirement costs approaching \$80 million.

PASSHE receives no additional funding to offset these rising costs. System officials hope to work with the Administration and the General Assembly on possible solutions to both of these issues.

### **Higher Education Modernization Act critical to PASSHE's future**

The Higher Education Modernization Act (HEMA) is critical to PASSHE's ability to compete on a level playing field with all other higher education institutions in the Commonwealth. Specifically, it would allow PASSHE universities to identify and develop new revenue sources through the commercialization of research and new product development. The legislation also would permit all PASSHE institutions to offer applied doctorates, a prerequisite for a number of professional occupations.

Separate legislation that would allow PASSHE universities to receive the proceeds from mineral extractions on campus properties also could produce a significant new revenue source for the universities.

Additionally, PASSHE is currently prohibited from joining multistate higher education purchasing consortia that could significantly lower the cost of procuring commodities and other goods and services.

Additional regulatory constraints on PASSHE that are not placed on other sectors of higher education in Pennsylvania add unnecessarily to the universities' costs. System officials look forward to working with the General Assembly on removing these barriers to additional cost reduction and cost containment.

There is no question that PASSHE has changed dramatically over the past several years. The result is better operational efficiency, leaner universities and a more focused set of academic programs aimed at meeting the Commonwealth's needs.

It is critically important that PASSHE receive predictable funding to continue the important work and challenges to the status quo that have been set in motion.

## 2012/13 Educational and General Appropriations Request

PASSHE's 2012/13 operating budget recognizes the recession management efforts necessary in these financially challenging times and provides for limited increases in basic operating costs.

Next year's Educational and General (E&G) budget is projected to increase by 2.1 percent or about the expected rate of inflation. The 2012/13 appropriation request approved by the Board of Governors recognizes the Commonwealth's continuing fiscal challenges. It seeks an additional \$8.7 million in the next fiscal year, also an increase of 2.1 percent, representing a proportional share of PASSHE's funding requirements. PASSHE's state appropriation accounts for about 27 percent of its nearly \$1.5 billion E&G (operating) budget, down from more than 50 percent two decades ago. The remainder of the E&G budget is funded primarily by student tuition and fees.

The following basic adjustments are reflected in PASSHE's 2012/13 E&G budget.

**Enrollment Growth**—Fall 2010 generated record enrollment, with overall growth of approximately 2 percent. However, this overall System growth was inconsistent across the constituent universities and marked a slower growth than experienced in recent years. In light of the continued struggling economy, uncertainty of the impact of potential cuts in state funding on PASSHE's tuition pricing through last spring, and state and local policy changes that have reduced graduate enrollment in teacher education, PASSHE's enrollment for 2011/12 and 2012/13 is anticipated

to remain stable at approximately 112,000 annualized full-time equivalent (FTE) students (Total enrollment declined slightly last Fall). Enrollment projections vary by university. Projected 2012/13 enrollment increases at six universities are anticipated to generate \$7.2 million in tuition and fee revenue directly to those institutions. The remaining eight universities project level or decreased enrollment.

**Employee Complement**—PASSHE has worked diligently in recent years to manage its human resources, filling only essential positions as they become vacant. With annual work force cost increases outpacing anticipated revenue increases, PASSHE embraced work force planning in 2009/10, to ensure the proper alignment of human and fiscal resources with the strategic directions and operational responsibilities of the System. PASSHE implemented the Separation Incentive Program during the spring of 2010 for all employees except faculty and coaches (APSCUF chose not to participate). This program had two components: the Voluntary Retirement Incentive Program encouraged retirement-eligible employees to retire; the second component allowed for the abolishment of positions filled with employees who were not eligible for retirement. These programs were highly successful, resulting in 273 positions being vacated, of which approximately 20 percent have been eliminated. Annual cost savings of greater than \$10.8 million will be realized in fiscal year 2011/12 and beyond, due to fewer

positions and replacements at lower compensation levels.

This program has been one of several tools used by universities to manage their employee complement. Through a combination of retirements, voluntary separations, and furloughs, PASSHE has 339 fewer full-time equivalent (FTE) positions funded in today's budget than were funded in 2008/09. Throughout the System, more than 900 funded positions (full-time and part-time), approximately 7 percent of the total PASSHE workforce, have either been held vacant or eliminated in 2010/11 and/or 2011/12.

**Salaries**— The proposed budget reflects the fiscal impact of new collective bargaining agreements with the American Federation of State County and Municipal Employees (AFSCME), the Pennsylvania Doctors' Alliance (PDA) and the Security, Police, Fire Professionals of America (SPFPA). Negotiations are continuing with PASSHE's other bargaining units, including the Association of Pennsylvania State College and University Faculties (APSCUF), which represents PASSHE faculty and coaches, and State College and University Professional Association (SCUPA). The potential impact of new agreements with those groups is not included in the 2012/13 budget projections.

The projected 2012/13 budget includes compensation increases for AFSCME, PDA, SPFPA and non-represented employees. These increases, combined with projected complement adjustments, will generate an estimated increase in employee salaries and wages of \$5.0 million, or 0.6 percent. Compensation requirements for the remaining 60 percent of PASSHE's employees, whose collective bargaining agreements ended during the summer of 2011 and for which successor agreements are currently under negotiation, are unknown at this time. No pay adjustments have been made in these budget estimates for the bargaining units

for which there are no existing collective bargaining agreements. This is not to be viewed as a bargaining position.

**Employee Benefits**—Of those employees who receive health benefits, approximately 63 percent are enrolled in PASSHE's health care program. PASSHE continues to experience record enrollment in Healthy U, the System's wellness program. Employees who do not participate in the wellness program pay a larger portion of their health care premiums. The employer share of health care costs for PASSHE-managed programs is projected to increase an average of 7.8 percent next year based upon a combination of national trends, PASSHE's health care experience and participation in the wellness program. These estimates also include additional costs required by federal health care reform. The remaining 37 percent of PASSHE's employees receive health care through the Pennsylvania Employees Benefit Trust Fund (PEBTF). These rates are established in the AFSCME collective bargaining agreement, which reflects an employer cost increase in the biweekly contribution rate of 4.0 percent for 2012/13. In addition, the budget incorporates increases to the employer's biweekly contribution rate to the Retired Employees Health Program (REHP) of 10.4 percent, according to the Commonwealth budget guidelines. Combined health care costs are anticipated to increase \$13.7 million, or 8.4 percent.

The two primary Commonwealth retirement programs, State Employees' Retirement System (SERS) and Public School Employees' Retirement System (PSERS), continue to experience financial stress that is resulting in significant rate increases. Approximately 47 percent of PASSHE's employees have chosen SERS or PSERS as their retirement vehicle. In accordance with Commonwealth budget guidelines, the most common SERS employer contribution rate is projected to

increase from 7.0 percent of salaries to 10.6 percent of salaries, or an increase of 52 percent. PSERS employer contribution rates are expected to increase 81 percent. Retirement rates associated with the alternative retirement programs remain the same. Combined retirement costs are expected to increase in 2012/13 by \$13.1 million, or 20.5 percent.

This growth in health care and retirement costs is partially offset by small increases in Social Security expenditures, since future pay increases anticipated at this time in the 2012/13 budget are minimal. Overall, employee benefits expenditures are expected to increase \$27.2 million, or 8.6 percent.

**Utilities**—In recent years, PASSHE universities experienced higher than normal electricity rate increases due to the phased implementation of electric deregulation. Now fully deregulated, PASSHE's 2012/13 utilities costs are anticipated to increase at a more reasonable rate of \$1.1 million, or 3.0 percent, to address anticipated rate adjustments and additions to university square footage. Rate increases are partially offset by energy conservation efforts derived, in part, through the use of energy savings corporations (ESCOs). University utilities cost increases vary, depending on the mix of utilities, changes in space and status of ESCO projects.

**All Other Basic Operating Expenditures**—Given the current fiscal environment, universities continue to limit all non-mandatory spending. Therefore, anticipated expenditures for services, supplies and materials are reduced by 0.7

percent. This is made possible partially through the use of strategic sourcing contracts, which combine the purchasing power of PASSHE's universities to obtain optimal pricing on services, supplies and equipment. Capital expenditures and transfers, which represent PASSHE's investment in its physical resources from the E&G budget, are projected to decrease at some universities that experienced higher capital expenditures in 2011/12 due to the availability of one-time resources that were dedicated to specific projects. In total, non-compensation expenditures are estimated to decrease \$1.0 million, or 0.2 percent.

These combined adjustments result in an overall 2012/13 E&G expenditure requirement of \$1.55 billion, an increase of \$31.2 million, or 2.1 percent. Assuming no change in PASSHE's E&G appropriation, university revenue and sources reveal a \$7.6 million reduction in one-time resources. This change more than offsets the \$7.2 million increased revenue attributed to enrollment changes. The net loss in revenue, combined with PASSHE's expenditure requirements, results in an overall new revenue requirement of \$31.6 million.

On October 5, 2011, the Board of Governors approved an E&G Appropriation Request for \$421.4 million, an increase of \$8.7 million or 2.1 percent. Although no decision was made concerning tuition rate increases at that time, an assumption that tuition and fee revenue will increase to balance the budget has been incorporated in the following tables. The Board will consider addressing the remaining budgetary requirements in the spring through a tuition increase or other means.

## 2011/12 Discontinuation of Line Item Appropriations

The Commonwealth's appropriations to PASSHE in 2011/12 eliminated funding for the following long-standing line items: Program Initiatives, Affirmative Action, Recruitment of the Disadvantaged, the Pennsylvania Center for Environmental

Education and the McKeever Environmental Learning Center. In 2010/11, appropriations for these line items totaled \$20.7 million.

PASSHE has worked in recent months to address the programs funded by these

appropriations to develop alternative fund sources, fulfill the intent of these initiatives through other means, or eliminate programs. In recognition of the Commonwealth's current

economic recovery challenges the Board of Governors is not seeking any new or replacement line item appropriations.

## 2012/13 Governor's Budget Recommendation ---

### Educational and General (E&G) Appropriation.....\$330,201,000

The governor's budget for Fiscal Year 2012/13 recommends PASSHE receive an E&G appropriation of \$330.2 million. This represents a more than \$82.5 million reduction (20 percent) from the amount PASSHE currently is receiving. PASSHE requested its appropriation be increased by \$8.7million, or 2.1 percent.

The Governor's budget would eliminate funding for deferred maintenance previously provided through the Keystone Recreation, Park and Conservation Fund (Key '93). This funding source was established in 1993 specifically to help address the System's \$2.7 billion deferred maintenance backlog in academic facilities and infrastructure. Funds were not received from 2008/09 through 2010/11, but were restored for the current fiscal year.

### Key '93.....\$0.00

## 2012/13 Appropriation Request for Cheyney University of Pennsylvania's Keystone Academy

*(Supported by a General Fund Appropriation to PHEAA) 

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The Cheyney University Keystone Academy was created as a result of a partnership with the U.S. Department of Education's Office of Civil Rights (OCR). The OCR Partnership Report and Commitments of 1999 required "continuing support for the Cheyney University Keystone Academy for honors student" and specified that the Commonwealth fund it through a special line item of \$500,000 in 1999/2000, \$1 million for year two, \$1.5 million for year three and \$2 million for all subsequent years.

for program funding. All Academy students are residents of the Commonwealth. Students enrolled in the program graduate at a rate that is twice that of the national average for African Americans. Academy students serve the campus community as tutors, assistants in the writing center, resident assistants and student leaders.

PASSHE partners with the Pennsylvania Higher Education Assistance Agency (PHEAA)

The Governor recommended a 5 percent reduction in funding for the Keystone Academy in 2012/13. Program funds have been reduced for four years in a row, which have reduced the number of students who can be served.



## Appendix A

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## Appendix A-1

### Mission of the Pennsylvania State System of Higher Education

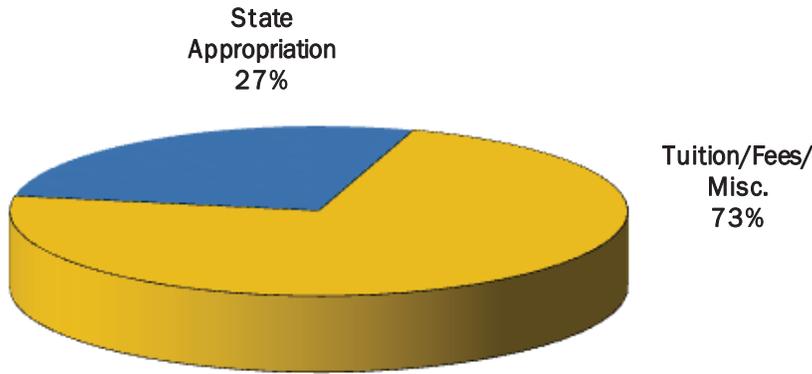
The Pennsylvania State System of Higher Education (PASSHE) is focused foremost on student success. PASSHE strives to be among the nation's leading systems of public universities, recognized for providing affordable access to excellent undergraduate and graduate education. PASSHE is responsive to state, regional and national needs through the delivery of quality academic programs, research and service.

To achieve its potential as a System, PASSHE must ensure that the distinct missions and strengths of each of its universities are advanced, even as they seek greater collaboration to make the most of available resources. As part of this effort, PASSHE's Board of Governors has adopted a series of strategic initiatives grounded in the System's mission.

The *PASSHE Strategic Initiatives* are predicated on the need for transformation: in how, when and where learning occurs; in how the resources necessary to ensure learning are pursued, 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 transformation, grounded in a thoughtful reexamination of our historic operating practices, will we be assured of thriving in these very difficult economic times.

## Pennsylvania State System of Higher Education Summary of Sources and Uses FY 2011/12 Educational and General Budget

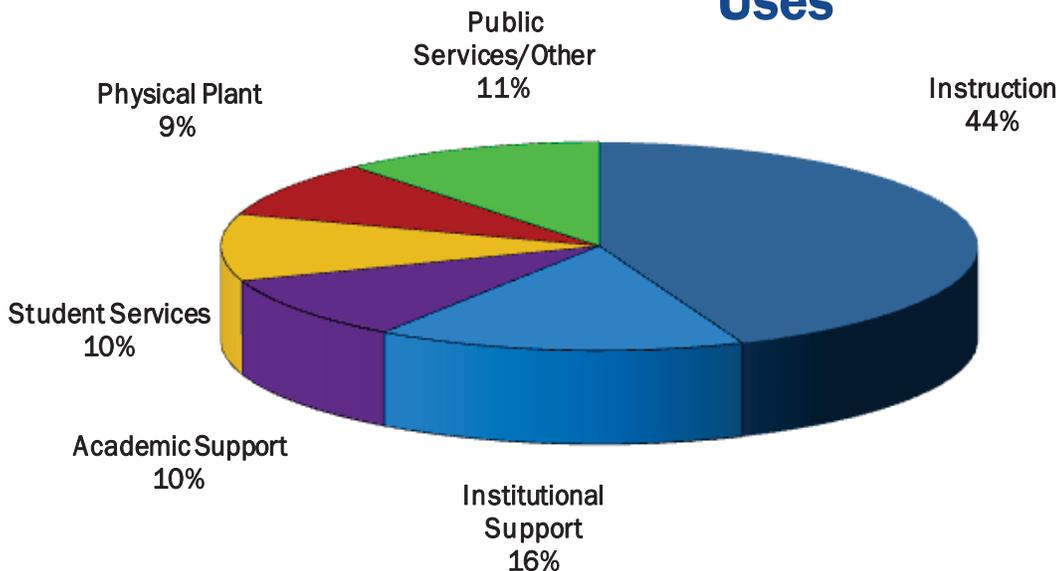
### Sources



<u>Sources of Revenue</u>		<u>(\$000)</u>
State Appropriation		\$412,751
Tuition/Fees/Misc.		<u>1,105,149</u>
<b>Total</b>		<b>\$1,517,900</b>

<u>Uses of Revenue</u>		<u>(\$000)</u>
Instruction		\$665,819
Institutional Support		238,498
Academic Support		151,967
Student Services		157,351
Physical Plant		134,096
Public Services/Other		<u>170,169</u>
<b>Total</b>		<b>\$1,517,900</b>

### Uses



Appendix A-3

**Pennsylvania State System of Higher Education  
Summary of Educational and General (E&G) Budget**

(Dollar Amounts in Thousands)

	Actual 2010/11	Current 2011/12	Budget Request 2012/13	Governor's Budget <sup>3</sup> 2012/13
<b>Source of Funds</b>				
State E&G Appropriation <sup>1</sup>	\$444,470	\$412,751	\$421,419	\$330,201
Other State Appropriation <sup>2</sup>	18,548	0	0	0
Federal Appropriation	38,158	0	0	0
Augmentation:				
Educational and General	978,333	1,105,149	1,127,693	1,127,693
Revenue Shortfall <sup>3</sup>				98,062
<b>Total</b>	<b>\$1,479,509</b>	<b>\$1,517,900</b>	<b>\$1,549,112</b>	<b>\$1,555,956</b>
<b>Use of Funds</b>				
Personnel Expenditures	\$1,085,993	\$1,100,839	\$1,133,034	\$1,133,034
Operating Expenditures	270,582	294,745	294,034	294,034
Capital Assets/Transfers	122,933	122,315	122,044	128,888
<b>Total</b>	<b>\$1,479,509</b>	<b>\$1,517,900</b>	<b>\$1,549,112</b>	<b>\$1,555,956</b>
<b>Students (FTE)<sup>4</sup></b>				
Undergraduate	99,478.79	99,757.67	100,197.53	100,197.53
Graduate	12,551.37	11,949.77	11,982.34	11,982.34
First Professional	NA	NA	NA	NA
<b>Total</b>	<b>112,030.16</b>	<b>111,707.44</b>	<b>112,179.87</b>	<b>112,179.87</b>
<b>Employees (Unrestricted FTE)</b>	<b>12,075.71</b>	<b>11,914.75</b>	<b>11,925.47</b>	<b>11,925.47</b>

<sup>1</sup>Reflects only Educational and General Appropriation for all three years.

<sup>2</sup>Other State Appropriation is the Program Initiatives Line Item, which is an unrestricted appropriation and was included in PASSHE's Educational and General budget.

<sup>3</sup>The Governor's recommendation reduces the E&G appropriation by 20%. The recommendation also eliminates Key '93 funding which results in a corresponding increase in deferred maintenance expenditures (\$6.8 million) within the E&G budget.

<sup>4</sup>FTE Student is defined as follows: annual undergraduate credit hours produced divided by 30 credit hours; annual graduate credit hours produced divided by 24 credit hours. Although reductions in PASSHE's appropriation may result in more significant tuition increases that would limit student demand, no changes in enrollment projections are made at this time.

Note: Numbers may not add due to rounding.

Appendix A-4

**Pennsylvania Higher Education Assistance Agency  
Appropriation for Cheyney Keystone Academy  
of the  
Pennsylvania State System of Higher Education**

(Dollar Amounts in Thousands)

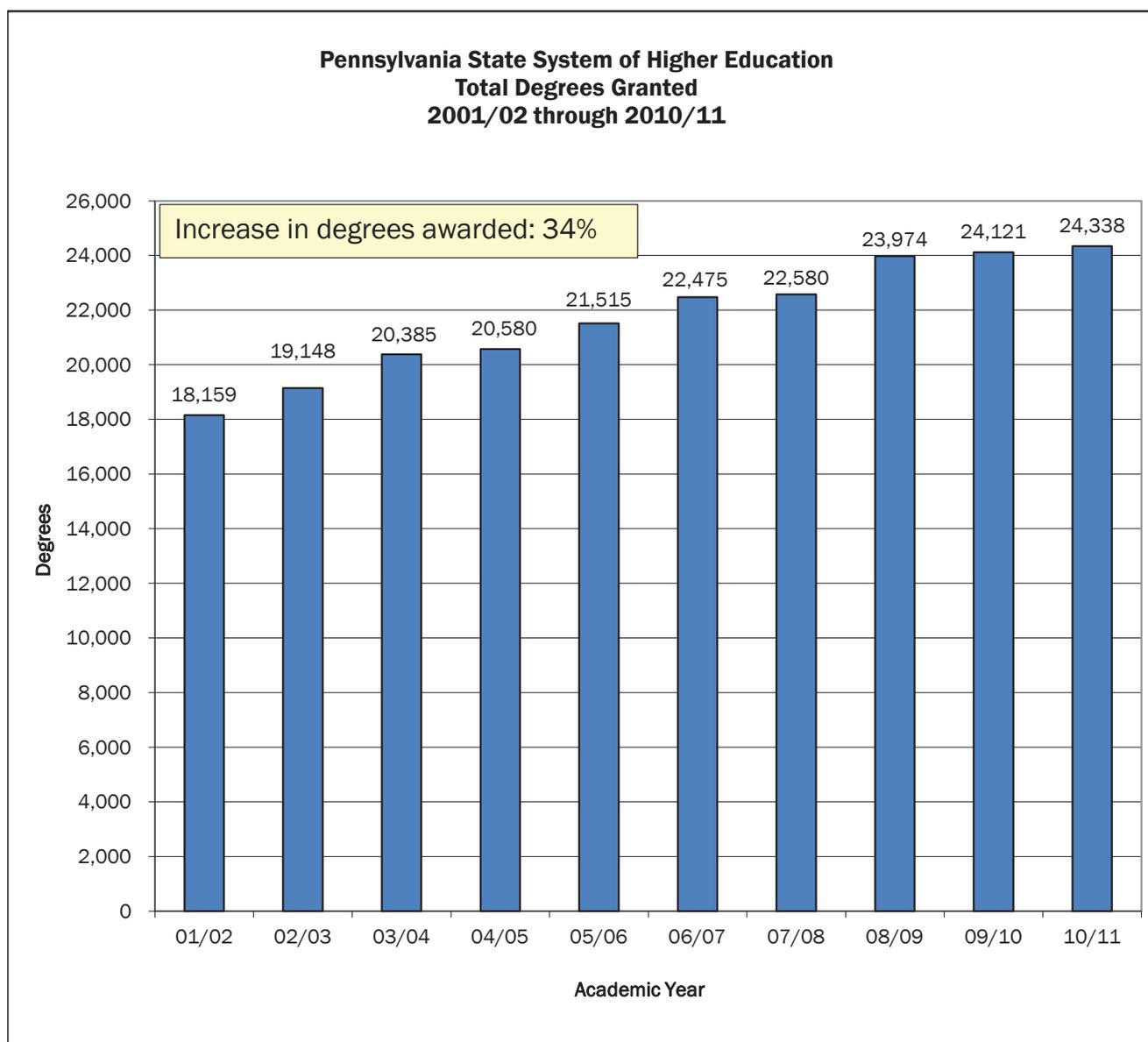
<b>Source of Funds</b>	<b>Actual 2010/11</b>	<b>Current 2011/12</b>	<b>Budget Request 2012/13</b>	<b>Governor's Budget 2012/13</b>
Special Purpose Appropriation	\$1,694	\$1,525	\$1,525	\$1,449
Other State Appropriation	0	0	0	0
Tuition/Fees/Other	2	89	0	0
Restricted Funds	0	0	0	0
Revenue Shortfall				76
<b>Total</b>	<b>\$1,696</b>	<b>\$1,614</b>	<b>\$1,525</b>	<b>\$1,525</b>
<b>Use of Funds</b>				
Student Scholarship	\$1,283	\$1,285	\$1,196	\$1,196
Program Administration	324	329	329	329
Transfers*	89	0	0	0
<b>Total</b>	<b>\$1,696</b>	<b>\$1,614</b>	<b>\$1,525</b>	<b>\$1,525</b>
<b>Students (FTE)</b>				
Undergraduate	102.00	98.00	93.00	88.00
Graduate	NA	NA	NA	NA
First Professional	NA	NA	NA	NA
<b>Total</b>	<b>102.00</b>	<b>98.00</b>	<b>93.00</b>	<b>88.00</b>
<b>Employees (FTE)</b>				
	3.00	3.00	3.00	3.00

\*FY2010/11 Transfers are funds reserved for FY2011/12 scholarships.

Note: The line item appropriation has been funded as a special program within PHEAA's budget since FY 1999/2000. It is critical to the recruitment and retention of students at Cheyney University and is vital to the success of the institution and its students. It is also a major component of the Commonwealth's agreement with the U.S. Office of Civil Rights.

## Pennsylvania State System of Higher Education Academic Program Data

Program Measure	Actual 2010/11	Projected 2011/12	Projected 2012/13
Associate Degrees Awarded	383	441	507
Bachelor's Degrees Awarded	18,146	18,584	19,032
Graduate Degrees Awarded	5,809	6,157	6,527
<b>Total Degrees Awarded</b>	<b>24,338</b>	<b>25,182</b>	<b>26,066</b>



**Appendix A-6**  
**Pennsylvania State System of Higher Education**  
**Applications, Acceptances, and Enrollments<sup>1</sup>**  
**of Pennsylvania Residents, by Race, 2002 to 2011**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 <sup>2</sup>
<b>AFRICAN AMERICAN</b>										
Applications	6,869	7,980	9,838	10,717	13,195	13,474	15,108	15,232	17,334	16,158
Acceptances	3,747	4,025	4,631	4,983	5,633	5,773	6,321	6,121	6,656	6,682
Enrollments	1,287	1,538	1,594	1,810	1,800	1,876	1,830	1,813	1,802	1,862
Percent Accepted	54.5%	50.4%	47.1%	46.5%	42.7%	42.8%	41.8%	40.2%	38.4%	41.4%
Percent Accepted Who Enroll	34.3%	38.2%	34.4%	36.3%	32.0%	32.5%	29.0%	29.6%	27.1%	27.9%
Percent Applied Who Enroll	18.7%	19.3%	16.2%	16.9%	13.6%	13.9%	12.1%	11.9%	10.4%	11.5%
<b>LATINO</b>										
Applications	1,333	1,209	1,610	1,727	1,999	2,383	2,774	2,835	3,323	5,079
Acceptances	878	763	994	1,052	1,156	1,399	1,532	1,590	1,776	3,075
Enrollments	319	319	386	426	434	505	502	545	647	987
Percent Accepted	65.9%	63.1%	61.7%	60.9%	57.8%	58.7%	55.2%	56.1%	53.4%	60.5%
Percent Accepted Who Enroll	36.3%	41.8%	38.8%	40.5%	37.5%	36.1%	32.8%	34.3%	36.4%	32.1%
Percent Applied Who Enroll	23.9%	26.4%	24.0%	24.7%	21.7%	21.2%	18.1%	19.2%	19.5%	19.4%
<b>AMERICAN INDIAN OR ALASKAN NATIVE</b>										
Applications	123	135	152	147	214	182	208	257	197	176
Acceptances	80	86	109	106	118	106	113	141	128	86
Enrollments	39	38	44	48	44	46	46	61	44	23
Percent Accepted	65.0%	63.7%	71.7%	72.1%	55.1%	58.2%	54.3%	54.9%	65.0%	48.9%
Percent Accepted Who Enroll	48.8%	44.2%	40.4%	45.3%	37.3%	43.4%	40.7%	43.3%	34.4%	26.7%
Percent Applied Who Enroll	31.7%	28.1%	28.9%	32.7%	20.6%	25.3%	22.1%	23.7%	22.3%	13.1%
<b>ASIAN OR PACIFIC ISLANDER</b>										
Applications	830	767	846	893	1,061	1,009	1,062	1,233	1,223	1,177
Acceptances	566	518	552	594	667	643	669	774	740	724
Enrollments	188	162	187	196	182	195	209	205	175	166
Percent Accepted	68.2%	67.5%	65.2%	66.5%	62.9%	63.7%	63.0%	62.8%	60.5%	61.5%
Percent Accepted Who Enroll	33.2%	31.3%	33.9%	33.0%	27.3%	30.3%	31.2%	26.5%	23.6%	22.9%
Percent Applied Who Enroll	22.7%	21.1%	22.1%	21.9%	17.2%	19.3%	19.7%	16.6%	14.3%	14.1%
<b>NATIVE HAWAIIAN/PACIFIC ISLANDER<sup>3</sup></b>										
Applications									61	42
Acceptances									30	32
Enrollments									11	14
Percent Accepted									49.2%	76.2%
Percent Accepted Who Enroll									36.7%	43.8%
Percent Applied Who Enroll									18.0%	33.3%
<b>UNKNOWN</b>										
Applications	1,107	3,065	4,446	3,996	4,581	4,978	5,844	5,905	3,208	2,614
Acceptances	752	1,932	2,828	2,524	2,512	2,883	3,161	3,136	1,551	1,270
Enrollments	299	718	1,002	865	829	1,190	1,076	1,039	457	425
Percent Accepted	67.9%	63.0%	63.6%	63.2%	54.8%	57.9%	54.1%	53.1%	48.3%	48.6%
Percent Accepted Who Enroll	39.8%	37.2%	35.4%	34.3%	33.0%	41.3%	34.0%	33.1%	29.5%	33.5%
Percent Applied Who Enroll	27.0%	23.4%	22.5%	21.6%	18.1%	23.9%	18.4%	17.6%	14.2%	16.3%

Appendix A-6 (continued)  
 Pennsylvania State System of Higher Education  
 Applications, Acceptances, and Enrollments<sup>1</sup>  
 of Pennsylvania Residents, by Race, 2002 to 2011

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 <sup>2</sup>
<b>TWO OR MORE RACES<sup>3</sup></b>										
Applications									1,656	2,001
Acceptances									932	1,192
Enrollments									358	436
Percent Accepted									56.3%	59.6%
Percent Accepted Who Enroll									38.4%	36.6%
Percent Applied Who Enroll									21.6%	21.8%
<b>WHITE</b>										
Applications	48,008	47,122	47,370	46,023	48,247	49,292	52,460	52,985	57,236	55,592
Acceptances	34,387	33,656	34,201	33,148	34,040	34,678	36,249	37,521	39,812	39,964
Enrollments	13,830	14,769	14,172	14,132	14,053	14,374	14,688	14,844	15,349	15,117
Percent Accepted	71.6%	71.4%	72.2%	72.0%	70.6%	70.4%	69.1%	70.8%	69.6%	71.9%
Percent Accepted Who Enroll	40.2%	43.9%	41.4%	42.6%	41.3%	41.4%	40.5%	39.6%	38.6%	37.8%
Percent Applied Who Enroll	28.8%	31.3%	29.9%	30.7%	29.1%	29.2%	28.0%	28.0%	26.8%	27.2%
<b>TOTAL</b>										
Applications	58,270	60,278	64,262	63,503	69,297	71,318	77,456	78,447	84,238	82,839
Acceptances	40,410	40,980	43,315	42,407	44,126	45,482	48,045	49,283	51,625	53,025
Enrollments	15,962	17,544	17,385	17,477	17,342	18,186	18,351	18,507	18,843	19,030
Percent Accepted	69.3%	68.0%	67.4%	66.8%	63.7%	63.8%	62.0%	62.8%	61.3%	64.0%
Percent Accepted Who Enroll	39.5%	42.8%	40.1%	41.2%	39.3%	40.0%	38.2%	37.6%	36.5%	35.9%
Percent Applied Who Enroll	27.4%	29.1%	27.1%	27.5%	25.0%	25.5%	23.7%	23.6%	22.4%	23.0%

<sup>1</sup>First-Time Freshmen

<sup>2</sup>Includes 2010 data for Cheyney University of Pennsylvania

<sup>3</sup>Native Hawaiian/Pacific Islander and Two or More Races first reported in 2010. Prior to 2010, Pacific Islander was reported with Asian.



## Appendix B

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## Appendix B-1

### Academic Program Review: Adapting curriculum to meet changing workforce demands

PASSHE universities and the Board of Governors continually review academic programs to ensure they meet the educational and career readiness needs of students and of Commonwealth employers.

Reviews can result in several outcomes: programs can be placed in moratorium, they can be updated and reorganized to address changing workforce demands or they can be discontinued. All students currently enrolled in programs that either are placed in moratorium or that are to be discontinued are given the opportunity to complete their degree.

Placing a program in **moratorium** means that students will no longer be admitted. Students currently enrolled or admitted will be allowed to complete the program. The university will assess the program's potential and either redesign or suspend the program. Normally the period of moratorium lasts no more than five years. A total of 108 programs have been placed into moratorium since July 2008.

**Reorganized programs** reflect curricula or programs that have been significantly revised or updated to meet new market demands. Since July 1, 2008, 61 programs have been reorganized at the 14 PASSHE universities.

**Discontinued programs** no longer have any students enrolled in them and are eliminated from the curriculum. A total of 24 programs have been discontinued since July 2008.

Before a new program is approved by the Board of Governors it must meet standards that include a demonstrated need in the Commonwealth, evidence that students will enroll in sufficient numbers to sustain it and collaboration among universities in development and delivery.

**New programs** are designed to meet new student and workforce demands. Those most recently developed encourage collaboration among universities. Many are offered online and are available to students anywhere/anytime. All new programs are subject to a formal review after five years; for continuance, they must demonstrate sustained enrollment and evidence of appropriate student learning outcomes. Twenty-three new programs have been introduced at PASSHE universities since July 2008. Additionally, there are a total of 27 programs that have been proposed, and are in various stages of review.

**Appendix B-1**  
**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION**  
**ACADEMIC PROGRAM ACTIONS**  
**July 1, 2008—February 15, 2012**

**REORGANIZED PROGRAMS**

University	Program Name	Degree	Change	Year
Clarion	Radiologic Sciences	BS	Name changed to Medical Imaging Sciences	2008-2009
Edinboro	Geography	BA	Merged with BA in Environmental Studies/Geography to form BA Geography with tracks in General Geography and Environmental Studies	2008-2009
Edinboro	Geology	BS	Merged with BS in Environmental Science/Geology to form BS Geology with tracks in Geology and Environmental Geology	2008-2009
Edinboro	Drama	BA	Name changed to Theatre Arts	2008-2009
Kutztown	Secondary Education: Citizenship Education and Social Studies	BSED	Replaced by re-activated, revised Social Studies Program	2008-2009
Kutztown	Secondary Education: Social Science	BSED	Replaced by re-activated, revised Social Sciences Program	2008-2009
Kutztown	Secondary Education: General Science	BSED	Replaced by re-activated, revised General Science Program	2008-2009
Kutztown	Secondary Education: Earth Space Science	BSED	Replaced by re-activated, revised Earth and Space Science Program	2008-2009
Clarion	Radiologic Sciences	BS	Name changed to Medical Imaging Sciences	2008-2009
Edinboro	Geography	BA	Merged with BA in Environmental Studies/Geography to form BA Geography with tracks in General Geography and Environmental Studies	2008-2009

**Appendix B-1  
REORGANIZED PROGRAMS (Continued)**

University	Program Name	Degree	Change	Year
Edinboro	Geology	BS	Merged with BS in Environmental Science/Geology to form BS Geology with tracks in Geology and Environmental Geology	2008-2009
Bloomsburg	German	BA	To be included in a Language and Culture major	2009-2010
Bloomsburg	French	BA	To be included in a Language and Culture major	2009-2010
Bloomsburg	Medical Technology	BS	Continue as Health Sciences with Clinical Lab/Med Tech as a concentration	2009-2010
Cheyney	Special Education	BSED	To be a concentration in the of a PreK-4 major	2009-2010
East Stroudsburg	Theatre	BS	Continue and move theatre track from Fine Arts major in this program	2009-2010
East Stroudsburg	Geology-Earth Science	BS	Will become track in Physics major	2009-2010
Indiana	Government and Public Service	BA	Moved to a concentration in Political Science	2009-2010
Indiana	Applied Mathematics	BS	To become a concentration in the Mathematics major	2009-2010
Indiana	Mathematics/Economics	BA	To become a concentration in the Mathematics and Economics majors	2009-2010
Indiana	Physics	BA	The BS program will be retained	2009-2010
Indiana	Physics	MA	The BS program will be retained	2009-2010
Lock Haven	Speech & Rhetorical	BS	Reframed as a concentration in Communication Media	2009-2010
Lock Haven	Math	BS	Move from BA to BS degree with track in Biomathematics and Actuarial Science	2009-2010
Mansfield	Clinical Lab Technology	BS	To be offered as a concentration in Biology	2009-2010
Mansfield	Music Industry	BM	To be concentration within Music major	2009-2010

**Appendix B-1  
REORGANIZED PROGRAMS (Continued)**

University	Program Name	Degree	Change	Year
West Chester	Elementary Education	BSED	Transition to preK-4 and grades 4-8 certification programs	2009-2010
West Chester	Music History	MA	Content will be part of Music major	2009-2010
West Chester	Women's Studies	BA	Renamed Women's and Gender Studies	2009-2010
West Chester	Music History	MA	Redesigned as MM degree in Music: History and Literature	2009-2010
West Chester	Elementary Education	MED	Renamed Applied Studies in Teaching and Learning	2009-2010
West Chester	Administration	MS	Redesigned as MPA degree in Public Administration	2009-2010
Bloomsburg	Early Childhood Education	MEd	Academic major, program of study: Elementary Education to Early Childhood Education (online)	2010-2011
Bloomsburg	Instructional Technology: Application and Management (fall 2011)	MS	New track: PSM program	2010-2011
Cheyney	Graphic Design	Minor	Reorganization of major program	2010-2011
Cheyney	Biology	BS	Change in degree designation: BA to BS	2010-2011
Cheyney	Chemistry	BS	Change in degree designation: BA to BS	2010-2011
Cheyney	General Science	BS	Change in degree designation: BA to BS	2010-2011
Cheyney	Mathematics	BS	Change in degree designation: BA to BS	2010-2011
Cheyney	Computer Information Science	BS	Change in degree designation: BA to BS	2010-2011
East Stroudsburg	Reading Supervisor	Cert.	Post-master's certificate	2010-2011
East Stroudsburg	Criminal Justice	BS	Reorganization of academic major and concentrations	2010-2011
East Stroudsburg	Social Work	BS	Reorganization of academic major and concentrations	2010-2011
East Stroudsburg	General Science: GIS/Remote Sensing (fall 2011)	MS	New track: PSM program	2010-2011
Indiana	Chemistry: Applied and Industrial Chemistry (fall 2011)	PSM	Reorganization/new track: PSM program	2010-2011

**Appendix B-1**  
**REORGANIZED PROGRAMS (Continued)**

University	Program Name	Degree	Change	Year
Indiana	Physics Nanoscience for Industrial Materials (fall 2011)	PSM	Reorganization/new track: PSM program	2010-2011
Kutztown	Computer Science (fall 2011)	MS	New track: PSM program	2010-2011
Kutztown	Anthropology	BA	Change in credit requirement: 122 to 120 credit hours	2010-2011
Lock Haven	Applied Computer Science and Information Systems	BS	Reorganization of two programs	2010-2011
Lock Haven	Mathematics	BS	Change in degree designation: BA to BS	2010-2011
West Chester	Exercise Science	BS	Change in name of academic major: Exercise Science Specialist to Exercise Science	2010-2011
Bloomsburg	Spanish	BA	Reorganized to a BA in Languages and Cultures with tracks in Spanish, French, and German.	2010-2011
Edinboro	School Psychology	EdS	Change MA to EdS	2011-2012
Lock Haven	General Studies	BS	Renamed to BS in Interdisciplinary Studies. This reflects name change only and is not a new or reorganized program.	2011-2012
Lock Haven	Special Education	BS	Reorganized to a BS in Disability and Community Services.	2011-2012
Lock Haven	Computer Information Sciences	BS	Reinstate program.	2011-2012
Lock Haven	Applied Computer Science and Information Systems	BS	Rename and Reorganize 3 concentrations: 1). Database and Network Administration. 2). Mobile and Game Application Development. 3). Interdisciplinary Computing.	2011-2012
Lock Haven	French and Spanish	BA	Reorganized as a BA in Foreign Language with concentrations in French and Spanish.	2011-2012
Millersville	Industrial Technology	AA	Change name to Applied Engineering and Technology.	2011-2012

**Appendix B-1**  
**REORGANIZED PROGRAMS (Continued)**

University	Program Name	Degree	Change	Year
Millersville	Industrial Technology	BS	Change name to Applied Engineering and Technology Management.	2011-2012
West Chester	Teaching and Learning in Technology	Graduate Certificate	Renamed to Educational Technology. Reflects name change only.	2011-2012

**Appendix B-1**  
**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION**  
**ACADEMIC PROGRAM ACTIONS**  
**July 1, 2008—February 15, 2012**

**PROGRAMS PLACED IN MORATORIUM**

University	Program Name	Degree	Approved
Bloomsburg	Computer and Information Science	BS	2008-2009
California	School Nurse	CERT	2008-2009
Clarion	School Nurse	CERT	2008-2009
Clarion	Principalship Preparation	CERT	2008-2009
Edinboro	Nutrition	BS	2008-2009
Edinboro	Information Technology	CERT	2008-2009
Edinboro	Clinical Psychology	MA	2008-2009
Kutztown	Instructional Technology	MED	2008-2009
Kutztown	Library Science	BSED	2008-2009
Lock Haven	Secondary Education French	BSED	2008-2009
Lock Haven	Secondary Education German	BSED	2008-2009
Lock Haven	Secondary Education Spanish	BSED	2008-2009
Lock Haven	Economics	BS	2008-2009
Lock Haven	Natural Science	BA	2008-2009
Shippensburg	Information Systems Studies	MS	2008-2009
West Chester	Parish Nursing	CERT	2008-2009
Bloomsburg	Radiologist Assistant	MS	2009-2010
California	Computer Science Technology	AS	2009-2010
California	French	BA	2009-2010
Cheyney	Adult and Continuing Education Administration	MED	2009-2010
Cheyney	Computer and Information Sciences	BS	2009-2010
Cheyney	Geography	BS	2009-2010
Clarion	Industrial Mathematics	BS	2009-2010
Clarion	Social Psychology	BA	2009-2010
Clarion	Dance	Minor	2009-2010
East Stroudsburg	Industrial Physics	BS	2009-2010
East Stroudsburg	Geography	BA	2009-2010
Edinboro	Environmental Studies/Geography	BA	2009-2010
Edinboro	Latin American Studies	BA	2009-2010
Indiana	Electro-Optics	AAS	2009-2010
Indiana	French	BA/BSED (2)	2009-2010
Indiana	German	BA/BSED (2)	2009-2010

**Appendix B-1**  
**PROGRAMS PLACED IN MORATORIUM (Continued)**

University	Program Name	Degree	Approved
Indiana	Environmental Health	BS	2009-2010
Indiana	Geography	MA	2009-2010
Indiana	Business Administration	AA	2009-2010
Indiana	Disaster Response	MS	2009-2010
Kutztown	French	BS/BSED (2)	2009-2010
Kutztown	Speech (Communication)	BSED	2009-2010
Kutztown	Medical Technology	BS	2009-2010
Kutztown	Drama	BA	2009-2010
Lock Haven	Management Information Systems	AAS	2009-2010
Lock Haven	Computer Information Science	BS	2009-2010
Lock Haven	Natural Science Biology	BA	2009-2010
Lock Haven	German	BA	2009-2010
Mansfield	Economics	BS	2009-2010
Mansfield	Mapping Technology	AA	2009-2010
Mansfield	Music Therapy	BM	2009-2010
Mansfield	German	BA/BS (2)	2009-2010
Mansfield	French	BA/BSE (2)	2009-2010
Mansfield	Art	MED	2009-2010
Mansfield	Business Management	AS	2009-2010
Millersville	Biology	MS	2009-2010
Millersville	Chemistry	AS	2009-2010
Millersville	Computer Science	AS	2009-2010
Shippensburg	Medical Technology	BS	2009-2010
Slippery Rock	Physical Education	MED	2009-2010
Slippery Rock	Therapeutic Recreation	MS	2009-2010
Slippery Rock	Sport Management	MS	2009-2010
Slippery Rock	Geography	BA	2009-2010
Slippery Rock	Sociology	BA	2009-2010
Slippery Rock	English	MA	2009-2010
West Chester	American Studies	BA	2009-2010
West Chester	Art	BA	2009-2010
West Chester	Biochemistry	BS	2009-2010
West Chester	Latin	BA	2009-2010
Bloomsburg	Audiology and Speech Pathology	Minor	2010-2011
Clarion	Cellular-Organismal Biology	Minor	2010-2011
Clarion	Biology	MS	2010-2011
Clarion	Art with Intermedia	Minor	2010-2011

**Appendix B-1**  
**PROGRAMS PLACED IN MORATORIUM (Continued)**

University	Program Name	Degree	Approved
Clarion	Applied/Industrial Mathematics	BS	2010-2011
Clarion	Dance	Minor	2010-2011
Clarion	History	MEd	2010-2011
Clarion	NRNP Nursing-RN to MSN Family Nurse Practitioner/Nurse Educator	BSN/MSN (2)	2010-2011
Edinboro	Wildlife Biology/Natural Sciences Program	BS	2010-2011
Kutztown	International Business Major	BS/BA (2)	2010-2011
Kutztown	Instructional Technology Specialist Certification	MEd	2010-2011
Kutztown	Nursing	BSN	2010-2011
Kutztown	Nursing	MSN	2010-2011
Kutztown	Theatre	BA	2010-2011
Kutztown	Theatre	Minor	2010-2011
Kutztown	Secondary Education: Communication	BSEd	2010-2011
Kutztown	Elementary/Secondary Education: French	BSEd	2010-2011
Kutztown	French	BSEd	2010-2011
Kutztown	Medical Technology Program	BS	2010-2011
West Chester	Studio Art	BA	2010-2011
West Chester	Accompanying	MM	2010-2011
West Chester	21 <sup>st</sup> Century Music Education	Certificate	2010-2011
West Chester	Music History	MM	2010-2011
Bloomsburg	French	BA	2011-2012
Bloomsburg	German	BA	2011-2012
Bloomsburg	Spanish	BA	2011-2012
East Stroudsburg	Sociology: Concentrations in Social Work and Criminal Justice in moratorium	BS	2011-2012
Lock Haven	General Studies	BS	2011-2012
Lock Haven	Special Education	BS	2011-2012
Lock Haven	French	BA	2011-2012
Lock Haven	Spanish	BA	2011-2012
West Chester	Leadership for Women	MSA	2011-2012
West Chester	Leadership for Women	Certificate	2011-2012
West Chester	Latin	BA	2011-2012
West Chester	Biochemistry	BS	2011-2012
West Chester	Comparative Literature	Minor	2011-2012

**Appendix B-1**  
**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION**  
**ACADEMIC PROGRAM ACTIONS**  
**July 1, 2008—February 15, 2012**

**DISCONTINUED PROGRAMS**

University	Program Name	Degree	Approved
Bloomsburg	Political Economics	BA	2008-2009
West Chester	Communication Studies	BSED	2008-2009
California	Tourism	MS	2009-2010
Cheyney	Apparel and Textiles	BS	2009-2010
Clarion	Geography	BS	2009-2010
East Stroudsburg	Liberal Arts and Sciences	BA	2009-2010
East Stroudsburg	Humanities Studies	BA	2009-2010
East Stroudsburg	Biological and Physical Sciences	BA	2009-2010
East Stroudsburg	Physical Sciences	BA	2009-2010
Edinboro	Natural Science-Wildlife	BA	2009-2010
Indiana	Computer and Information Technology	MS	2009-2010
Indiana	Professional Growth	MA/MS/MED (3)	2009-2010
Indiana	Teaching Individuals with Orthopedic, etc.	BS	2009-2010
Indiana	General Science Education	BSED	2009-2010
Indiana	Consumer Economics	BS	2009-2010
Lock Haven	Latin American Studies	BA	2009-2010
West Chester	Religion	BA	2009-2010
Clarion	Speech Communication	BS	2010-2011
Clarion	Reading	MEd	2010-2011
Clarion	Science Education	MEd	2010-2011
Clarion	Elective Studies in Business	BM	2010-2011
Slippery Rock	Exercise and Wellness Promotion	MS	2010-2011

**Appendix B-1**  
**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION**  
**ACADEMIC PROGRAM ACTIONS**  
**July 1, 2008—February 15, 2012**

**NEW DEGREE PROGRAMS**

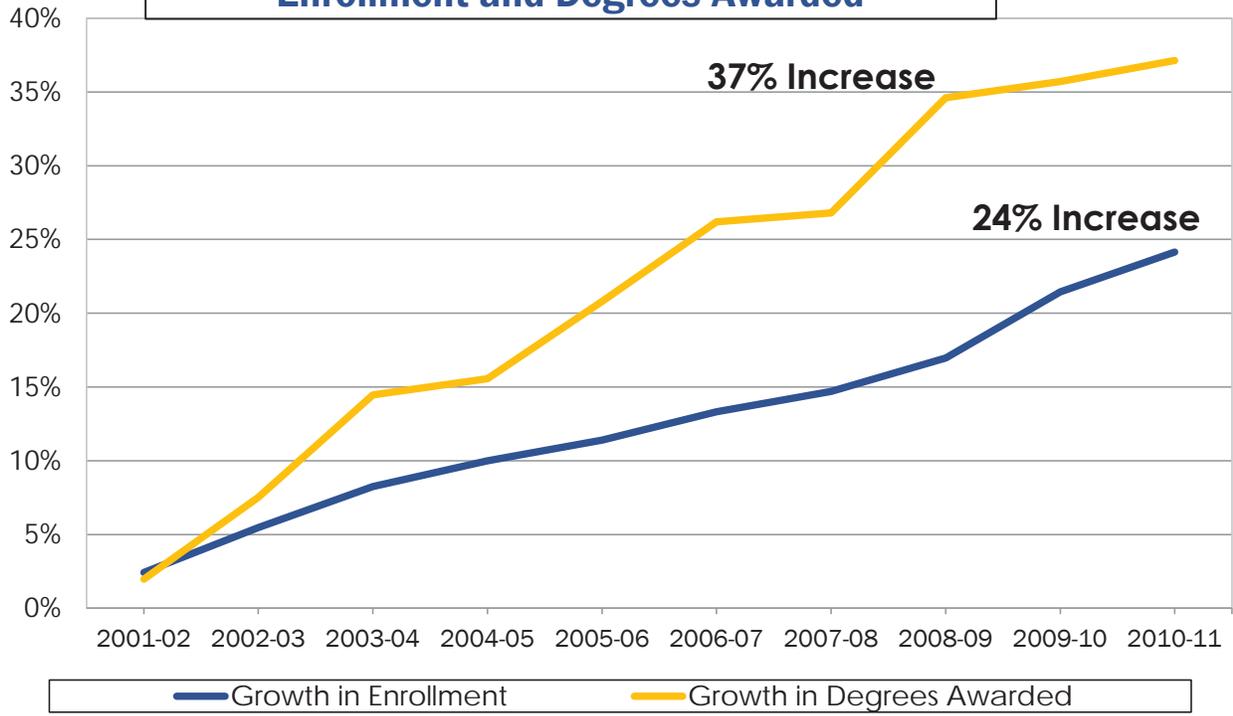
<b>University</b>	<b>Program Name</b>	<b>Degree</b>	<b>Approved</b>
Mansfield	Organizational Leadership	MA	October 2008
Millersville	Allied Health Technologies	BS	October 2008
California	Commercial Music Technology	BS	January 2009
Bloomsburg	School-Based Speech-Language Pathology	MED	April 2009
Cheyney	Graphic Design	BS	April 2009
Slippery Rock	Criminology and Criminal Justice	MA	April 2009
California	Nursing Administration and Leadership	MSN	July 2009
Cheyney	Liberal Studies	BA	July 2009
East Stroudsburg	Information Security	BSN	July 2009
Lock Haven	Nursing	BSN	July 2009
Bloomsburg	Public Policy and International Affairs	MA	July 2010
West Chester	Exercise and Sport Physiology	MS	July 2010
Indiana	Spanish	MA	October 2010
California	Arabic Language and Culture	BA	April 2011
Edinboro	Industrial and Engineering Administration	BS	April 2011
Shippensburg	Computer Engineering	BS	April 2011
California	Jurisprudence	BA	June 2011
Indiana	Strategic Studies in Weapons of Mass Destruction	MS	June 2011
Millersville	Integrated Scientific Applications	MS	June 2011
Indiana	Safety Sciences	PhD	October 2011
Bloomsburg	Technical Leadership	BAS	January 2012
Clarion	Allied Health Leadership	BS	January 2012
Shippensburg	Science Education	MAT	January 2012

**Appendix B-1**  
**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION**  
**ACADEMIC PROGRAMS UNDER DEVELOPMENT**

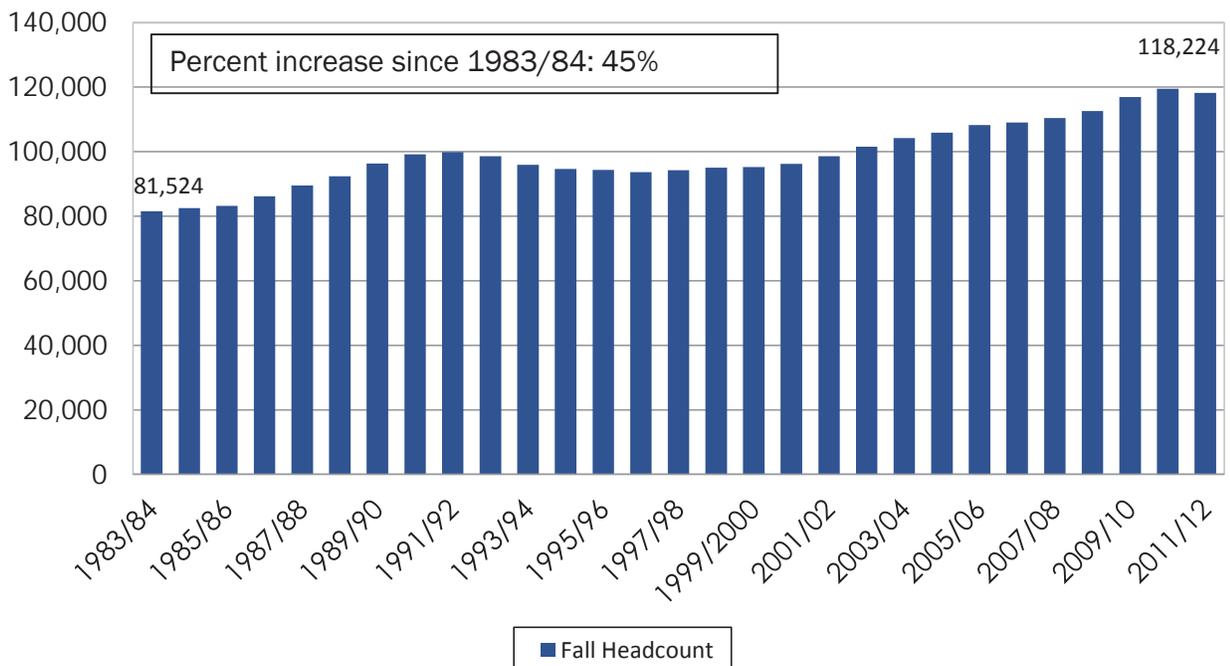
University	Program Name
Bloomsburg	Minor Middle Eastern Studies
Cheyney	BA Criminal Justice
California	BS Mechatronics
California	MS Forensic Sciences (PSM)
Clarion	BAS Technology Leadership
East Stroudsburg	Minor Chinese Language and Culture
Edinboro	MA Art Therapy
Edinboro	AAS Allied Health
Edinboro	AAS Applied Technology
Edinboro	BAF Fine Arts/Animation/Film
Indiana	MEd Family and Consumer Sciences Ed.
Indiana	PhD Early Childhood Ed.
Kutztown	MS Criminal Justice
Kutztown	Minor in Art History
Lock Haven	MS Criminal Justice
Lock Haven	Revised MS Sports Science
Lock Haven	MSEd Pre-K4 Early Childhood Ed.
Lock Haven	AS Interdisciplinary Studies
Lock Haven	MS Mental Health Counseling
Mansfield	AAS Natural Gas Production and Services
Mansfield	BS Community Health Education
Mansfield	BS Safety Management
Millersville	MEd Assessment Curriculum and Teaching
Millersville	Minor Entrepreneurship
Shippensburg	BS Software Engineering
Slippery Rock	Revised MSN Nursing Administration
West Chester	Minor in Applied Ethics

Appendix B-2

**Pennsylvania State System of Higher Education  
Enrollment and Degrees Awarded**



**Pennsylvania State System of Higher Education  
History of Headcount Enrollment**



Appendix B-3

Pennsylvania State System of Higher Education  
Headcount Enrollment by University, Fall 2001-2011

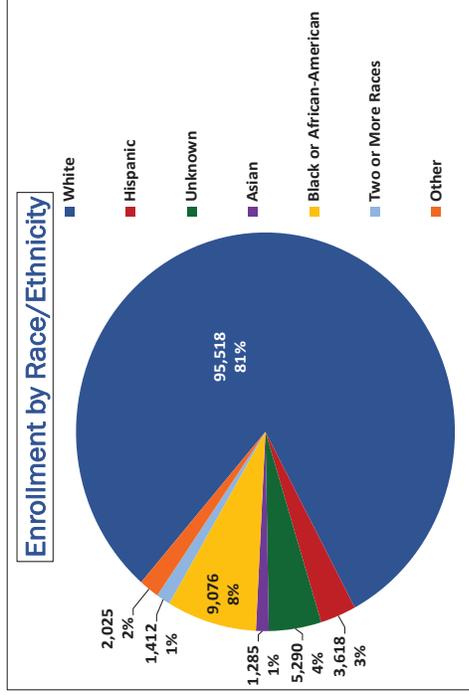
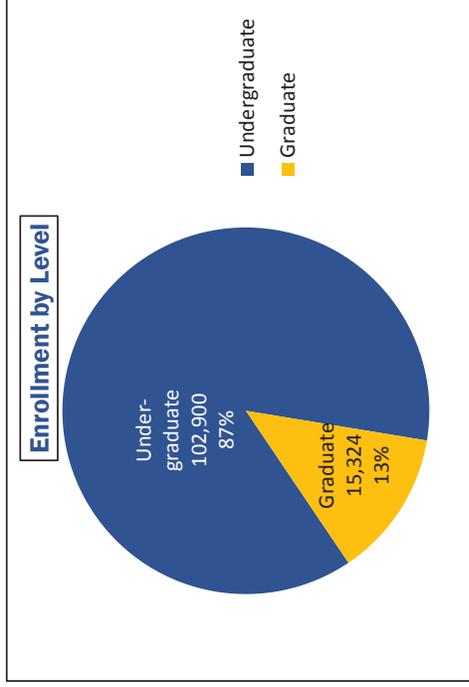
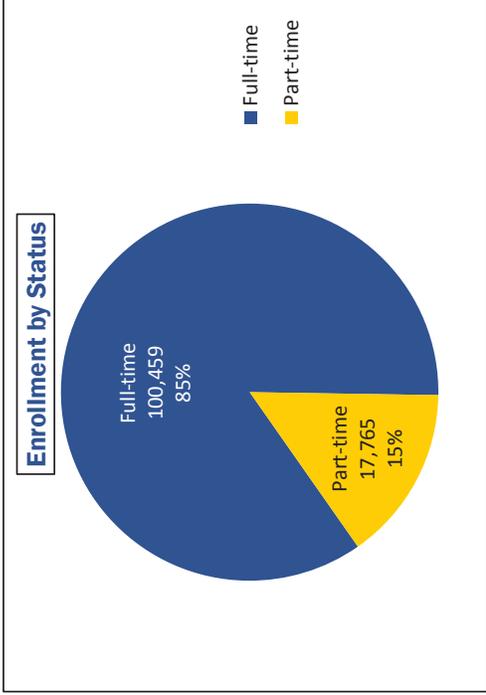
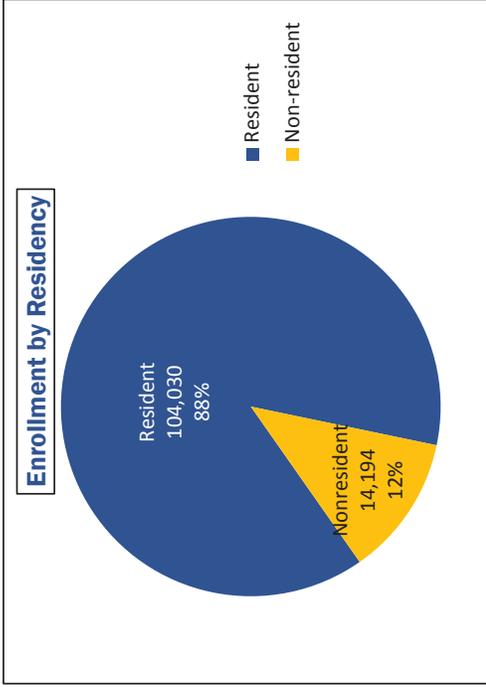
University	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Bloomsburg	7,914	8,039	8,282	8,304	8,570	8,723	8,745	8,855	9,512	10,091	10,159
California	5,948	6,082	6,438	6,640	7,184	7,720	8,206	8,519	9,017	9,400	9,483
Cheyney	1,514	1,523	1,536	1,545	1,560	1,667	1,436	1,488	1,488	1,586	1,200
Clarion	6,271	6,541	6,497	6,421	6,338	6,591	6,795	7,100	7,346	7,315	6,991
East Stroudsburg	5,996	6,270	6,162	6,553	6,793	7,013	7,053	7,234	7,576	7,387	7,353
Edinboro	7,498	7,778	8,045	7,773	7,691	7,579	7,686	7,671	8,287	8,642	8,262
Indiana	13,457	13,671	13,868	13,998	14,081	14,248	14,018	14,310	14,638	15,126	15,132
Kutztown	8,268	8,524	9,008	9,585	9,864	10,193	10,295	10,393	10,634	10,707	10,283
Lock Haven	4,252	4,574	4,908	5,126	5,283	5,175	5,241	5,266	5,329	5,451	5,366
Mansfield	3,303	3,368	3,520	3,556	3,390	3,360	3,338	3,422	3,569	3,411	3,275
Millersville	7,556	7,650	7,861	7,998	7,919	8,194	8,306	8,320	8,427	8,729	8,725
Shippensburg	7,193	7,412	7,607	7,653	7,485	7,516	7,765	7,942	8,253	8,326	8,183
Slippery Rock	7,197	7,530	7,789	7,928	8,105	8,230	8,325	8,458	8,648	8,852	8,712
West Chester	12,244	12,584	12,695	12,822	12,988	12,879	13,219	13,619	14,211	14,490	15,100
<b>System Totals</b>	<b>98,611</b>	<b>101,546</b>	<b>104,216</b>	<b>105,902</b>	<b>107,251</b>	<b>109,088</b>	<b>110,428</b>	<b>112,597</b>	<b>116,935</b>	<b>119,513</b>	<b>118,224</b>

Note: Includes all enrollments--undergraduate, graduate, full-time, part-time; freeze date is 15th day of classes.

Source: Data warehouse, Student fall freeze submissions (BOG Enrollment files)

Appendix B-4

Pennsylvania State System of Higher Education  
 Fall 2011 Enrollment Demographics  
 Headcount: 118,224



Source: Data Warehouse: Student Submissions

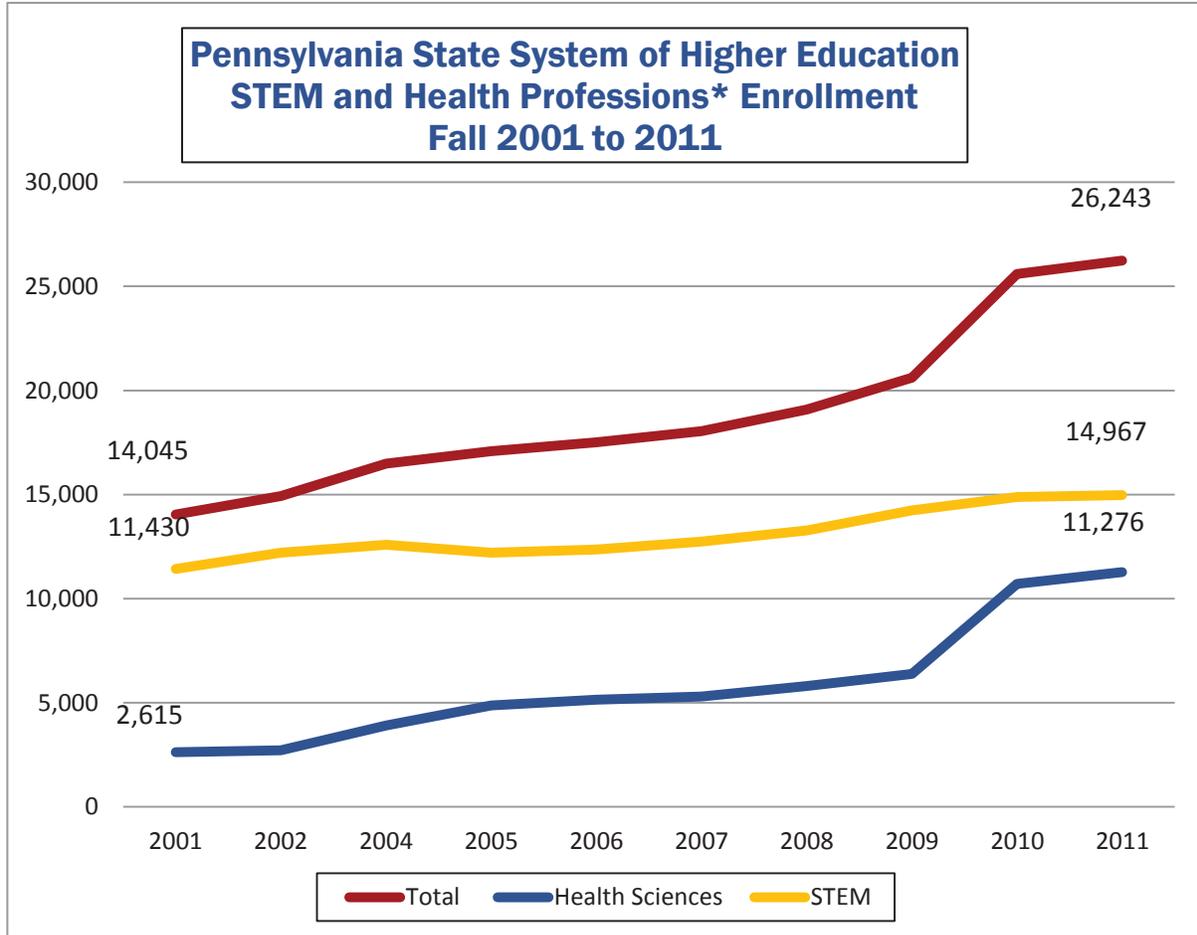
Appendix B-5

**Pennsylvania State System of Higher Education  
Students by Pennsylvania County by University, Fall 2011**

County	Total
Adams	887
Allegheny	7,831
Armstrong	1,025
Beaver	1,260
Bedford	246
Berks	4,161
Blair	666
Bradford	781
Bucks	4,318
Butler	2,266
Cambria	1,116
Cameron	82
Carbon	543
Centre	761
Chester	5,989
Clarion	978
Clearfield	1,005
Clinton	622
Columbia	1,165
Crawford	1,414
Cumberland	2,755
Dauphin	1,975
Delaware	4,022
Elk	542
Erie	4,171
Fayette	1,363
Forest	63
Franklin	1,331
Fulton	88
Greene	271
Huntingdon	228
Indiana	1,971
Jefferson	727
Juniata	150
Lackawanna	942
Lancaster	5,247

County	Total
Lawrence	832
Lebanon	866
Lehigh	2,890
Luzerne	1,546
Lycoming	1,240
McKean	319
Mercer	1,243
Mifflin	306
Monroe	2,580
Montgomery	5,634
Montour	290
Northampton	2,602
Northumberland	1,064
Perry	329
Philadelphia	4,614
Pike	668
Potter	179
Schuylkill	1,289
Snyder	277
Somerset	454
Sullivan	41
Susquehanna	299
Tioga	777
Union	347
Venango	1,056
Warren	436
Washington	2,205
Wayne	360
Westmoreland	3,091
Wyoming	155
York	3,245
<b>Total Pennsylvania</b>	<b>104,196</b>
Non-Pennsylvania	14,028
<b>Grand Total</b>	<b>118,224</b>

Appendix B-6



\*STEM=Science, Technology, Engineering and Mathematics majors.

Source: Data Warehouse: Student Submissions

**Appendix B-7**

**Pennsylvania State System of Higher Education  
New Undergraduate Transfers, Fall 2006 to Fall 2011**

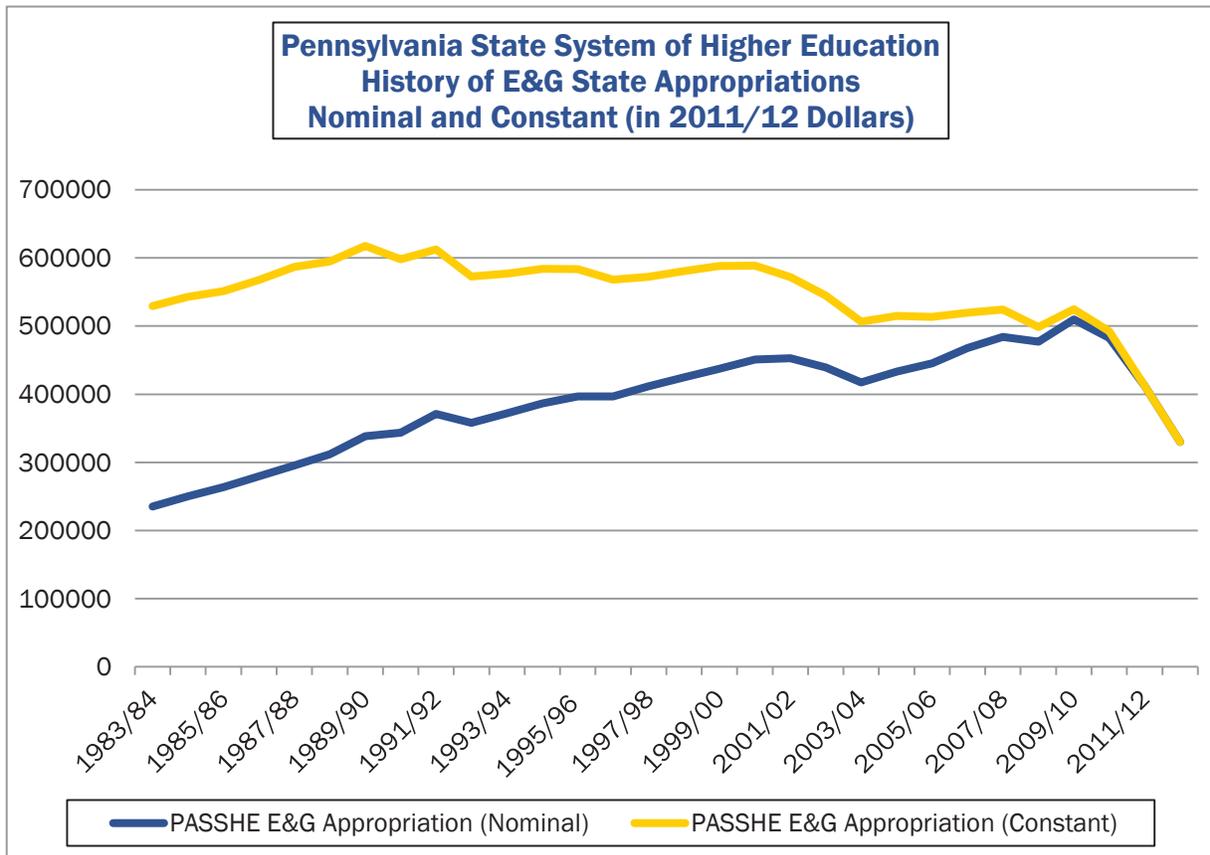
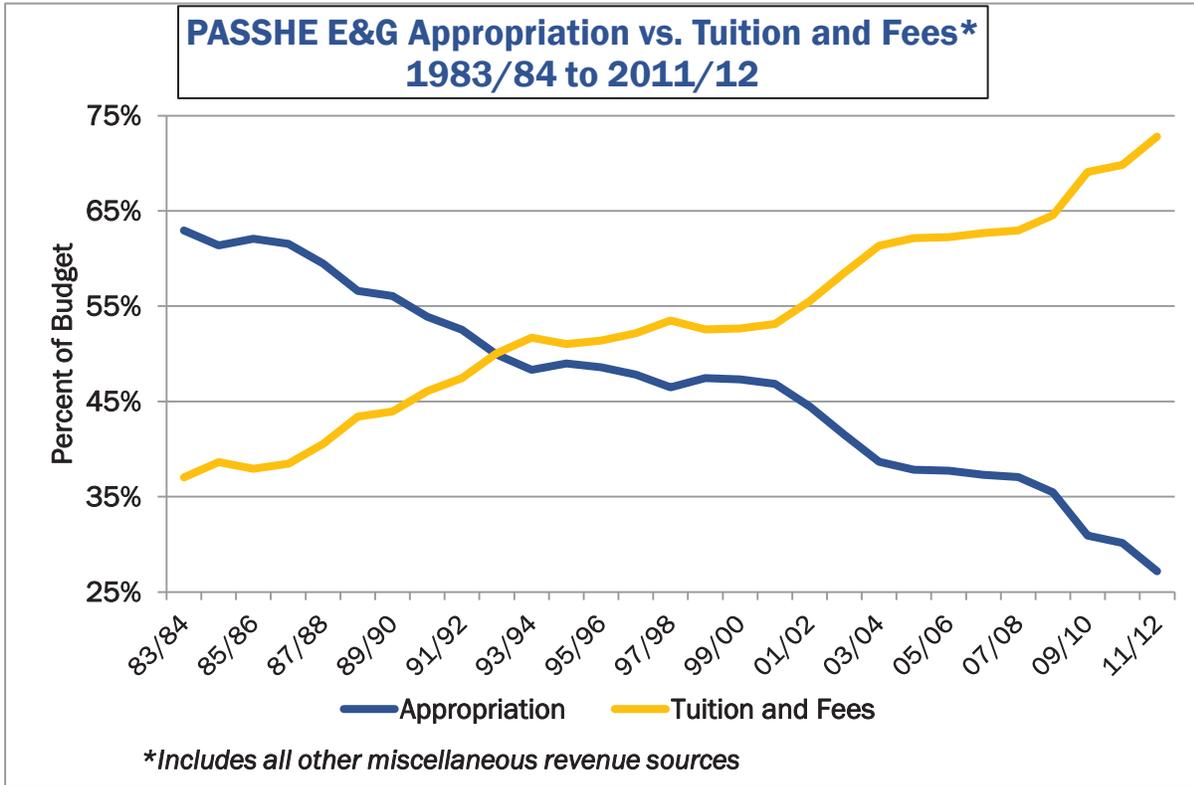
	2006	2007	2008	2009	2010	2011	Five-Year Change	% of 2011 Total
<b>A. Community Colleges</b>								
Comm. College of Allegheny County	387	395	422	443	460	435	12.4%	5.9%
Comm. College of Beaver County	81	68	77	84	80	72	-11.1%	1.0%
Bucks County	131	134	161	167	169	205	56.5%	2.8%
Butler County	225	198	190	228	191	219	-2.7%	3.0%
Pennsylvania Highlands	39	53	20	30	46	48	23.1%	0.6%
Delaware County	299	303	335	357	354	417	39.5%	5.6%
Harrisburg Area	354	435	481	507	604	571	61.3%	7.7%
Lehigh Carbon	194	217	199	218	244	188	-3.1%	2.5%
Luzerne County	135	144	131	128	163	130	-3.7%	1.8%
Montgomery County	192	194	198	260	279	295	53.6%	4.0%
Northampton County	268	271	325	355	454	364	35.8%	4.9%
Comm. College of Philadelphia	60	65	81	82	77	87	45.0%	1.2%
Reading Area	93	119	110	124	130	93	0.0%	1.3%
Westmoreland County	175	177	145	162	189	182	4.0%	2.5%
<b>Total Community Colleges</b>	<b>2,633</b>	<b>2,773</b>	<b>2,875</b>	<b>3,145</b>	<b>3,440</b>	<b>3,306</b>	<b>25.6%</b>	<b>44.6%</b>
<b>Percent of Minority CC Students</b>	<b>10.82%</b>	<b>10.75%</b>	<b>11.55%</b>	<b>12.05%</b>	<b>14.71%</b>	<b>15.55%</b>		
<b>Community Colleges as % of Transfer Total</b>	<b>40.3%</b>	<b>41.7%</b>	<b>42.8%</b>	<b>42.0%</b>	<b>44.4%</b>	<b>44.6%</b>		
<b>Community Colleges as % of Total New UG Students</b>	<b>13.5%</b>	<b>13.8%</b>	<b>13.8%</b>	<b>14.5%</b>	<b>15.9%</b>	<b>15.5%</b>		
<b>B. State-Related</b>								
Lincoln	5	8	7	7	9	4	80.0%	0.1%
Penn State	337	361	372	441	393	387	-9.9%	5.1%
Pitt	139	139	138	135	127	118	-31.7%	1.6%
Temple	48	47	42	63	50	72	11.1%	0.6%
<b>Total State-Related</b>	<b>529</b>	<b>555</b>	<b>559</b>	<b>646</b>	<b>579</b>	<b>581</b>	<b>-13.8%</b>	<b>7.5%</b>
<b>State-Related as % of Total</b>	<b>8.1%</b>	<b>8.3%</b>	<b>8.3%</b>	<b>8.6%</b>	<b>7.5%</b>	<b>7.8%</b>		
<b>C. Intra-system Transfers</b>								
<b>D. Other Colleges and Universities</b>	678	682	643	675	777	729	13.1%	10.0%
	2,700	2,641	2,640	3,028	2,955	2,789	10.4%	38.1%
<b>Total New Undergraduate Transfers</b>	<b>6,540</b>	<b>6,651</b>	<b>6,717</b>	<b>7,494</b>	<b>7,751</b>	<b>7,405</b>	<b>17.6%</b>	<b>100.0%</b>
<b>Percent of Minority Transfer Students</b>	<b>11.66%</b>	<b>12.06%</b>	<b>11.54%</b>	<b>12.41%</b>	<b>15.19%</b>	<b>14.69%</b>		
<b>Transfer Student Percent of Total</b>	<b>33.51%</b>	<b>33.19%</b>	<b>32.22%</b>	<b>34.45%</b>	<b>35.88%</b>	<b>34.73%</b>		

Source: Data Warehouse, Student Data Submission

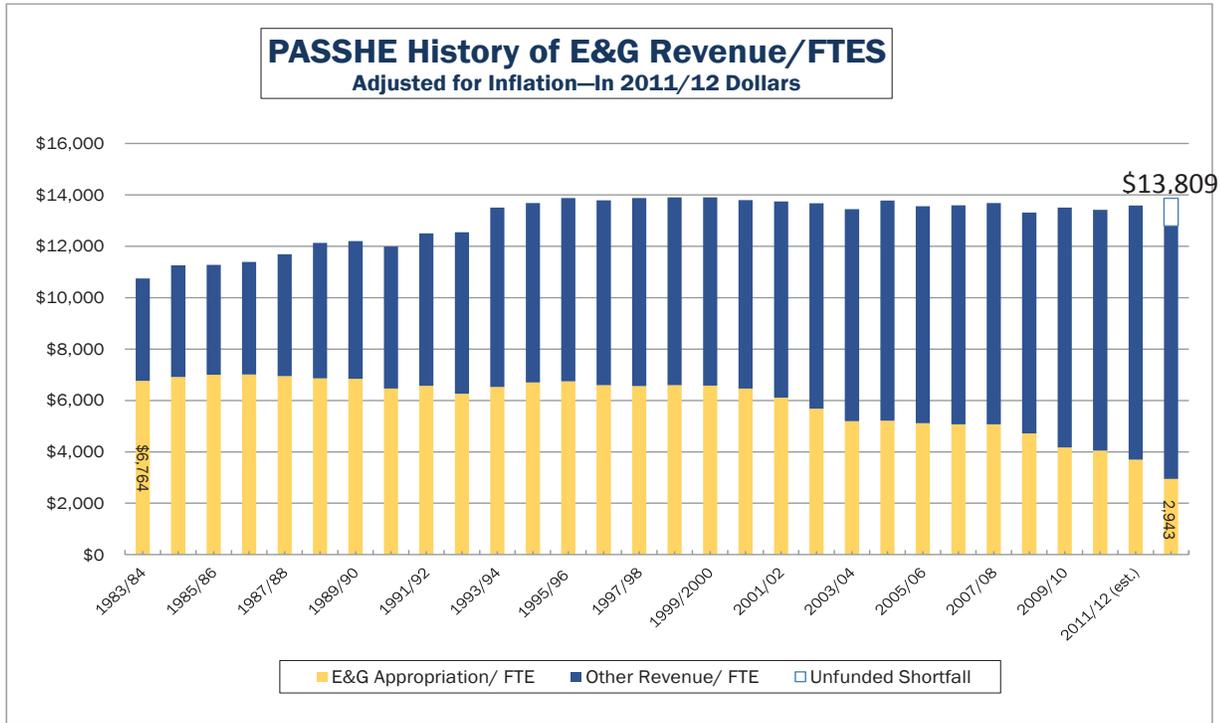
Official Reporting Date: End of the 15th day of classes

Note: Minority Students Include Two or More Races

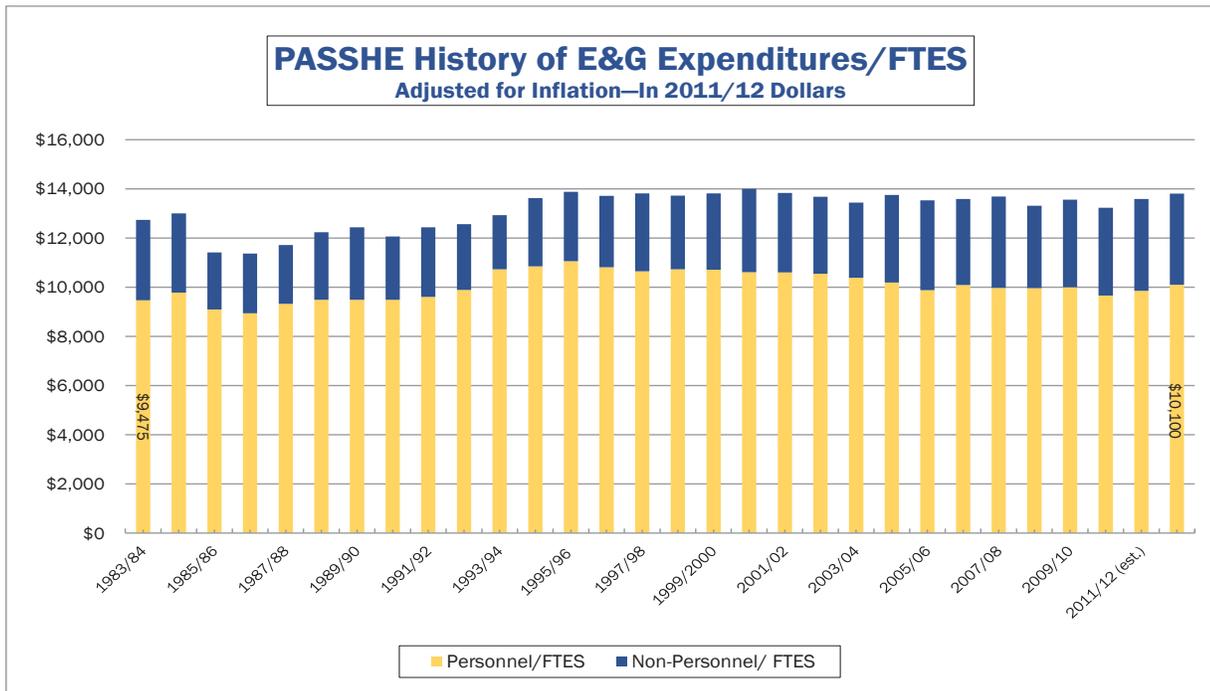
Appendix B-8



## Appendix B-9



*Note: Other Revenue includes Federal Appropriations; Line Items are excluded from chart.*



## Appendix B-10

### Pennsylvania State System of Higher Education History of Appropriations and Tuition Rates

Fiscal Year	E&G Appropriation	% Change From Prior Year		Total Appropriations	% Change From Prior Year	Resident Undergraduate Tuition Rate	\$ Change From Prior Year	% Change From Prior Year
		% OF TOTAL E&G						
1983/84	\$ 235,053,000	2.0%	63.0%	\$ 235,053,000	2.0%	\$1,480		
1984/85	250,051,000	6.4%	61.4%	252,723,000	7.5%	1,570	\$ 90	6.1%
1985/86	263,803,000	5.5%	62.1%	272,115,000	7.7%	1,600	30	1.9%
1986/87	279,381,000	5.9%	61.5%	287,756,000	5.7%	1,680	80	5.0%
1987/88	295,350,000	5.7%	59.5%	300,805,000	4.5%	1,830	150	8.9%
1988/89	311,594,000	5.5%	56.6%	322,699,000	7.3%	2,078	248	13.6%
1989/90	338,496,000	8.6%	56.1%	345,281,000	7.0%	2,178	100	4.8%
1990/91	343,526,321	1.5%	53.9%	349,491,000	1.2%	2,278	100	4.6%
1991/92	370,960,000	8.0%	52.5%	373,625,000	6.9%	2,628	350	15.4%
1992/93	357,976,000	-3.5%	49.9%	359,352,000	-3.8%	2,828	200	7.6%
1993/94	372,085,000	3.9%	48.3%	379,023,000	5.5%	2,954	126	4.5%
1994/95	386,320,278	3.8%	49.0%	387,916,000	2.3%	3,086	132	4.5%
1995/96	396,890,000	2.7%	48.6%	398,587,000	2.8%	3,224	138	4.5%
1996/97	396,890,000	0.0%	47.8%	398,487,000	0.0%	3,368	144	4.5%
1997/98	411,513,000	3.7%	47.3%	413,142,000	3.7%	3,468	100	3.0%
1998/99	424,887,000	3.2%	47.4%	426,570,000	3.3%	3,468	0	0.0%
1999/00	437,634,000	3.0%	47.3%	443,858,000	4.1%	3,618	150	4.3%
2000/01	450,763,000	3.0%	46.9%	471,821,000	6.3%	3,792	174	4.8%
2001/02	452,763,000	0.4%	44.5%	471,821,000	0.0%	4,016	224	5.9%
2002/03	439,181,000	-3.0%	41.5%	457,667,000	-3.0%	4,378	362	9.0%
2003/04	417,222,000	-5.0%	38.7%	434,784,000	-5.0%	4,598	220	5.0%
2004/05	433,435,000	3.9%	37.8%	453,628,000	4.3%	4,810	212	4.6%
2005/06	445,354,000	2.7%	37.7%	465,197,000	2.6%	4,906	96	2.0%
2006/07	467,622,000	5.0%	37.3%	487,873,000	4.9%	5,038	132	2.7%
2007/08	483,989,000	3.5%	37.1%	504,240,000	3.4%	5,177	139	2.8%
2008/09	477,322,000	-1.4%	35.5%	497,168,103	-1.4%	5,358	181	3.5%
2009/10*	444,470,000	-6.9%	30.9%	530,423,000	6.7%	5,554	196	3.7%
2010/11*	444,470,000	0.0%	29.9%	503,355,000	-5.1%	5,804	250	4.5%
2011/12	412,751,000	-7.1%	27.2%	412,751,000	-18.0%	6,240	436	7.5%

\*Includes American Recovery and Reinvestment State Fiscal Stabilization Funds (ARRA SF5F)

Source: System University BUDRPTs



**Appendix B-12**

**Pennsylvania State System of Higher Education  
Cost of Attendance and Net Price  
Fall 2009 First-time, Full-time Freshmen**

Average Aid Amounts for Those Receiving Aid	PASSHE Universities	State-Related Institutions*	Selected** Private Institutions
Average Cost of Attendance	\$18,636	\$27,402	\$38,658
Total number of students in First-time, Full-time Cohort	21,767	25,387	10,790
Total Number of the Cohort receiving any type of financial aid	18,696	21,056	10,123
Percent of the Total Cohort receiving any type of financial aid	86%	83%	94%
Percent of the Total Cohort receiving any Federal, State, Local or Institutional Grant Aid	52%	57%	92%
Average total award amount of Federal, State, Local or Institutional Grant Aid	\$6,034	\$7,278	\$15,523
Percent of the Total Cohort receiving Institutional Grant Aid	11%	36%	91%
Average total award amount of Institutional Grant Aid	\$4,066	\$3,950	\$12,654
Percent of the total Cohort receiving Student Loan Aid	75%	67%	76%
Average total award amount of Student Loan Aid	\$5,812	\$5,743	\$6,703
<b>Average Total Net Price - (Cost of Attendance minus Grants and Scholarships)</b>	<b>\$12,602</b>	<b>\$20,124</b>	<b>\$23,134</b>
<b>Average Total Net Price with Loans - (Cost of Attendance minus Average Grants and Loans)</b>	<b>\$6,790</b>	<b>\$14,381</b>	<b>\$16,431</b>

\*Weighted average of main and branch campuses. For those that do not have on-campus housing, off-campus rates were used to determine Cost of Attendance

\*\*Weighted average of Delaware Valley College, DeSales University, Geneva College, Lebanon Valley College, Mercyhurst College, Misericordia University, Mount Aloysius College, Philadelphia University, Robert Morris University, Saint Joseph's University, Seton Hill University, Thiel College, Ursinus College, Villanova University, Waynesburg University, Westminster College, Widener University-Main Camps, Wilkes University, and York College

Source: IPEDS Fall 2009 Tuition (based on First-time, Full-time, On-campus), IPEDS 2009-2010 Student Financial Aid NOTE: Most recent data available.

**Appendix B-13**

**PHEAA State Grant Awards  
All Undergraduate Programs (Excluding Summer School)**

**Number of Awards**

Year	Independent		State-Related	PASSHE	Community Colleges	Nursing	Business & Technical	Total PA	Out-of-State	Total
	4-Year	2-Year								
2006/07	45,714	3,237	37,729	32,059	20,457	1,168	11,134	151,498	11,004	162,502
2007/08	45,379	3,296	36,397	31,601	19,008	1,100	10,162	146,943	11,553	158,496
2008/09	43,514	3,086	34,097	29,854	18,502	1,103	9,072	139,228	10,827	150,055
2009/10	47,836	3,424	37,210	33,719	21,709	1,080	10,861	155,839	12,210	168,049
2010/11	47,100	3,412	37,350	35,223	25,041	1,074	12,020	161,220	13,053	174,273

**Value of Awards**

Year	Independent		State-Related	PASSHE	Community Colleges	Nursing	Business & Technical	Total PA	Out-of-State	Total
	4-Year	2-Year								
2006/07	\$159,562,274	\$9,178,763	\$118,808,086	\$89,514,203	\$20,646,715	\$2,932,670	\$29,942,811	\$430,585,522	\$5,086,888	\$435,672,410
2007/08	\$159,701,524	\$9,522,462	\$119,281,240	\$91,562,503	\$18,984,871	\$2,961,182	\$27,865,687	\$429,879,469	\$5,344,008	\$435,223,477
2008/09	\$130,005,427	\$8,011,073	\$98,090,257	\$76,986,763	\$14,869,312	\$2,440,756	\$21,713,521	\$352,117,109	\$4,403,643	\$356,520,752
2009/10	\$141,966,971	\$9,025,189	\$108,626,637	\$86,716,731	\$16,574,287	\$2,468,656	\$26,836,101	\$392,214,572	\$4,912,973	\$397,127,545
2010/11	\$123,154,986	\$8,015,549	\$91,687,606	\$78,257,066	\$14,841,175	\$2,184,034	\$24,918,481	\$343,058,897	\$4,499,881	\$347,558,778

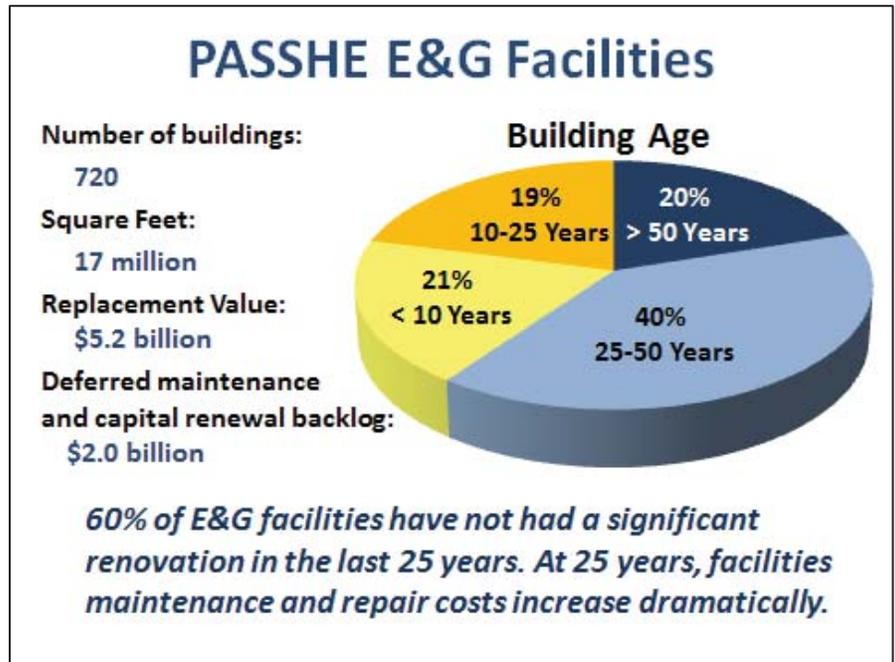
**Full-year Average Award**

Year	Independent		State-Related	PASSHE	Community Colleges	Nursing	Business & Technical	Total PA	Out-of-State	Total
	4-Year	2-Year								
2006/07	\$3,917	\$3,520	\$3,523	\$3,069	\$1,573	\$3,065	\$3,612	\$3,348	\$491	\$3,135
2007/08	\$3,936	\$3,600	\$3,645	\$3,175	\$1,566	\$3,243	\$3,697	\$3,429	\$487	\$3,193
2008/09	\$3,345	\$3,183	\$3,198	\$2,827	\$1,239	\$2,724	\$3,245	\$2,962	\$429	\$2,761
2009/10	\$3,317	\$3,250	\$3,234	\$2,817	\$1,185	\$2,810	\$3,292	\$2,950	\$424	\$2,747
2010/11	\$2,939	\$2,853	\$2,739	\$2,436	\$936	\$2,468	\$2,795	\$2,523	\$364	\$2,343

Appendix B-14  
 Pennsylvania State System of Higher Education  
 Educational and General (E&G)\* Facilities Highlights

**Challenges for PASSHE University Facilities**

- **Facilities age:** 60% of PASSHE's E&G facilities have not had a major renovation in 25 years and require a significant capital investment.
- **Historical buildings:** Universities have historical facilities, which are less efficient to operate and tend to be more costly to maintain and repair.
- **Commonwealth Procurement Requirements:** Commonwealth procurement requirements such as the Separations Act and Prevailing Wage, increase construction durations and costs. Other Pennsylvania higher education sectors do not have to follow these requirements.
- **Insufficient funding:** Although Universities invest annually in their facilities, PASSHE does not have sufficient resources to do so in the most cost effective manner.



**Funding Sources for Buildings and Infrastructure**

- **University Operating Funds**—These funds are used for maintenance and operations of the physical plant including grounds, janitorial, preventative maintenance, repairs, and deferred maintenance (including Key'93 funds). Last year PASSHE Universities spent about \$10.6 million on repairs and modernization of its facilities; national models suggest at least \$70 million should be invested annually in this area to keep up with deferred maintenance.
- **Key'93**
  - Enacted by Act 50 of 1993, funded with revenue from the Real Estate Transfer Tax.
  - Funding eliminated in FY2009/10 and FY2010/11, restored in FY2011/12, and recommended by the Governor for elimination again in FY2012/13.
  - Used to address deferred maintenance backlog requirements.
  - It is estimated that \$1 spent to immediately address small deferred maintenance requirements saves \$4 in capital renewal costs.
  - PASSHE funding for FY 2011/12 is \$6.8 million; historically funded as high as \$18 million.
- **Commonwealth Capital Funds**—From FY2000/01 to FY2008/09 the Commonwealth provided PASSHE \$65 million annually for capital projects. In FY2009/10, capital funding was increased to \$130 million per year; it returned to \$65 million in fiscal year 2011/12. These funds are largely spent on renovation or replacement of existing buildings; funds spent on new square footage have required the Universities raise funds to share the project cost. Generally, these funds should be used to reduce backlog; however, since Universities have not been able to adequately fund life cycle maintenance from operating funds, the capital funds have been essential to limiting deferred maintenance backlog growth.

*\*Educational and General facilities house the instructional, academic support, and administrative functions, and exclude housing, dining, student unions, and recreation centers.*

Appendix B-14 (Continued)  
 Pennsylvania State System of Higher Education  
 Educational and General (E&G)\* Facilities Highlights

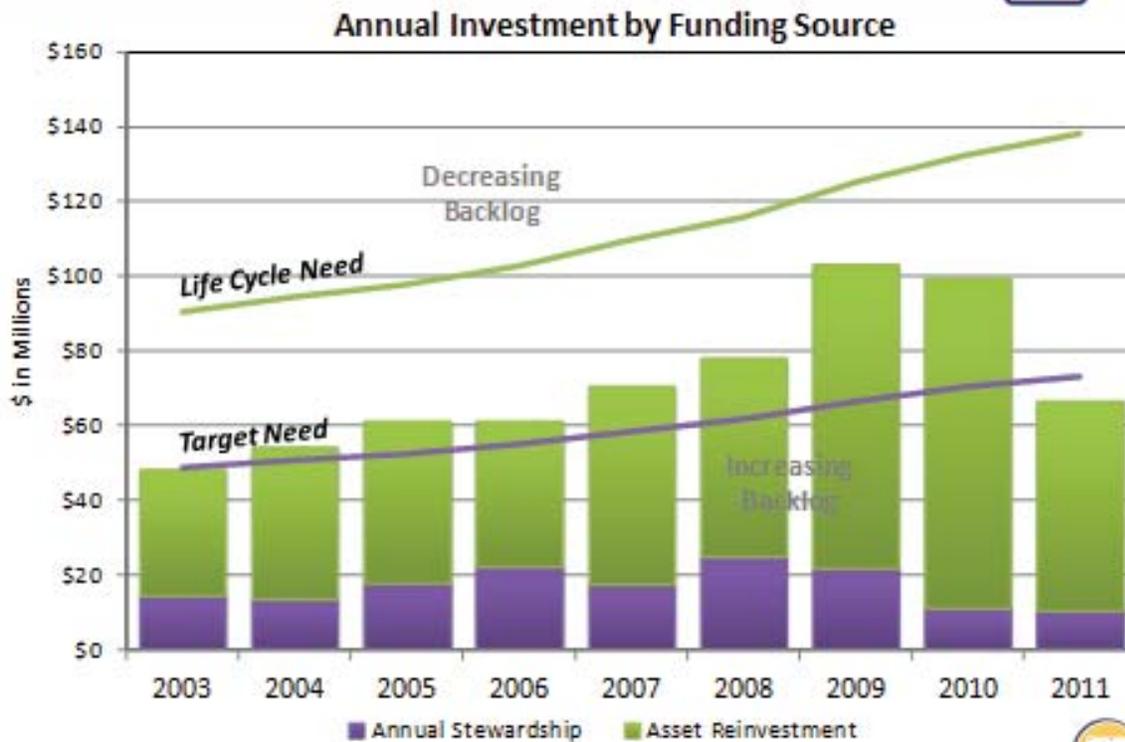
**Funding Requirements for E&G Buildings and Infrastructure**

According to Sightlines, a national firm that specializes in the benchmarking of higher education facilities, PASSHE is not investing adequately in its facilities.

According to national standards, PASSHE should be investing \$140 million annually in its E&G buildings to prevent further degradation of the facilities. This amount includes a blend of “annual stewardship” (University operating budgets and Key’93 funds or equivalent for recurring maintenance and repair) and “asset reinvestment” (capital funds to address building life cycle renewal and replacement requirements).

Increases in capital funding over the last couple years helped minimize the impact of underfunding the annual stewardship. However, in FY 2011/12, the combined investment in both annual stewardship and asset reinvestment fell short of the “targeted need” identified for annual stewardship alone. Continued facility investment at this level will result in significant increases to PASSHE’s E&G deferred maintenance backlog, which is currently estimated at \$2 billion.

**Capital Investment vs Target – E&G**



Appendix B-15  
 Pennsylvania State System of Higher Education  
 Energy Savings

Estimated Cost Avoided Through PASSHE Energy Conservation Effort								
Fiscal Year	Million Square Feet	mmBTU	Total Energy Cost for Fiscal Year	\$/mmBTU	Energy Utilization Index (EUI)	Annual EUI Reduction	Cumulative EUI Reduction	Cost Avoided
2002-03	23.62	3,866,459	\$33,565,091	8.68	163,661			
2003-04	24.58	3,872,844	33,867,182	8.74	157,564	3.7%	3.7%	\$1,310,504
2004-05	26.18	4,013,581	37,625,644	9.37	153,299	2.7%	6.3%	2,543,245
2005-06	26.45	3,796,335	43,720,415	11.52	145,749	4.9%	10.9%	5,457,006
2006-07	26.56	3,810,074	45,411,400	11.92	143,446	1.6%	12.4%	6,399,571
2007-08	26.72	3,648,264	46,053,980	12.62	136,517	4.8%	16.6%	9,157,016
2008-09	26.55	3,510,905	47,424,753	13.51	132,234	3.1%	19.2%	11,270,766
2009-10	27.40	3,213,945	41,807,009	13.01	117,288	14.1%	28.3%	16,529,512
2010-11	29.68	3,503,409	43,636,255	12.46	118,026	10.7%	27.9%	16,872,024
<b>Total</b>								<b>\$69,539,644</b>

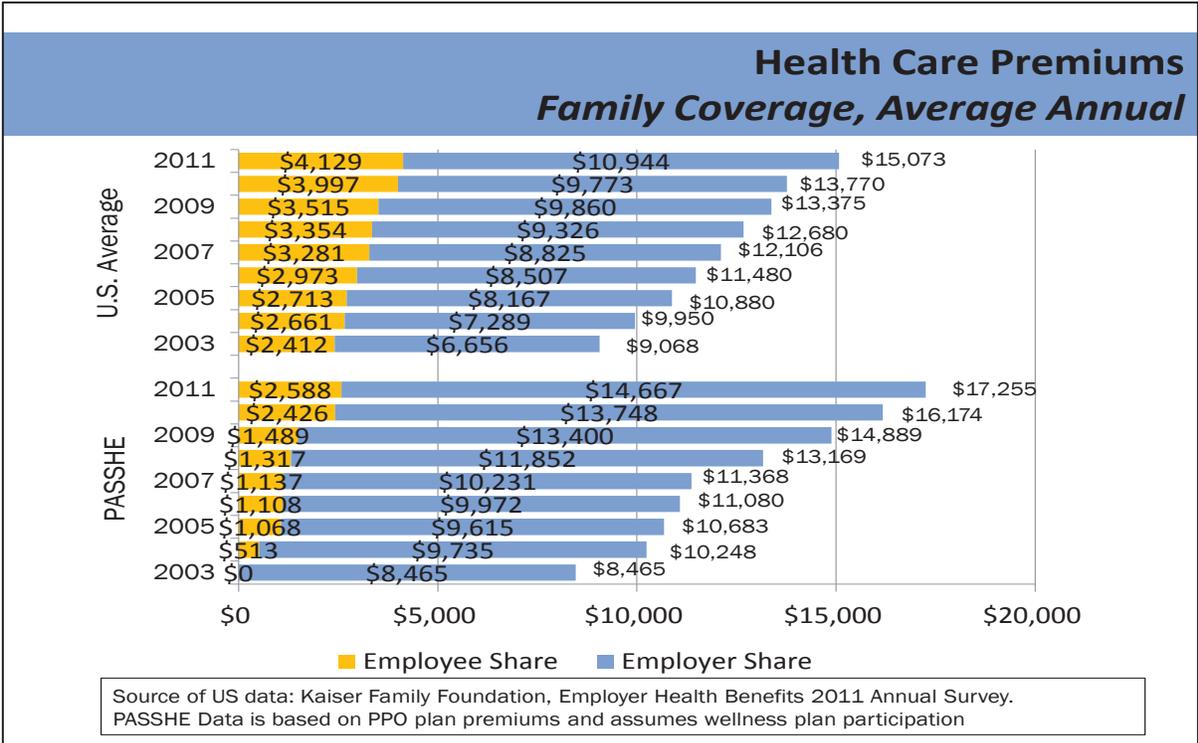
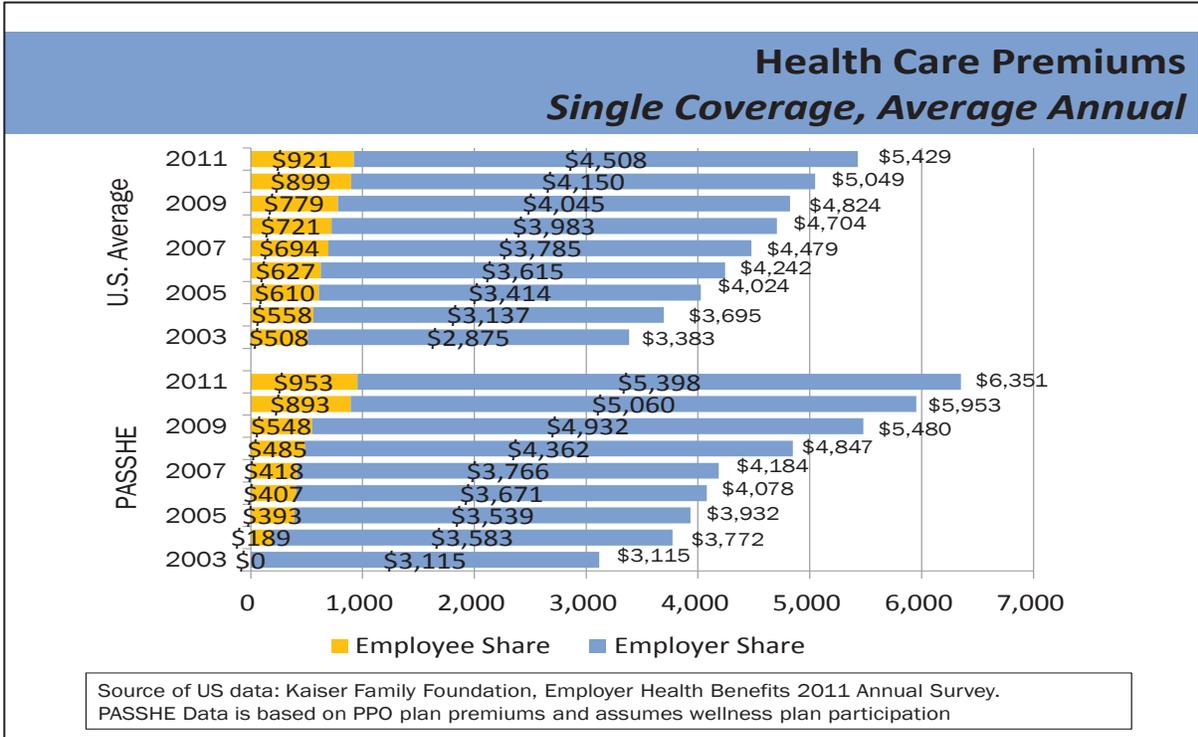
EUI (Energy Utilization Index) = Btu/sq-ft

Avoided cost = (EUI current-EUI base year)(MSF current)(\$/mmBTU current)

Estimated Cost Avoided Through PASSHE Energy Procurement Efforts*			
Fiscal Year	Electricity	Natural Gas	Total
2001-02	\$246,641	-	\$246,641
2002-03	12,641	\$295,000	307,641
2003-04	-	1,495,000	1,495,000
2004-05	-	122,673	122,673
2005-06	-	3,247,894	3,247,894
2006-07	-	1,424,000	1,424,000
2007-08	-	1,989,932	1,989,932
2008-09	-	1,143,806	1,143,806
2009-10	1,770,655	1,127,133	2,897,788
2010-11	6,273,056	161,917	6,434,973
<b>Total</b>	<b>\$8,302,993</b>	<b>\$11,007,355</b>	<b>\$19,310,348</b>

\*Avoided cost estimate is based on the difference from the procured energy cost and published rate from the local distribution company for the estimated energy needs.

## Appendix B-16



## Appendix B-17

### Pennsylvania State System of Higher Education Healthcare Benefit Comparison PEBTF vs. PASSHE Managed Program

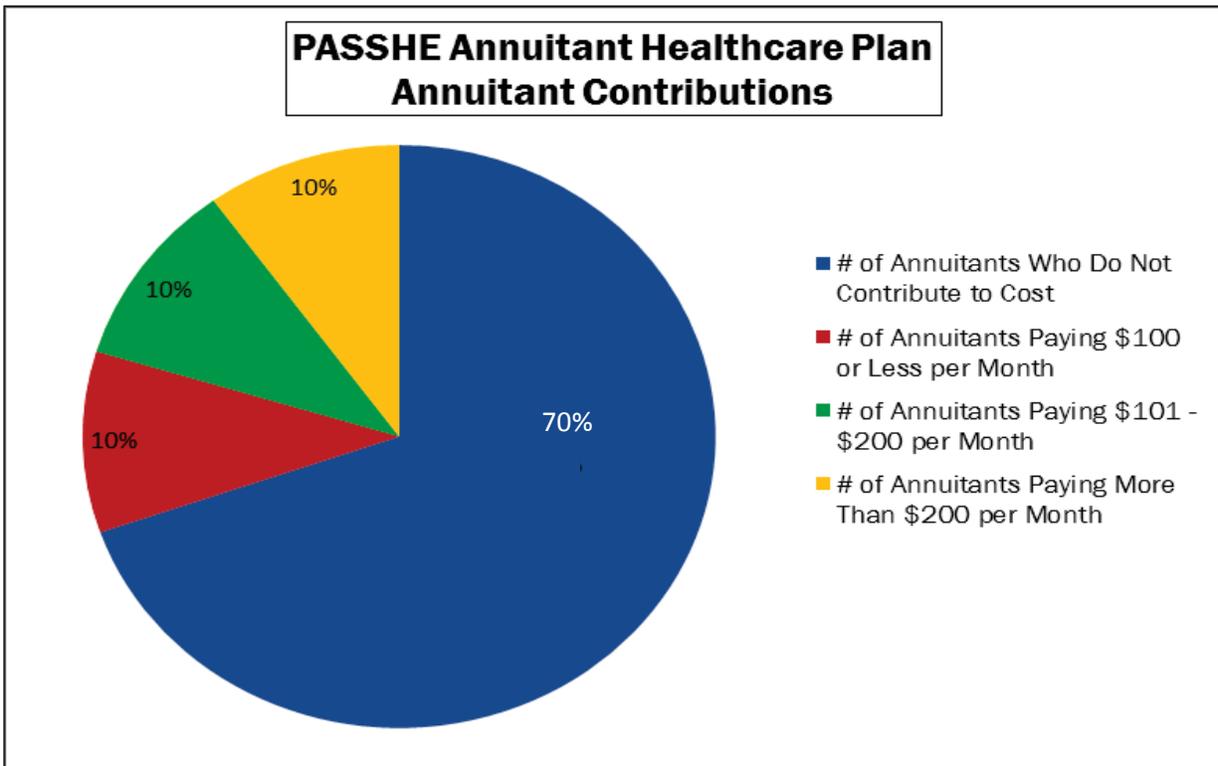
Benefit Category	PASSHE's PPO Plan	PEBTF's PPO Plan
Office Visit Copay	\$15	\$15 (after hours \$20)
Specialist Office Visit Copay	\$15	\$25
Emergency Copay	\$50	\$50
Individual Deductible	\$0 (In-network), \$250/person (out-of-network)	\$0 (In-network), \$400/person (out-of-network)
Family Deductible	\$0 (In-network), \$500/family (out-of-network)	Same as above
Coinsurance (In-Network)	100%	100%
Coinsurance (Out-of-Network)	80%	70%
Out of Pocket Maximum - Individual	\$0 (In-network), \$1,500 plus deductible (Out-of-Network)	\$0 (In-network), \$1,500 plus deductible (Out-of-Network)
Out of Pocket Maximum - Family	\$0 (In-network), \$3,000 plus deductible (Out-of-Network)	\$0 (In-network), \$3,000 plus deductible (Out-of-Network)
Employee Cost-Sharing (Single Tier)	15% (wellness participant) or 25% (non-participant) of premium	1.5% (wellness participant) or 3.0% (non-participant) of salary plus buy-up cost for hires 8/1/2003 and later [Rates change to 2% wellness and 5% in 2014-15 year]
Employee Cost-Sharing (2-Party and Family Tiers)	15% (wellness participant) or 25% (non-participant) of premium	Same as above. (Additional cost for dependent coverage during first 6 months of employment)
Rx Copays - Retail	\$0/\$15/\$30	\$10/\$18/\$36
Rx Copays - Mail Order	\$0/\$30/\$60	\$15/\$27/\$54
Rx Copays - 90 day supply at Rite Aid Pharmacy	N/A	\$20/\$36/\$72
STEP Therapy Program	N/A	Yes
Future Plan Changes	Changes only through negotiations	Trustees make changes as they need to keep the plan fiscally responsive
Durable Medical Equipment	No restrictions on who provides service	Provided by DMEnson Benefit Management
Mandatory Generic Drug Program	N/A	Yes
Mental Health & Substance Abuse Treatment	No restrictions on who provides service	Provided by UBH
New Hire Coverage Restrictions	N/A	For the first 6 months of hire - New employees do not have prescription, vision, dental and hearing coverage and new hires are provided with single coverage only - dependent coverage can be purchased but at full cost to the employee.
Special Rules for Employees Hired On or After 8/1/2003 - Added Cost-Sharing	N/A	Employees hired on/after 8/1/2003 pay an additional biweekly "buy-up" contribution for the PPO plan, in addition to their 1.5% or 3% of salary contribution. Effective 1/1/2012 the biweekly buy-up is \$17.45/single and \$44.13/multi-coverage.
Special Rules for Employees Hired On or After 8/1/2003 - Spouse Eligibility	Spouses/domestic partners are not required to elect coverage under their own employer plan unless that coverage is provided at no cost.	If the spouse/domestic partner is eligible for coverage under their own employer plan, the spouse/partner must enroll in that plan, and the PEBTF will be secondary coverage.
Wellness Benefits	Provided by Highmark	Provided by Optum

## Appendix B-18

### Pennsylvania State System of Higher Education Annuitant Contributions to Healthcare

Total 2011/12 plan year costs for PASSHE retirees enrolled in the PASSHE Annuitant Healthcare Program (all employee groups except AFSCME) exceed \$44 million. Of this total plan cost, PASSHE pays approximately 94%, or roughly \$41 million. The covered annuitants pay the remaining 6%, or approximately \$3 million.

The chart below segments the current annuitant group based upon their current monthly contribution to the cost of their healthcare. PASSHE does not have the legal authority to change the level of healthcare contributions from existing retirees.

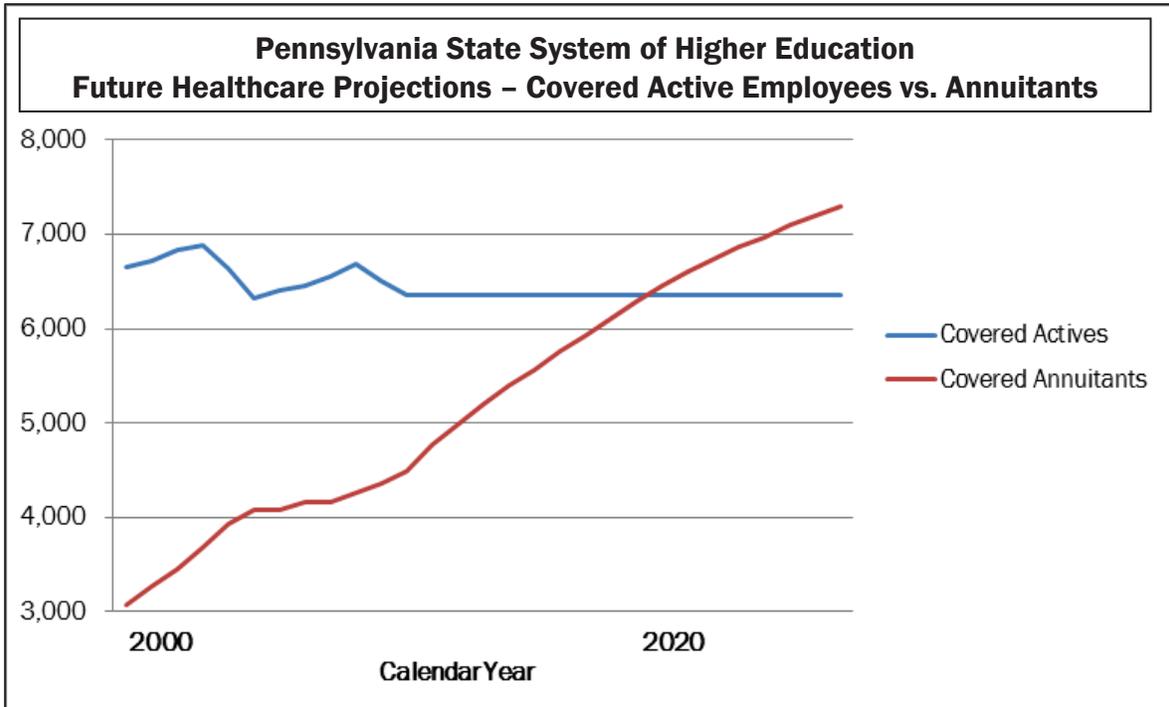


Note: Of the ten percent (447 individuals) who pay more than \$200 per month in healthcare contributions, the majority of these (342 individuals) are survivor spouses, who, under the terms of the plan, pay the entire cost of their healthcare.

## Appendix B-19

### Pennsylvania State System of Higher Education Active and Annuitant Healthcare Enrollment

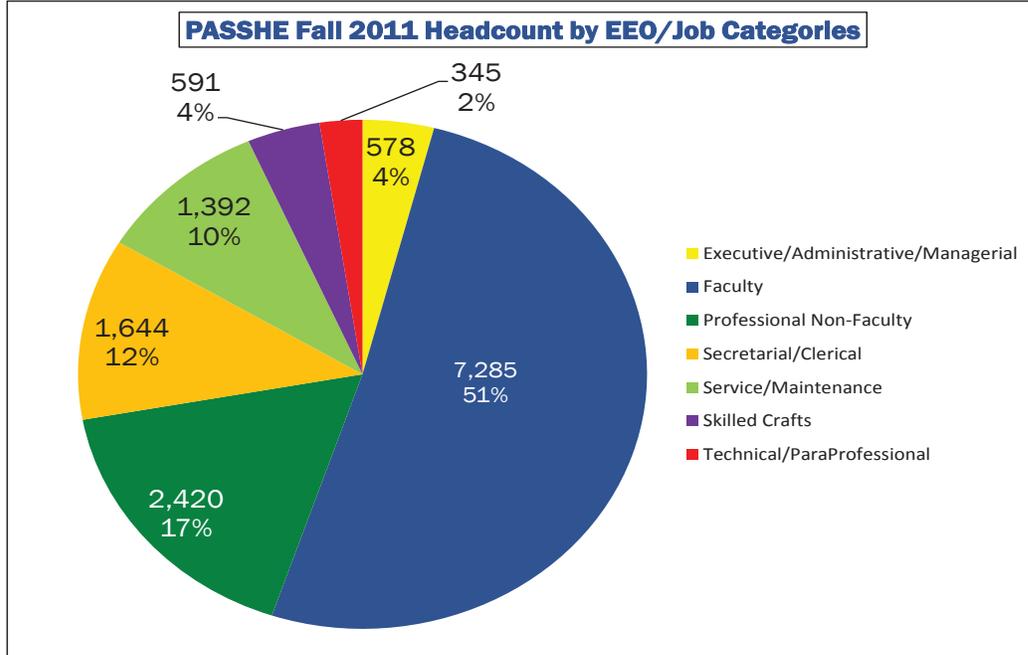
Below is a chart which projects the number of active employees covered under the PASSHE group health plan (excludes employees covered under the PEBTF—primarily AFSCME and SCUPA) versus the number of annuitants covered under the PASSHE Annuitant Health Care Plan (excludes retirees covered under the Commonwealth's Retired Employee Health Plan—primarily AFSCME retirees).



This chart assumes a constant number of active employees covered under the group health plan, and also contains assumptions regarding future retirement rates; as well as, annuitant mortality rates.

Appendix B-20

Pennsylvania State System of Higher Education  
Employee Demographics



As of October 2011

Pennsylvania State System of Higher Education Number of Positions Eliminated or Vacant During 2010/11 or 2011/12				
	Vacant	Eliminated	Total	Eliminated
APSCUF (Faculty)	342	69	411	17%
AFSCME	215	59	274	22%
SCUPA	27	17	44	39%
SPFPA	12	0	12	0%
PSSU	1	0	1	0%
APSCUF (Coaches)	18	0	18	0%
OPEIU	0	1	1	100%
Other	1	6	7	86%
Nonrepresented	84	51	135	38%
<b>Total</b>	<b>700</b>	<b>203</b>	<b>903</b>	<b>22%</b>

Pennsylvania State System of Higher Education Retirements						
	2006	2007	2008	2009	2010	2011*
APSCUF (Faculty)	64	160	126	107	109	250
AFSCME	73	235	79	110	255	149
All Others**	41	60	63	45	115	71
<b>Total</b>	<b>178</b>	<b>455</b>	<b>268</b>	<b>262</b>	<b>479</b>	<b>470</b>

\*Through December 2, 2011.

\*\*Includes nonrepresented employees and represented employees in the APSCUF - Coaches, SCUPA, OPEIU, SPFPA, PSSU and PDA unions.

## Appendix B-21

### Pennsylvania State System of Higher Education Impact of Projected Employer Retirement Contribution Rates

Fiscal Year	SERS	PSERS
2010/11	4.11%	2.82%
2011/12	6.99%	4.33%
2012/13	10.49%	6.10%
2013/14	14.99%	8.35%
2014/15	19.49%	10.59%
2015/16	23.99%	11.83%
2016/17	24.84%	12.25%
2017/18	24.36%	12.64%
2018/19	23.07%	13.12%
2019/20	23.23%	13.48%
2020/21	22.70%	13.48%
2021/22	22.19%	13.51%

Source: SERS and PSERS Comprehensive Annual Financial Reports

Note: By fiscal year 2016/17 PASSHE's additional retirement costs will be approaching \$80 million.

### Enrollment in Retirement Plans\*

SERS	41%
PSERS	6%
Alternative Retirement Plans (ARP)**	53%

\*As of September 2011

\*\*Rate continues at 9.29%

## Appendix B-22

### Pennsylvania State System of Higher Education Office of the Chancellor Actual Annualized FTE Employees

	Actual 2009/10	Actual 2010/11	Estimated 2011/12
Office of the Chancellor (1/2 of 1%)	39.61	40.63	43.89
Collaborative Services:			
Consolidated University Operations (CUO) (a)	40.65	40.50	36.61
Shared Administrative System (b)	51.75	40.68	42.82
Other (c)	46.08	54.03	44.71

(a) When cost effective, PASSHE Universities and the Office of the Chancellor participate in shared service centers rather than managing individual offices across the System to perform similar functions. Currently, there are consolidated university operations for functions such as: payroll, benefits administration, labor relations, legal services, construction support, and transfer and articulation.

(b) The Shared Administrative System provides for the hardware, software, implementation and maintenance of PASSHE's financial, budget, human resources, payroll, and material management systems, and business warehouse for reporting.

(c) Includes site support functions, externally funded restricted grant activity, academic programming support for the nine universities that offer academic programs at the Dixon University Center, positions supported by line item appropriations or Board allocated resources, and other miscellaneous positions funded from alternative sources.

Additional Detail for "Other" Positions:	2009/10	2010/11	2011/12
Site Support Functions	18.28	18.73	20.31
Academic Programs at Dixon University Center *	5.85	5.56	6.30
Restricted Activity (funded externally)	6.77	11.57	10.12
Other	15.18	18.17	7.98
<b>Total</b>	<b>46.08</b>	<b>54.03</b>	<b>44.71</b>

*\*Academic programs are offered at the Dixon University Center from the follow PASSHE Universities: Bloomsburg, East Stroudsburg, Indiana, Lock Haven, Millersville, Shippensburg, and West Chester. In addition, Elizabethtown College and Saint Francis University offer programs there.*



**Bloomsburg University of Pennsylvania**  
*Dr. David L. Soltz, President*

**California University of Pennsylvania**  
*Dr. Angelo Armenti Jr., President*

**Cheyney University of Pennsylvania**  
*Dr. Michelle R. Howard-Vital, President*

**Clarion University of Pennsylvania**  
*Dr. Karen M. Whitney, President*

**East Stroudsburg University of Pennsylvania**  
*Dr. Robert J. Dillman, President*

**Edinboro University of Pennsylvania**  
*Dr. Jim Moran, Interim President*

**Indiana University of Pennsylvania**  
*Dr. David J. Werner, Interim President*

**Kutztown University of Pennsylvania**  
*Dr. F. Javier Cevallos, President*

**Lock Haven University of Pennsylvania**  
*Dr. Michael Fiorentino Jr., President*

**Mansfield University of Pennsylvania**  
*Dr. Allan J. Golden, Interim President*

**Millersville University of Pennsylvania**  
*Dr. Francine G. McNairy, President*

**Shippensburg University of Pennsylvania**  
*Dr. William N. Ruud, President*

**Slippery Rock University of Pennsylvania**  
*Dr. Charles Curry, Acting President*

**West Chester University of Pennsylvania**  
*Dr. Greg R. Weisenstein, President*

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