Soluion:

[Algorithm]

We can use dynamic programming to solve the problem in O(n) time. First pick any (DFS). Store the sorted nodes in array N. Due to the definition of DFS, a parent node appears earlier than all of its children in N.

For each node v, define A(v), the best cost of a placement in the subtree rooted at v if v is included, and B(v), the best cost of a placement in the subtree rooted at v if v is not included. The following recursion equations can be developed for $A(\cdot)$ and $B(\cdot)$:

If v is a leaf, then $A(v) = p_v$ and B(v) = 0.

If v is not a leaf, then

$$A(v) = p_v + \sum_{u \in v.children} B(u)$$

$$B(v) = \sum_{u \in v.children} \max(A(u), B(u))$$

For each node v in N, in the reverse order, compute A(v) and B(v). Finally the $\max(A(u_0), B(u_0))$ is the maximum profit.

The placement achieving this maximum profit can be derived by recursively comparing A() and B() starting from the root. The root u_0 should be included if $A(u_0) > B(u_0)$ and excluded otherwise. If u_0 is excluded, we go to all of u_0 's children and repeat the step; if u_0 is included, we go to all of u_0 's grandchildren and repeat the step. This algorithm outputs an optimal placement by making one pass of the tree.

[Correctness]

In the base case where v is a leaf node, the algorithm outputs the optimal placement which is to include the node.

In an optimal placement, a node v is either included, which removes all its children, or not, which adds no constraints. By induction, if all the children of v have correct A() and B() values, then A(v) and B(v) will also be correct and the maximum profit at v is derived. Since the array N is sorted using DFS and processed in the reverse order, child nodes are guaranteed to be processed before their parents.

[Timing Analysis]

Sorting all nodes using DFS takes O(n) time. The time to compute A(v) and B(v), given the values for the children, is proportional to degree(v). So the total time is the sum of all the degrees of all the nodes, which is O(|E|) where |E| is the total number of edges. For a tree structure, |E| = n - 1 so the time for finding all A() and B() is O(n). Finally, using the derived A() and B() to find the optimal placement visits each node once and thus is O(n).

Overall, the algorithm has O(n) complexity.