Dear Members of the Board of Trustees:

I write to you with great regret about the situation that the entire University finds itself in following the conviction of Jerry Sandusky and the release of the Freeh report. Upon release of the Grand Jury presentment last November I was shocked and continue to be deeply troubled to have learned that a child predator victimized children while associated with the University, even after his retirement. I can assure you that I hadn't the slightest inkling until reading the Grand Jury presentment that Sandusky was being investigated for more than a single incident in a shower in 2001, something that was described to me only as "horsing around."

Had I known then what we now know about Jerry Sandusky, had I received any information about a sexual act in the shower or elsewhere, or had I had some basis for a higher level of suspicion about Sandusky, I would have strongly and immediately intervened. Never would I stand by for a moment to allow a child predator to hurt children. I am personally outraged that any such abusive acts could have occurred in or around Penn State and have considerable pain that it could perhaps have been ended had we known more sooner.

You need to understand and hear from me some important facts: I was apparently copied on two emails in 1998, the first, from Gary Schultz to Tim Curley on May 6 saying that "the Public Welfare people will interview the individual Thursday." The second email, from Schultz to Curley on June 9, says "They met with Jerry on Monday and concluded that there was no criminal behavior and the matter was closed as an investigation. He was a little emotional and expressed concern as to how this might have adversely affected the child. I think the matter has been appropriately investigated and I hope it is now behind us." I have no recollection of any conversations on the topic or any other emails from that era sent to me or by me. It is public knowledge that the District Attorney decided there was no crime to pursue. I don't understand how one could conclude from such evidence "concealment" of a known child predator.

My knowledge of the 2001 incident is fully explained to the best of my recollection in the materials I provided to Mr. Freeh and that are appended to his report (enclosed again here). I never heard a word about abusive or sexual behavior, nor were there any other details presented that would have led me to think along those lines. McQueary's name was never mentioned to me, and it is clear that Curley and Schultz had not spoken to him yet when they gave me their initial heads up. I was in fact told that the witness wasn't sure what he saw, since it was around a corner. Dr. Jonathan Dranov's Grand Jury and trial testimony appear to corroborate that nothing sexual was reported to him in his meeting with McQueary on the night of the 2001 incident.

The Freeh report is also egregious in its incomplete and inaccurate reporting of my 2011 discussions with certain trustees, advice and reporting from the University's General Counsel, and the recounting of unfolding events in November, 2011. I want to be clear that the Chair of the Board of Trustees was kept informed by me throughout 2011 to the fullest extent I was able, beginning on the Sunday after my Grand Jury appearance and in other discussions with trustee leaders.

In reporting to the Trustees, I was guided by and followed all instructions from the University's General Counsel. She told me very little about how she was handling the Grand Jury investigation. She never told me anything about the content of the interviews with athletic department staff or the Curley and Schultz Grand Jury testimony or the interview of Curley and Schultz by the Attorney General when she was present. She did tell me on at least three occasions, however, that this was the third or fourth Grand Jury on this matter, that there appeared to be no issue for the University, and that the Attorney General did not seem to have any evidence to suggest that something happened involving Penn State. She had, she said, spoken several times to Attorney General staff. I was never told by her of any materials being subpoenaed from the University, or even that I had been subpoenaed to testify. She told me I was going voluntarily, as I had previously agreed to do, and she accompanied me before the judge and in the Grand Jury room and sat through my testimony. I had no preparation or

understanding of the context. As I was being sworn in for my Grand Jury appearance, much to my surprise she handed over to the judge a thumb drive containing my entire history of emails back to 2004.

I note that the Freeh report concluded that the General Counsel failed to seek the advice of a law firm with quality criminal experience to advise her of how to deal with the Attorney General and the Grand Jury investigation. I have learned this is a standard procedure when corporations or other large entities are served with Grand Jury subpoenas.

It is unfathomable and illogical to think that a respected family sociologist and family therapist, someone who personally experienced massive and persistent abuse as a child, someone who devoted a significant portion of his career to the welfare of children and youth, including service on the boards of four such organizations, two as chair of the board, would have knowingly turned a blind eye to any report of child abuse or predatory sexual acts directed at children. As I have stated in the clearest possible terms, at no time during my presidency did anyone ever report to me that Jerry Sandusky was observed abusing a child or youth or engaged in a sexual act with a child or youth.

This conclusion should have been abundantly clear to Mr. Freeh and his colleagues who interviewed me for five hours before their report was finished and interrogated scores of employees about me. Yet the report is full of factual errors and jumps to conclusions that are untrue and unwarranted. I have identified many errors in the report that pertain to me, which my attorneys will share confidentially with University legal counsel for your records and consideration. Moreover, I look forward to the opportunity to set the record straight with representatives of the Board of Trustees as you might desire.

As my attorneys have pointed out, another investigation of my conduct, an investigation by federal officials responsible for my national top secret security clearance, was carried out simultaneously with the Freeh investigation. This clearance required a re-review when the Sandusky matter surfaced in November. Federal investigators then conducted a

four-month investigation of their own in which they interviewed many of the same individuals the Freeh Group interviewed and other relevant individuals Freeh did not interview. The investigation was significantly focused on any possible role I might have played in the Sandusky matter.

At the conclusion of the investigation, my top secret clearance was reaffirmed. Although I told Mr. Freeh directly about the federal investigation and its result, there is no mention of it anywhere in his report.

Comments from the Freeh report and some trustees about my leadership of Penn State over more than 16 years are confusing to me. I tried to keep the trustees informed of all of the most relevant issues. Following our prior tradition of "Chairpersons Meetings," I instituted a pre-board dinner with trustee leadership, Trustee Seminars, and a morning report in public session with ample time for questions on any topic. We initiated Board subcommittees, an audit committee, a governance committee, and numerous other reforms to improve governance. I also believe his report is unfairly critical of the Board of Trustees in parts.

I worked with seven board chairs, received stellar annual reviews following surveys of all board members, and four contract renewals. I had an open door policy with trustees, returned all calls and answered all board members' emails on a same-day basis. I never hesitated to bring to board leadership discussion of any sensitive issue. I believe my record as president of Penn State speaks for itself. Together, we accomplished a great deal of good during my 16-year presidency of Penn State. Yet I find myself excoriated by the Freeh report and individual trustees speaking negatively of me in public. My reputation has been profoundly damaged.

In light of my 26 years of service to Penn State, my contributions as president for more than 16 years, and my continuing service even after I left the presidency, I would ask to have an audience with representatives of the board to answer any questions you might have. I write you with

sincere respect, with a heavy heart for the children who were victimized by Sandusky, and with regret for the difficult challenges ahead for this great University.

Sincerely,

Graham Spanier

Enclosures

Initial Heads Up

More than a decade ago, Tim Curley and Gary Schultz asked to catch me after another meeting to give me a "heads up" about a matter. Looking back at my calendar for what is now presumed to be February, 2001, I surmise that meeting to have been on Monday, February 12, at about 2:30pm, following a scheduled meeting of the President's Council. It was common that members of the council would catch me individually for brief updates following such meetings.

The meeting lasted perhaps 10-15 minutes. Curley and Schultz shared that they had received a report that a member of the athletic department staff had reported something to Joe Paterno, and that Joe had passed that report on to Tim and Gary. The report was that Jerry Sandusky was seen in an athletic locker room facility showering with one of his Second Mile youth, after a workout, and that they were "horsing around" (or "engaged in horseplay"). It was reported that the staff member was not sure what he saw because it was around a corner and indirect.

I recall asking two questions:

"Are you sure that is how it was described to you, as horsing around"? Both replied "yes."

"Are you sure that that is all that was reported?" Both replied "yes."

We then agreed that we were uncomfortable with such a situation, that it was inappropriate, and that we did not want it to happen again. I asked that Tim meet with Sandusky to tell him that he must never again bring youth into the showers. We further agreed that we should inform the Second Mile president that we were we directing Jerry to never do this again and furthermore that we did not wish Second Mile youth to be in our showers.

Notes:

There was no mention of anything abusive, sexual, or criminal.

At no time was it said who had made the report to Joe Paterno. (I never heard Mike McQuery's name associated with this episode until November 7, 2011, when I read it in a newspaper story.)

The hour of the day was not mentioned.

The specific building and locker room were not mentioned.

The age of the child was not mentioned. I had presumed it was a high school age child under Jerry's guardianship or sponsorship, since that is all I knew about the Second Mile.

There was no mention of any prior shower incident, and I had no recollection of having heard of a prior incident.

Follow Up

In reviewing my calendar for February, 2001, I note a double entry for Sunday, February 25. I had been out of town for several days and was scheduled to return in time to see a Penn State women's basketball game at 2pm. My assistant noted on the calendar that I should stop in to see Tim Curley briefly in my way into the game. I have no recollection of that meeting other than that Tim was worried about how he should

handle things if he informed Sandusky that we were forbidding him from bringing Second Mile youth into our facilities and then Sandusky disagreed with this directive. I do not recall knowing about any prior incidents, but it is apparent from emails recently released to the media that Tim also indicated that there had been an earlier occasion when Sandusky had showered with a minor. We also now know that I was copied on two emails in 1998 that may have alerted me to that (the first one being a vague reference with no individual named) and the second essentially saying that the matter had been closed. I had absolutely no recollection of that history in 2001 nor do I recall it today. I don't believe I replied to those emails nor was I briefed verbally.

Tim Curley sent me a follow up email that has recently been shared with the news media. My use of the word "humane" refers specifically and only to my thought that it was humane of Tim to wish to inform Sandusky first and to allow him to accompany Tim to the meeting with the president of the Second Mile. Moreover, it would be humane to offer counseling to Sandusky if he didn't understand why this was inappropriate and unacceptable to us. My comment that we could be vulnerable for not reporting it further relates specifically and only to Tim's concern about the possibility that Jerry would not accept our directive and repeat the practice. Were that the outcome of his discussion I would have worried that we did not enlist more help in enforcing such a directive. I suggested that we could visit that question down the road, meaning after Curley informed Sandusky of our directive and learning of his willingness to comply.

A few days after the brief Sunday interaction, I saw Tim Curley and he reported that both of the discussions had taken place, that those discussions had gone well and our directive accepted, and that the matter was closed

I never heard another word about this from any individual until I learned of the investigation into Sandusky. I was eager to assist the attorney general and was completely honest to the best of my recollection. I had

absolutely no idea until midway through my voluntary grand jury testimony that this inquiry was about anything more than the one episode in the shower.

Notes:

I do not recall that I was privy to any follow up discussions between Curley, Schultz, legal counsel, or others. I had five out of town trips that month, my appropriations hearings, THON, a packed calendar with 164 appointments, an average of 100 incoming and 50 outgoing emails a day, and the turmoil of the Black Caucus disruption and the takeover of the student union.

I do not recall being involved in any discussions about DPW or the police, although I now assume that DPW is the "other organization" being referenced by Curley and Schultz in their emails.