



Pennsylvania Department of the

AUDITOR GENERAL

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News for Immediate Release

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Auditor General DePasquale Urges PSU Board to Improve Transparency, Accountability

Recommends rejection of changes to the charter, bylaws being considered this week

HARRISBURG – Auditor General Eugene DePasquale today issued the following statement on proposed changes to the Pennsylvania State University charter and bylaws that could further prevent board members from obtaining information about the university they are charged with governing:

“As Penn State’s board of trustees meets this week, I encourage members to carefully weigh the impact of any change that could limit access to information about the university they are elected to preserve and protect.

“With a board of 36 members and 2 nonvoting members, these bylaw changes would further hamper input from all but the most leading members of the board. As noted in my report, I continue to believe that a smaller board — of no more than 21 voting members — would improve Penn State’s governance and accountability.

“Further, I have said repeatedly as a recipient of a significant amount of taxpayer dollars, it is time for the General Assembly to make Penn State subject to all the provisions of both the commonwealth’s Right-to-Know Law and the Public Official and Employee Ethics Act.

“I will continue to watch how closely the Penn State board follows the thoughtful recommendations included in my latest — and certainly not last — audit report of this institution.”

Earlier this year, Auditor General DePasquale announced results of his recent audit noting Penn State should be subject to the commonwealth’s Right-to-Know Law and the Public Official and Employee Ethics Act. The full audit report is available at: www.PaAuditor.gov.

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EDITOR’S NOTE: *Following are the nine recommendations for improved governance included in the auditor general’s June 22, 2017, audit report on page 30:*

I recommend that PSU:

- Reduce the membership of its Board to 21 voting members.
- Permit “Business and Industry” constituency groups to appoint their trustees.
- Remove the exception within its Bylaws that permits the Board to override the five year “time out” restriction by which PSU employees may become trustees and/or trustees may become PSU employees.
- In conjunction with the reduction in the size of its membership, impart term limits so that members cannot serve beyond nine years, with no special provision for time spent as Board chair.

- Continue to allow unedited live streaming of its Board meetings, including the public comment period.
- Post expense information for its trustees online. This information should show “per trustee” expenses, to include active and emeriti trustees.
- **Support legislative amendments to include aspects of PSU’s operations under the Commonwealth’s RTKL.**
- **Support legislative amendments to include PSU’s BOT members and its employees under the State Ethics Act.**
- Modify the “Expectations of Membership” clause that requires all trustees to validate Board decisions publically, even when trustees may have dissenting views.