

WEST CHESTER UNIVERSITY FOUNDATION

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2005

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CLARKE, NICOLINI & ASSOCIATES, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

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JEFFREY A. FULLERTON, CPA

INDEPENDENT AUDITORS' REPORT

Board of Directors
West Chester University Foundation
West Chester, Pennsylvania

We have audited the accompanying statement of financial position of West Chester University Foundation (a non-profit organization) as of June 30, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of The Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2004 financial statements and, in our report dated August 15, 2004, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Chester University Foundation as of June 30, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Clarke, Nicolini + Associates, Ltd.
CLARKE, NICOLINI & ASSOCIATES, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

October 6, 2005
West Chester, Pennsylvania

WEST CHESTER UNIVERSITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2005

(WITH COMPARATIVE TOTALS FOR 2004)

ASSETS	<u>2005</u>	<u>2004</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,020	\$ 1,518
Investments	694,802	691,404
Unconditional promises to give	-	1,500
Endowment securities	<u>33,876</u>	<u>33,290</u>
TOTAL CURRENT ASSETS	<u>729,698</u>	<u>727,712</u>
TOTAL ASSETS	<u><u>\$729,698</u></u>	<u><u>\$727,712</u></u>
 NET ASSETS		
Unrestricted	\$126,905	\$127,534
Temporarily restricted	568,917	566,889
Permanently restricted	<u>33,876</u>	<u>33,289</u>
TOTAL NET ASSETS	<u><u>\$729,698</u></u>	<u><u>\$727,712</u></u>

The accompanying notes are an integral part of these financial statements.

WEST CHESTER UNIVERSITY FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2005
(WITH COMPARATIVE TOTALS FOR 2004)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>
PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS		
Contributions	\$ 6,475	\$ 1,000
Investment return	5,938	18,617
Net assets released from restrictions:		
Satisfaction of investment income restrictions	<u>12,500</u>	<u>(12,500)</u>
Total support, revenues and classifications	<u>24,913</u>	<u>7,117</u>
 EXPENSES AND PROGRAMS		
Programs		
Scholarships and contributions	19,000	-
Art show	750	-
West Chester Alumni Assoc.	392	-
Total programs	<u>20,142</u>	<u>-</u>
Expenses		
Investment fees	1,173	5,089
Administrative expenses	4,227	-
Total expenses	<u>5,400</u>	<u>5,089</u>
Total programs and expenses	<u>25,542</u>	<u>5,089</u>
Change in net assets	(629)	2,028
NET ASSETS BEGINNING OF YEAR	<u>127,534</u>	<u>566,889</u>
NET ASSETS END OF YEAR	<u>\$126,905</u>	<u>\$568,917</u>

The accompanying notes are an integral part of these financial statements.

<u>PERMANENTLY RESTRICTED</u>	<u>JUNE 30, 2005 TOTAL</u>	<u>JUNE 30, 2004 TOTAL</u>
\$ -	\$ 7,475	\$ 10,250
614	25,169	86,794
<u>-</u>	<u>-</u>	<u>-</u>
<u>614</u>	<u>32,644</u>	<u>97,044</u>
-	19,000	17,100
-	750	500
<u>-</u>	<u>392</u>	<u>554</u>
<u>-</u>	<u>20,142</u>	<u>18,154</u>
27	6,289	6,108
<u>-</u>	<u>4,227</u>	<u>2,896</u>
<u>27</u>	<u>10,516</u>	<u>9,004</u>
<u>27</u>	<u>30,658</u>	<u>27,158</u>
587	1,986	69,886
<u>33,289</u>	<u>727,712</u>	<u>657,826</u>
<u><u>\$33,876</u></u>	<u><u>\$729,698</u></u>	<u><u>\$727,712</u></u>

WEST CHESTER UNIVERSITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2005
(WITH COMPARATIVE TOTALS FOR 2004)

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	\$ 1,986	\$ 69,886
Change in net assets		
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions	(6,000)	(10,000)
Unrealized gains/losses on investments	(6,704)	(74,075)
Interest and dividends restricted for reinvestment	(16,765)	(13,735)
Realized capital gain/loss restricted for reinvestment	(1,696)	1,019
Disbursements from investment accounts:		
Scholarships	19,000	16,000
Investment fees	6,289	6,108
West Chester Alumni Fund	392	554
Administrative expenses	-	900
Decrease in unconditional promises to give	1,500	1,000
	<u>(1,998)</u>	<u>(2,343)</u>
Net cash used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:	27,351	38,671
Proceeds from sale of investment securities	(42,616)	(49,905)
Purchase of investment securities	16,765	13,735
Interest and dividends restricted for reinvestment		
	<u>1,500</u>	<u>2,501</u>
Net cash provided by investing activities		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(498)	158
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,518</u>	<u>1,360</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,020</u></u>	<u><u>\$ 1,518</u></u>

Supplemental schedule of non-cash activities:

NONE

The accompanying notes are an integral part of these financial statements.

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITY

West Chester University Foundation is a non-profit organization incorporated September 17, 1970 to provide an alternative for those persons wishing to provide scholarship support for students of West Chester University without giving their donations directly to the university. The Foundation's support comes primarily from individual donors' contributions.

INCOME TAXES

The Foundation is a non-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

REVENUE AND EXPENSE RECOGNITION

The West Chester University Foundation records its income and expenses on the accrual basis of accounting for both financial and income tax purposes. Under the accrual method, income is recognized when earned and expenses are charged when incurred.

PROMISES TO GIVE

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

SECURITIES

Investments are held by the First National Bank of Chester County. The West Chester University Foundation adopted SFAS No. 124, accounting for certain investments held by Not-For-Profit Organizations. Under SFAS No. 124, investments in securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the financial statement of financial position. Unrealized gains and losses are included in the change in net assets.

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PUBLIC SUPPORT AND REVENUE

Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Any unconditional promises to give due in subsequent years would be reflected as long-term promises to give and are recorded at their present value.

Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted or temporarily net assets and reported in the statement of net assets released from restrictions.

Endowment contributions and investments are permanently restricted by the donor. Investment earnings available for distribution are recorded in temporarily or permanently restricted net assets based on the nature of the restrictions.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

FINANCIAL STATEMENT PRESENTATION

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Foundation does not use fund accounting.

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CONTRIBUTIONS

The Foundation has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

CONTRIBUTED SERVICES

During the years ended June 30, 2005 and 2004, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

NOTE B - INVESTMENTS

Long-term investments are stated at fair value. Fair values and unrealized appreciation (depreciation) at June 30, 2005 and 2004, are summarized as follows:

June 30, 2005:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
INVESTMENTS			
Exelon Corporation stock	\$ 158	\$ 566	\$ 408
Sturzebecker Scholarship Program	128,128	155,428	27,300
Ethel M. Buzby Scholarship Fund	49,266	52,596	3,330
Dorothy Canniff Trust	23,385	25,061	1,676
Katherine A. Rowles Fund	131,902	140,434	8,532
V. Betty DeHaven Music Scholarship Fund	74,472	75,932	1,460
C.S. Haddad Scholarship Fund	132,400	138,510	6,110
C. DeBaptiste Scholarship Fund	19,368	32,329	12,961
General Fund	67,860	73,946	6,086
	<u>\$ 626,939</u>	<u>\$ 694,802</u>	<u>\$ 67,863</u>

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE B - INVESTMENTS (continued)

June 30, 2005:	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
PERMANENTLY RESTRICTED			
Exelon Corporation stock	\$ 506	\$ 3,490	\$ 2,984
Frederick Douglas Fund	25,961	30,386	4,425
	<u>\$ 26,467</u>	<u>\$ 33,876</u>	<u>\$ 7,409</u>

June 30, 2004:	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
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INVESTMENTS

Exelon Corporation stock	\$ 158	\$ 279	\$ 121
Sturzebecker Scholarship Program	127,916	158,917	31,001
Ethel M. Buzby Scholarship Fund	48,840	50,908	2,068
Dorothy Canniff Trust	23,561	24,657	1,096
Katherine A. Rowles Fund	133,125	138,402	5,277
V. Betty DeHaven Music Scholarship Fund	76,132	75,447	(685)
C.S. Haddad Scholarship Fund	130,670	133,092	2,422
C. DeBaptiste Scholarship Fund	19,550	33,942	14,392
General Fund	70,509	75,760	5,251
	<u>\$ 630,461</u>	<u>\$ 691,404</u>	<u>\$ 60,943</u>

PERMANENTLY RESTRICTED	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation Depreciation</u>
Exelon Corporation stock	\$ 506	\$ 2,264	\$ 1,758
Frederick Douglas Fund	25,276	31,026	5,750
	<u>\$ 25,782</u>	<u>\$ 33,290</u>	<u>\$ 7,508</u>

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE B - INVESTMENTS (continued)

The following schedule summarized the investment return and its classification in the statement of activities for the years ended June 30, 2005 and 2004:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
June 30, 2005				
Interest and dividends	\$ 2,722	\$ 13,334	\$ 712	\$ 16,768
Net realized and unrealized gains	3,216	5,283	(98)	8,401
	<u>\$ 5,938</u>	<u>\$ 18,617</u>	<u>\$ 614</u>	<u>\$ 25,169</u>
June 30, 2004				
Interest and dividends	\$ 2,056	\$ 10,995	\$ 687	\$ 13,738
Net realized and unrealized gains	9,230	56,596	7,230	73,056
	<u>\$11,286</u>	<u>\$ 67,591</u>	<u>\$ 7,917</u>	<u>\$ 86,794</u>

NOTE C - PROMISES TO GIVE

Unconditional promises to give at June 30, 2005 and 2004, are as follows:

	<u>2005</u>	<u>2004</u>
Receivable in less than one year	\$ -	\$ 1,500
Receivable in one to five years	-	-
Total unconditional promises to give	<u>\$ -</u>	<u>\$ 1,500</u>

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of:

The Brooke Library Fund which is restricted for use by the West Chester University library.

The Dorothy Canniff Trust Fund which is restricted to fund expenses and scholarships for West Chester University students.

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE D - TEMPORARILY RESTRICTED NET ASSETS (continued)

The Katherine A. Rowles Trust which is restricted to fund expenses and scholarships each year to West Chester University students whose majors are art with concentration in painting or drawing.

The V. Betty DeHaven Music Scholarship Fund which is restricted to fund expenses and music scholarships for West Chester University students, preferably from Lancaster, Pennsylvania.

The Sturzebecker Scholarship Foundation Fund which is restricted to fund expenses and scholarships for health and science majors.

The C.S. Haddad Scholarship Fund which is restricted to fund expenses and scholarships for West Chester University students.

The C. DeBaptiste Scholarship Fund which is restricted to fund expenses and scholarships for West Chester University students.

Temporarily restricted net assets are available for the following purposes:

	<u>2005</u>	<u>2004</u>
Brooke Library Fund	\$ 657	\$ 653
Exelon Corporation stock	566	279
Dorothy Canniff Trust	25,061	24,657
Katherine A. Rowles Fund	140,434	138,402
V. Betty DeHaven Music Scholarship Fund	75,932	75,447
Sturzebecker Scholarship Fund	155,428	158,917
C.S. Haddad Scholarship Fund	138,510	133,092
C. DeBaptiste Scholarship Fund	<u>32,329</u>	<u>35,442</u>
Total temporarily restricted net assets	<u>\$ 568,917</u>	<u>\$ 566,889</u>

WEST CHESTER UNIVERSITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

NOTE D - TEMPORARILY RESTRICTED NET ASSETS (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

	<u>2005</u>	<u>2004</u>
Frederick Douglas Fund	\$ -	\$ 1,000
Dorothy Canniff Trust	583	250
Katherine A. Rowles Fund	3,500	4,500
V. Betty DeHaven Music Scholarship	2,500	2,500
C. DeBaptiste Scholarship Fund	917	1,000
Sturzebecker Scholarship Program	<u>5,000</u>	<u>5,000</u>
	<u>\$ 12,500</u>	<u>\$ 14,250</u>

NOTE E - PERMANENTLY RESTRICTED NET ASSETS

Net assets were permanently restricted for the following purposes at June 30, 1999. The Frederick Douglas Fund composed of 1,250 shares of First West Chester Corp. is to be kept intact with the income each year given to the Frederick Douglas Society.

The Brooke Library Fund composed of 68 shares of Exelon Corporation stock is to be kept intact with the income each year reinvested to purchase additional shares. This income is to be used only for the West Chester Library. The fair market values at June 30, 2005 and 2004 were \$3,490 and \$2,264, respectively.

NOTE F - SUBSEQUENT EVENTS

The Foundation has had discussions with the Fund for West Chester University regarding a possible merger to be completed by June 30, 2006.



Council of Trustees
West Chester University
West Chester, Pennsylvania 19383-1000

**Council of Trustees
Resolution 2006-03**

www.wcupa.edu

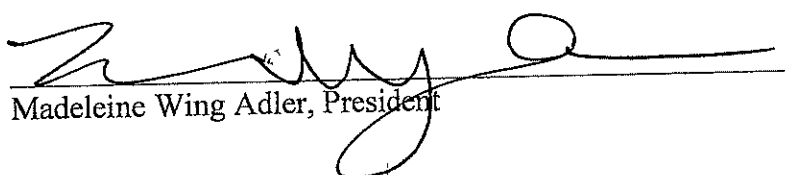
PROPOSED

RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY OF PENNSYLVANIA
JANUARY 26, 2006

**Certification of Compliance of the West Chester University Alumni Association
with Board of Governor's Policy on External Financial Support
(Policy 1985-04)**

NOW, IN KEEPING WITH THE BOARD OF GOVERNORS' POLICY 1985-04 AND AFTER A REVIEW OF THE PERTINENT MATERIALS, THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA FIND THAT FOR THE FISCAL YEAR OF 2004-2005, THE WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION IS MEETING ITS DESIRED PURPOSES AND REQUIREMENTS AND IS IN COMPLIANCE WITH THE CONDITIONS ESTABLISHED BY THE BOARD OF GOVERNORS FOR AFFILIATED ORGANIZATIONS.

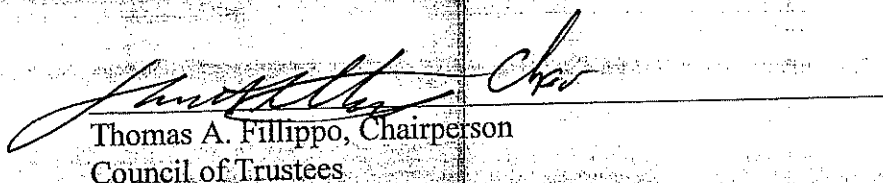
APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES



Madeleine Wing Adler, President

1/17/06
Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES



Thomas A. Fillippo, Chairperson
Council of Trustees

1-26-06
Date



Office of the Vice President for Advancement
Filano Hall 101
West Chester University
West Chester, Pennsylvania 19383-7000

610-436-3303
fax: 610-436-2606
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MEMORANDUM OF CERTIFICATION

TO: The Council of Trustees

FROM: Mark G. Pavlovich, Vice President for Advancement

RE: Certification of the West Chester University Alumni Association

DATE: January 26, 2006

I am pleased to certify that the West Chester University Alumni Association is in compliance with the Board of Governor's Policy on External Financial Support (Policy 1985-04). The Alumni Association meets all of the following criteria:

- 1) An annual statement summarizing University support for and contributions from the West Chester University Alumni Association has been prepared for the year ending June 30, 2005 (copy attached).
- 2) A Memorandum of Understanding signed by the West Chester University Alumni Association, the University, and legal counsel is in place (copy attached).
- 3) Articles of Incorporation and Bylaws are presented to the Council of Trustees (copy attached).
- 4) A current list of the West Chester University Alumni Association members and officers is available to the Council of Trustees (copy attached).
- 5) Proof of Insurance is presented to the Council of Trustees (copy attached).
- 6) An annual audit has been performed and the results are being shared with the Council of Trustees (copy attached).



Office of the Vice President
for Administrative and Fiscal Affairs
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West Chester, Pennsylvania 19383-3000

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**Annual Summary Report of Direct University Support To
and Contributions Made By
West Chester University Alumni Association
For the Year Ending June 30, 2005**

**Direct University support to West Chester
University Alumni Association**

\$ 153,960

Personnel and operating expenses

**Contributions made to or benefiting
West Chester University of Pennsylvania**

\$ 42,415

Scholarships to individuals \$39,975
President's Scholarship Gala \$ 2,440

Prepared by the Vice President for Administrative and Fiscal Affairs
West Chester University of Pennsylvania



Mark P. Mixner



Date

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (hereinafter "MOU") is made by and between the West Chester University Alumni Association (hereinafter "WCUAA") and West Chester University (hereinafter "WCU") this 27 day of JUNE, 1997

Background

WHEREAS, the WCUAA and WCU have a long tradition of supporting each other for the common good of WCU and its Alumni; and

WHEREAS, historically the WCUAA had conducted fundraising activities and campaigns to solicit donations from Alumni; and

WHEREAS, WCU has likewise conducted fundraising activities to solicit funds from Alumni to support WCU; and

WHEREAS, the WCUAA and WCU desire to coordinate the various fundraising activities that both the WCUAA and WCU conduct; and

WHEREAS, the WCUAA desires to limit its fundraising activities and promote various WCU activities in exchange for an annual operating budget and receipt of specified services from WCU to the WCUAA; and

WHEREAS, the WCUAA owns the Veteran's Memorial Alumni House (hereinafter "VMAH"); and

WHEREAS, the WCUAA is responsible for the maintenance and repair of the VMAH; and

WHEREAS, the WCUAA maintains separate from WCU various financial accounts and investments for purposes of endowments, scholarship, the VMAH, and other financial reasons; and

WHEREAS, the WCUAA and WCU desire to memorialize the terms and conditions of their relationship in order to facilitate coordination and cooperation between them and to pursue their common goals, and

NOWHEREFORE, based upon the mutual promises, covenants and conditions set forth herein, and agreeing to be bound hereby, the WCUAA and WCU agree as follows:

Agreement

I. Incorporation. The background set forth hereinabove is specifically made part of this MOU.

II. Director of Alumni and Special Events (DASE)

A. Employment. WCU will employ an individual who will fill the position of Director of Alumni and Special Events (DASE). The DASE will report to and be supervised by the Vice President for Advancement (VPA). This individual will be a University employee and will be governed by all rules and regulations pertaining to University employees.

B. Relationship to WCUAA and WCU. On an annual basis, the WCUAA and WCU will mutually develop a Management Performance Planning, Appraisal and Development Document. This Document will set forth the major responsibilities and end results sought for the DASE. The WCUAA will be given an opportunity to submit input to WCU on an annual basis concerning the evaluation of the DASE's performance. In the event that a vacancy for the position of the DASE occurs or will occur, any search committee established for the hiring of a new DASE will contain at least one-third of its members appointed by the WCUAA President.

C. Responsibilities. The DASE will serve as the Executive Director of the WCUAA. The DASE will be responsible for providing all of the usual and customary responsibilities and services of an Executive Director to the WCUAA and its Board of Directors, which responsibilities will include but not be limited to the following:

1. Assist the WCUAA in the development and implementation of various programs and events which promote the common goals of WCU and the WCUAA, to include but not be limited by the coordination of class reunions, Alumni Day, Homecoming, and Senior Day.

2. Direct the cultivation and development of the WCUAA Chapters.

3. Serve as the Editor for the *Ramparts* section of the *West Chester University Magazine*. In this capacity, assist in the gathering, verification, and drafting of news and information for the WCUAA.

4. Develop and maintain a positive reciprocal relationship with the WCUAA and its Board of Directors.

5. Provide all day to day services for the operation of the WCUAA.

6. Assist the WCUAA in developing organizational goals.

7. Attend the WCUAA Board of Directors, Executive Council, Finance Committee, and House and Grounds Committee meetings to the best extent possible, and in the DASE's absence, direct the attendance of an alternate from the Office of Alumni and Special Events.

8. Provide written monthly and annual budget updates identifying all revenues and expenditures to the Executive Council, Finance Committee, Board of Directors and the WCU Vice-President of Advancement.

9. Represent the interests of the WCUAA at appropriate WCU Committee Meetings.

10. Prepare and present an annual budget for the WCUAA and the Office of Alumni and Special Events and supervise the implementation of the budget.

11. Assist the WCUAA in the publishing of a handbook for each of the WCUAA Committees.

III. WCUAA Finances and Budget.

A. Unified Account. The previous accounts of 7101 and 7103 will now be combined into one unified account which will be maintained for the financial operations of the Office of Alumni and Special Events and for the programming expenditures of the WCUAA. WCU will provide an approximate minimum annual funding of \$58,000 to \$60,000 for this account and its budget.

B. WCUAA Veteran's Memorial Alumni House Fee. WCU will pay the WCUAA by July 1 of each year the amount of \$5,000 as a fee for the use of the VMAH by WCU affiliated organizations. The \$5,000 payment will be deposited into a separate

non-WCU account as directed by the WCUIAA. The WCUIAA will establish reasonable rules and regulations concerning the use of the VMAH.

C. WCU Lease. WCU has entered into a separate Lease Agreement with the WCUIAA for a current annual payment of \$3,000 for the rental of an office. So long as the current Lease is in effect or any renegotiated Lease is in effect, the annual Lease payment will be tendered to the WCUIAA for deposit into a WCUIAA account as designated by the WCUIAA.

D. MBNA Credit Card. The WCUIAA has entered into an Agreement with MBNA involving the issuance of credit cards and the resulting receipt of commissions by the WCUIAA. All payments by MBNA pursuant to the Agreement (in the estimated amount of \$25,000 per year for four remaining years) will be paid to the WCUIAA and held in a separate non-WCU account for the WCUIAA.

E. Budget.

1. The DASE will prepare and present a budget by May 15 of each year to the Executive Council and to the Vice-President for Advancement for mutual review and approval and then to the WCUIAA Board of Directors for final approval.

2. A minimum of \$30,000 will be provided annually by WCU for programming events which amount is included within the \$58,000 to \$60,000 unified account budget.

3. The budget will include all revenues and expenditures for both programming and office operations.

4. The DASE will prepare the WCUIAA Committee budgets after consultation with the various Committees, with the exception of the House and Grounds Committee, which will prepare its own budget which budgets will then be reviewed and approved by the Executive Council and the Board of Directors of the WCUIAA..

5. Any remaining funds in the unified account at the end of any fiscal year will be carried over to the following fiscal year as a surplus and as an addition to the minimum \$58,000 to \$60,000 budget. Any deficit in the unified account at the end of the fiscal year will be carried over to the following fiscal year.

6. The DASE will prepare the budget indicating the line items for all costs of each event. Subsequent to budget approval, any line item revision of less than \$100 can be made by the DASE. However, revisions of more than \$100 will require the approval

of two officers of the Executive Council and the approval of the WCU Vice-President for Advancement. Any changes to the programming portion of the budget other than a line item revision and any changes to the total overall amount of the budget will require the approval of the WCUAA and WCU Vice-President for Advancement.

IV. WCUAA Fundraising.

1. The WCUAA and its Chapters will not conduct fundraising solicitations of the general alumni body. However, after consultation with WCU, the WCUAA can engage in sponsorship of the sale of products for the purpose of generating extra revenue.

2. In the event that financial donations are sent directly to WCU or to the WCUAA made payable to the WCUAA without further directives or notations indicated, the donor will be contacted and asked for further instructions as to whether the donation is intended for WCU or to the WCUAA. Thereafter, the donation will be transmitted accordingly.

3. In the event that donations are sent directly to WCU or to the WCUAA with directives or notations that the payment is made for the benefit of the VMAH, then these payments will be deposited as directed by the WCUAA for the benefit of the VMAH.

4. Gifts benefitting the VMAH will not be considered to be part of the WCU Annual Giving.

V. West Chester University Magazine. WCU will provide the WCUAA with up to 37 pages per year of space within the *West Chester University Magazine* for the *Ramparts* section devoted to Alumni events and news. A *Ramparts* section may be included in all four quarterly issues of the *West Chester University Magazine*. The DASE retains editorial control for the contents of *Ramparts* and stylistic and format decisions are the responsibility of the Magazine Editor.

VI. Review of Memorandum of Understanding.

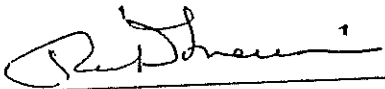
A. The initial term of this MOU will be from July 1, 1997 to the ending date of June 30, 1998. The ending date will establish the annual "anniversary date" which is defined as that same month and day during succeeding years.

B. The MOU will automatically renew and continue in effect for additional one (1) year periods commencing from the ending date to the first anniversary date, and then from anniversary dates to anniversary dates.

C. If either party desires to renegotiate the MOU, the desirous party must provide the other party with written notice at least sixty (60) days prior to the next anniversary date of the party's intent to renegotiate the MOU.

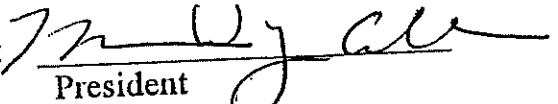
D. If the MOU is not thereafter renegotiated by a writing signed by both parties prior to the next anniversary date, then the MOU will terminate at the next anniversary date unless the parties sign a writing indicating their intent to continue the MOU for a specified period of time and specifying whether the MOU as then in effect will continue in its then form or with any modifications.

West Chester University Alumni Association

By: 
President

Date: 6-27-97

West Chester University

By: 
President

Date: 6-27-97



DSCB 7371

CERTIFICATE OF SUMMARY OF RECORD
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE - CORPORATION BUREAU
306 NORTH OFFICE BUILDING, HARRISBURG, PA 17120

FEE \$40.00

Unless
Accompanying
Another
Filing

PLEASE CHECK ONE

- DOMESTIC LIMITED PARTNERSHIP
 - DOMESTIC NON PROFIT CORPORATION
 - DOMESTIC PROFESSIONAL CORPORATION
- ENTER LICENSE NUMBER—

1 NAME OF CORPORATION OR LIMITED PARTNERSHIP

WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION

2 ADDRESS OF REGISTERED OFFICE OR PRINCIPAL PLACE OF BUSINESS IN PENNSYLVANIA IF D SCB NUMBER NOT ACCEPTABLE

Philips Memorial Building

CITY COUNTY STATE ORG ZIP CODE
West Chester Chester PA 19383

3 THE STATUTE BY OR UNDER WHICH THE CORPORATION OR LIMITED PARTNERSHIP WAS FORMED

Act to provide for incorporation & regulation of certain corporations 4/29/1874

4 THE CORPORATION LIMITED PARTNERSHIP WAS ORIGINALLY FORMED ON

6/13 XXX 1898

Alumni Association of the West Chester State Normal School (DATE)

5 THE ORIGINAL STATEMENT, ARTICLES CERTIFICATE OR OTHER ORIGINAL DOCUMENTS WERE RECORDED OR FILED ON

6/18/1898 IN **Chester Cty. Recorder of Deeds, Corp. Box # 4 p268**

6 (IF APPLICABLE) THE MANNER IN WHICH THE CORPORATION WAS FORMED WAS BY:

- SPECIAL ACT (Sec 31) DECREE OF _____ (Name of Court) ENTERED (DATE) _____
- LETTERS PATENT GRANTED ON _____ FILING OF _____ IN THE _____

7 CHECK IF APPL. CASE

- CURRENTLY EFFECTIVE ORGANIZATIONAL DOCUMENTS OR AMENDED OR RESTATED ARTICLES ARE ATTACHED HERETO AS EXHIBITS

8 EACH NAME BY WHICH THE CORPORATION WAS KNOWN AND THE EFFECTIVE DATES ARE AS FOLLOWS

	NAMES	EFFECTIVE DATE
Alumni Association of West Chester State Normal School		6/18/1898
Alumni Association of the College of West Chester *		6/24/1929
Alumni Association of West Chester State College		11/15/1972
*Alumni Association of West Chester State Teachers College		

IN TESTIMONY WHEREOF, THE UNDERSIGNED CORPORATE OFFICERS/PARTNERS HAVE SIGNED AND SEALED

THE CERTIFICATE OF SUMMARY OF RECORD THIS 28th DAY OF March 1985.

Janice E. Etshied
JANICE E. ETSHIED, PRESIDENT

Karl Heilicher
KARL HEILICHER, SECRETARY

FOR OFFICE USE ONLY

000 FILED APR 1 1985	002 CODE	003 REV BOX	SEQUENTIAL NO.	100 MICROFILM NUMBER 85311471	
	REVIEWED BY	004 SIC	AMOUNT	001 CORPORATION NUMBER 10630	
	DATE APPROVED <i>Spissant Davis</i> APR 1 1985	CERTIFY TO	INPUT BY	LOG IN	LOG IN (REFILE)
	DATE REJECTED	<input type="checkbox"/> REV. <input type="checkbox"/> LBI	VERIFIED BY	LOG OUT	LOG OUT (REFILE)
MAILED BY DATE					

55311472

3-1-72 51 153

COMMISSIONER OF PENNSYLVANIA
DEPARTMENT OF STATE
CORPORATION BUREAU

Articles
of
Amendment

In compliance with the requirements of the Act of May 5, 1933, P.L. 289, Article I, Section 14, as added by the Act of June 19, 1949, P.L. _____, No. 31, Section 1, the Applicant desiring to amend its Articles of Incorporation hereby certifies under its corporate seal that:

1. The name of the corporation is: ALBERT ASSOCIATION OF THE STATE TEACHERS COLLEGE AT WEST CHESTER.
2. The location and post office address of its initial registered office in this Commonwealth is: Alumni Office, Phillips Memorial Building, High and College Avenues, West Chester, Chester County, Pennsylvania.
3. The Act of Assembly under which the corporation was formed was: The Nonprofit Corporation Law of Pennsylvania entitled "An Act to provide for the incorporation and regulation of certain corporations" approved the 29th day of April, A.D. 1874 and its supplements. The said Articles were filed in the Office of the Recorder of Deeds in and for Chester County, in Corporation Book No. 4, page 283, on June 18, 1898. Articles of Amendment thereto were duly filed in the Office of the Recorder of Deeds in and for Chester County, in Corporation Book No. 8, page 500, on June 24, 1939.
4. Written consent to the amendment has been given by all members entitled to vote thereon. The said Resolution approved by the members by written consent contained the language of the proposed amendment, as set forth in paragraph 5 hereof and provided that the Articles of Amendment should be amended in accordance therewith.
5. The proposed amendment or addition to the existing Articles is as follows:
 - (a) Paragraph 1 of the said Articles of Incorporation, as amended, shall be further amended by striking paragraph 1 therefrom and setting forth in lieu and substitution thereof, the following:

"The name of the corporation shall be Alumni Association of West Chester State College".
 - (b) The Articles of Incorporation shall be further amended by adding thereto a new paragraph 8 providing as follows:

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"Upon the dissolution of the corporation, the Board of Directors shall, after payment of all liabilities, dispose of all the assets of the corporation conclusively for the purposes and in such manner or to such an organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify for exemption under Section 501 (C) (3) of the Internal Revenue Code of 1954, its amendments and supplements".

(c) In all other respects, the Articles of Incorporation of the corporation shall remain in full force, virtue and effect.

IN TESTIMONY WHEREOF, the Applicant has caused these Articles of Amendment to be signed by its president and its corporate seal duly attested by its secretary to be hereto affixed this 15th day of November, 1972.

ALBANY ASSOCIATION OF THE STATE
TEACHERS COLLEGE AT WEST CHESTER

By Conrad J. Wiffenbough
as president

ATTEST:

James H. Etchell
as secretary

Approved and filed in the Department of State on the 15th
day of November, 1972.

C. McLaughlin
Secretary of the Commonwealth