

**2003 COT Approved Resolutions
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Council of Trustees
West Chester University
West Chester, Pennsylvania 19383-1000

Council of Trustees
Resolution
2003-01

www.wcupa.edu

PROPOSED

RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY

January, 2003

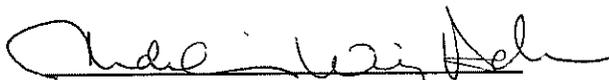
HONORARY DEGREE

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY CONFERS THE HONORARY DEGREE, DOCTORATE OF PUBLIC SERVICE, UPON THE FOLLOWING RECIPIENT:

DR. WILLIAM H. COSBY, JR.

APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES

TO BE BESTOWED AT THE COMMENCEMENT CEREMONIES OF MAY, 2003


Madeleine Wing Adler, President

January 22, 2003
Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES


Carol Aichele, Chairperson
Council of Trustees

January 22, 2003
Date

By October 11, 2002, please provide information about your nominee for an **Honorary Degree**. Please note, you as nominator, are responsible for providing all information about your nominee. The HDC will not conduct basic biographical research to support your nominee. For sources of biographical data, you may wish to draw from the Internet or Who's Who volumes, and Library reference sources.

Nominee Name: Dr. William (Bill) Cosby

Address: P.O. Box 4049, Santa Monica, CA 90411

Profession: Entertainer, producer, humanitarian, philanthropist

Specify the honorary degree for which the nominee is to be considered:
Doctor of Public Service

Brief rationale for the nomination:

Doctor of education, comedian, entertainer, producer, philanthropist — Bill Cosby is an insightful, witty, warm and generous person with a serious commitment to education. His long history of support for education, his extensive philanthropy, and his contributions to ensuring an appreciation for diverse cultures, music and the arts for youth and adults qualify him as a candidate for an honorary degree.

Cosby's career twice interrupted his own education, first in high school, when he entered the Navy prior to graduation, and again in college, when his comedy career took off. Even as a young man, he understood the value of education, and completed high school via correspondence course. Later, in the midst of a highly successful career, he returned to higher education, earning both a master's and a doctorate in education while working on his own variety show and animated TV series, *Fat Albert and the Cosby Kids*.

He maintains that the key to a rewarding, satisfying life is knowledge.

In the 1960s, Cosby broke racial barriers as the first African American lead in a drama series, *I Spy*, and in the 1980s, he resurrected the sitcom and gave it a new spin with the Emmy-winning *The Cosby Show*. He sought and continues to seek new challenges, for example, in his entertainment career, by excelling in a multitude of formats: drama, sitcom, variety show, recording, documentary, publishing. He supports a variety of philanthropic efforts. Thirty-plus years after his first successes, Cosby still shapes popular culture as a champion of children, supporter of education, promoter of cultural diversity and humanitarian.

He has earned eight Gold Records, five Grammys and four Emmys for his work as an entertainer, based on the universal appeal of his sophisticated, truthful, respectful, "common-man" brand of humor. President Bush recognized him with the Presidential Medal of Freedom in July 2002. As Cosby's success has grown, so has his philanthropic activity, with higher education concerns among the most frequent recipients of his generosity. Most recently, he created an endowed scholarship at West Chester University in honor of his uncle, Samuel R. Cosby '44, a music graduate of WCU.

Simply put, Bill Cosby exemplifies excellence.

If possible, please provide a résumé of the nominee. You may use the back of this sheet to enter data about the nominee or attach additional sheets.

Your Name: Mark Pavlovich

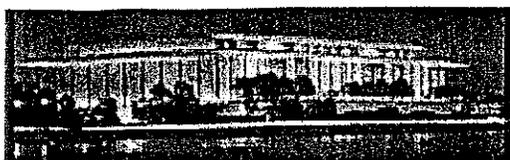
Position/Title: Vice President for Advancement

Campus or local address: Filano Hall 101

Telephone: (business) x3127

Fax Number: x2606

E-mail address: mpavlovich@wcupa.edu



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Bill Cosby

(actor/comedian, born July 12, 1937, Philadelphia, Pennsylvania)

Bill Cosby is one of the most influential performers of the second half of the 20th century. His live appearances have been selling out nightclubs, concert halls and arenas across the country for four decades; he has had an unparalleled career in television; he is the best-selling comedian of all time on records; his blockbuster books have sold millions of copies; and his generous support of numerous charities, particularly in the field of education, have endowed many Americans with the gift of hope and learning. However, it is through his groundbreaking appearances on television, particularly in two landmark series each of which defined an American decade, that Bill Cosby has most decisively touched the lives of millions of Americans. In the 1960s, "I Spy" broke the racial barrier in television by featuring Cosby as the first-ever black lead of a weekly dramatic series. In the 1980s, Cosby returned to television with a show that Coretta Scott King described as "the most positive portrayal of black family life that has ever been broadcast." "The Cosby Show" enjoyed years of number-one ratings and nearly unanimous critical praise. The show single-handedly resurrected the moribund sitcom genre and helped lift NBC from last place to first in the ratings by portraying, according to *Newsweek*, a diametrically opposite side of the black experience than what had previously been seen on television: "a tightly nuclear, upscale family coping with the same irritations and misunderstandings that afflict their white counterparts." Cosby's TV clan was the very model of a strong, close-knit, parent-dominated unit. "The fact that the family is black, without making a particular point of it," reported *Time* magazine, "is an encouraging sign of maturity in matters of race."

Coming from a poor Philadelphia neighborhood, Bill Cosby represents the voice of the vast, ordinary world out there. Everyone seems to easily identify with his characters and the situations they find themselves in. Cosby's humor often centers on the basic cornerstones of our existence, seeming to provide an insight into our roles as men and women, family members, children, parents. He points out the humor in our lives, and for that we are grateful. "He is Everyman and also his own man," said Mel Gussow in the *New York Times* "A witty American humorist in complete touch with the source of his material: himself."

As a boy, Cosby saw little of his father, a mess steward in the Navy. His mother was the major influence and his first audience member. It didn't take him long to begin making up gags and practicing routines on her, and she always encouraged his inventive performances of everyday household happenings. He attended elementary school with his pals Fat Albert, Old Weird Harold, Dumb Donald, Weasel, and many of the other memorable characters later

immortalized in his comedy routines. He left tenth grade to join the Navy and finished high school via a correspondence course while still in the service. When he was discharged, he enrolled at Temple University in Philadelphia, hoping to become a physical education teacher. To support himself he tended bar at night, where he found another readymade audience for his brand of home-grown humor. Word of Cosby's talent spread north to New York, he left school to perform in Greenwich Village clubs, and within a year landed a guest spot on "The Tonight Show." The year was 1963 and Cosby revolutionized American comedy. At the peak of the civil rights movement, Cosby was unique among black comedians of the time in not using race as a subject. "I don't think you can bring the races together by joking about the differences between them," he said. "I'd rather talk about the similarities, about what's universal in their experiences."

In 1965, Cosby made the transition from stand-up comedian to actor with the series "I Spy" and changed the face of television. Coinciding with the crest of the civil rights movements, the series' light touch was "balm for the jangled American psyche of the time," said the *New York Times*. It was a historic moment in casting when a black man was placed along side a white man as his equal and it created international interest in the show and in the young comedian, who won three Emmy Awards.

Feature films roles soon followed, including his debut in the Civil War drama *Man and Boy*, *Hickey and Boggs*, with Robert Culp; *Uptown Saturday Night* with Sidney Poitier and Harry Belafonte and its sequel *Let's Do It Again*; *Mother, Jugs and Speed* with Raquel Welch, *A Piece of the Action*, again with Poitier, and most recently *Jack*, with Robin Williams.

There was also more television. After "I Spy" came the drama "The Bill Cosby Show" in 1971, a comedy variety show called "Cos" in 1976, "The Cosby Mysteries" in 1994, and "Cosby" on CBS, plus specials and daytime childrens programs such as "The Electric Company," "Sesame Street," and the critically acclaimed Saturday-morning cartoon series "Fat Albert and the Cosby Kids." It was, though as the main attraction and chief architect of "The Cosby Show," that Bill Cosby, in the words of *Time* magazine, "dominated the medium as no star has since the days of Lucille Ball and Milton Berle." With its gentle humor, upbeat message, and cross-cultural appeal "The Cosby Show" entranced viewers week after week from 1984-92, with the simple but refreshing message that "people are many things simultaneously. 'Race' is one such thing, but it isn't the only one and it isn't always the primary one." (*The New York Times*).

Cosby's success on television has been matched in other areas. In 1986 he broke Radio City Music Hall's 53-year-old attendance record for his concert appearance. Cosby's also a giant in the publishing world. *Fatherhood* (1986) became the fastest-selling hardcover book of all time, remaining for more than half of its fifty-four weeks on *The New York Times* Best Seller List as Number 1. It has sold 2.6 million hardcover copies and 1.5 million paperbacks. *Time Flies* had the largest single first printing in publishing history—1.75 million. He has had 21 albums on the national pop charts (three in the Top 10 and three more in the Top 20) which have earned him eight Gold Records and five Grammy Awards.

A crusader throughout his career for a better world, his great success in the world of entertainment is complemented by his involvement with a host of charity organizations, making substantial gifts in support of education, most notably to predominantly black colleges and to various social service and civil rights organizations.

On the evolution of his own style of comedy, Bill Cosby states that he was drawn at an early age to the masters of jazz, learning to emulate in comedy their ability to take an idea and continually find new and innovative ways of expressing the same theme. The legacy of Bill Cosby's comedic genius is as



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

Council of Trustees
Resolution
2003-02

www.wcupa.edu

PROPOSED

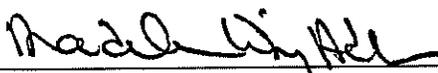
RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY OF PENNSYLVANIA

JANUARY 22, 2003

Certification of Compliance of the Fund for West Chester University 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 2001-2002 THE FUND FOR WEST CHESTER UNIVERSITY IS MEETING ITS DESIRED PURPOSES AND REQUIREMENTS AND IS IN COMPLIANCE WITH THE CONDITIONS ESTABLISHED BY THE BOARD OF GOVERNORS FOR AFFILIATED ORGANIZATIONS.

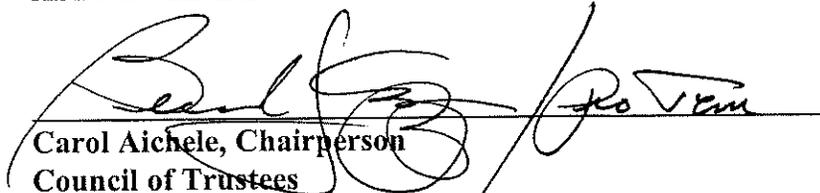
APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES



Madeleine Wing Adler, President

1/21/03
Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES



Carol Aichele, Chairperson
Council of Trustees

1/22/03
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
www.wcupa.edu

MEMORANDUM OF CERTIFICATION

TO: The Council of Trustees

FROM: Mark G. Pavlovich, Vice President for Advancement *MGP*

RE: Certification of the Fund for West Chester University

DATE: January 22, 2003

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

- 1) An annual statement summarizing University support for and contributions from the Fund has been prepared for the year ending June 30, 2002 (copy attached).
- 2) A Memorandum of Understanding signed by the Fund, University, and legal counsel is in place (copy attached).
- 3) Annual Audit. Because the Fund has not yet completed its first fiscal year of operation, the requirement to provide an annual audit is waived.
- 4) Articles of Incorporation and Bylaws are presented to the Council of Trustees (copy attached).
- 5) A current list of Fund Board members and Officers is available to the Council of Trustees (copy attached).
- 6) Proof of Insurance is presented to the Council of Trustees (copy attached).

mgp



Office of the Vice President
for Administrative and Fiscal Affairs
Philips Building - Room 202
West Chester University
West Chester, Pennsylvania 19383-3000

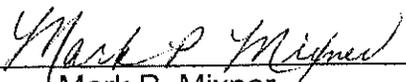
610-436-2731
fax: 610-738-0314
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**Annual Summary Report of Direct University Support To
and Contributions Made By
The Fund for West Chester University of Pennsylvania
For the Year Ending June 30, 2002**

Direct University support to The Fund for West Chester University of Pennsylvania	<u>\$ 81,000</u>
Capital Campaign Consulting Services	\$26,000
Legal Fees	5,000
Alumni On-Line Community	30,000
Insurance	3,000
Travel	10,000
Audit	4,000
Miscellaneous Administrative Expenses	<u>3,000</u>
	<u>\$81,000</u>

**Contributions made to or benefiting
West Chester University of Pennsylvania** **\$2,308,044**

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



Mark P. Mixner

1-3-03
Date

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereafter referred to as the "MOU") is made by and between the Fund for West Chester University of Pennsylvania (hereafter referred to as the "Fund") and West Chester University of Pennsylvania (hereafter referred to as WCU) this 30th day of October, 2000.

BACKGROUND

WHEREAS, the Fund has been established to advance the charitable, educational, and scientific purposes of WCU as defined by the President of WCU, and

WHEREAS, the Fund will raise, receive, and manage gifts and endowments for the benefit of WCU as defined in the Fund's Articles of Incorporation and Bylaws, and

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

AGREEMENT

1. **INCORPORATION.** The background set forth herein above is specifically made part of this MOU.
2. **ACTIVITIES.** In addition to the activities defined in its Bylaws, the Fund may participate in matters of University development, planned giving, gift processing and recording, gift stewardship, donor records, and other fund raising functions as appropriate in consultation with the WCU President and under the direction of the WCU Vice President for Advancement.
3. **TRANSFER OF ENDOWMENT ASSETS.** Upon approval of the WCU Council of Trustees, WCU may transfer management of all endowment and similar assets to the Fund. These endowment assets and related investments are to be managed in consultation with WCU. Each year and as determined by the Council of Trustees of WCU, a percentage of the value of the endowment assets managed by the Fund will be distributed to WCU to advance WCU's educational purposes and goals and the intentions of the donors of said assets. Earnings from endowment assets shall be considered as part of the endowment. Furthermore, the Fund agrees to assess the performance of its endowment managers and report the results to the WCU Council of Trustees.
4. **DISTRIBUTION OF GIFT INCOME.** All gifts contributed to WCU will be given to the Fund for processing, investment, and/or disposition. The Fund shall make regular (at least quarterly) distributions of all gift income and earnings thereon to WCU, less operational costs as approved by the Treasurer and Executive Director of the Fund.

5. **BOARD REPRESENTATION.** In order to foster close collaboration between the Fund and WCU, a member of the WCU Council of Trustees appointed by the Chairman of the Council of Trustees will serve as an *ex officio* trustee of the Fund.
6. **SERVICES AND STAFF.** In the spirit of the State System of Higher Education Board of Governor's resolution of April 16, 1985 regarding fund raising and affiliated organizations, it is WCU's desire to enhance the ability of the Fund to function by providing to the Fund, free of charge or obligation whatsoever, facilities, staff, and services as described below. This support will be reviewed annually.
 - 6A. **STAFF.** WCU will employ an Executive Director of the Fund who will also serve as Associate Vice President of Advancement for WCU. The Executive Director shall report to the WCU Vice President for Advancement and be responsible for day-to-day management of the Fund's operations and attracting private support for the Fund.

The President of the Fund Board, his or her designee, or a committee of the Fund Trustees appointed by the President of the Fund Board shall offer advice to the WCU President and Vice President for Advancement regarding the selection, retention, and evaluation of the Executive Director. In the case of a search for the Executive Director, the President of the Fund Board, or the President's designee, may participate as a member of the Search Committee.

As is the policy for WCU managers, WCU shall complete an annual evaluation of the Executive Director. The Vice President for Advancement shall seek input from the Fund Board of Trustees regarding the Executive Director's performance.
 - 6B. **SERVICES.** WCU shall provide clerical services such as typing, filing and related functions; communication services to include telecommunications, postage, printing, public relations, access to the development computer database, and similar services; and accounting services to include bookkeeping, budgeting, billing, and related fiscal services. In addition, WCU shall provide operational supplies and services to include, but not limited to, internal stores and maintenance agreements to which WCU is a party.
 - 6C. **FACILITIES.** WCU shall provide facilities that include, but are not limited to, space, utilities, maintenance, and housekeeping as may be necessary to conduct Fund functions and activities.
7. **OTHER COSTS.** During the first two years of this MOU (2000-01 and 2001-02), WCU will provide resources to cover special operational costs of the Fund that will not necessarily be part of WCU's regular contribution of services to the Fund. These expenses include but are not limited to legal costs, insurance, Fund meeting costs, real estate transaction fees, financial management costs, and similar expenses. Thereafter, these costs will be assumed by the Fund from income received by the Fund.

8. REPORTS. In compliance with the Board of Governor's Policy 1985-04A, the Fund will submit to WCU the following documentation annually and no later than four months following the completion of the fiscal year.
- A. Memorandum of Understanding
 - B. Annual audited financial statements and reports
 - C. Summarization of contributions made by the Fund to WCU
 - D. The list of the Board of Trustees and any changes in fiduciary agreements, articles of incorporation, and bylaws.

In order for WCU to ensure compliance with Board of Governor's Policy 1985-04A, WCU shall have the right to review WCU and Commonwealth of Pennsylvania resources used to support the Fund's operations. It is the responsibility of the Executive Director to transmit this information to WCU on behalf of the Fund Board of Trustees.

9. INDEMNIFICATION AND INSURANCE. The Fund shall hold WCU harmless from and indemnify WCU against any and all claims, demands and actions based upon and arising out of any activities performed by the Fund for WCU.

The Fund shall purchase and maintain, at its expenses from income received, comprehensive commercial general liability insurance issued by companies deemed to be financially sound by WCU. The insurance coverage would be \$1,000,000 each occurrence for bodily injury and property damage. Policy/ies shall be on an occurrence basis only. The Fund shall name WCU as an additional insured.

Upon receipt of written notice of any matter for which indemnification might be claimed by WCU, the Fund shall promptly defend, contest, or otherwise protect against any such suit, action, investigation, claim or proceeding at its own cost and expense. WCU agrees to make a demand for indemnification within fourteen days of any claim being made against it.

10. PROTECTION OF STATUS. WCU and the Fund shall refrain from taking any action that would violate the terms or conditions of a gift or asset; or the corporate status or purposes of the other; or threaten the Fund's status as a tax exempt [501(c)(3)] organization.
11. BYLAWS AMENDMENTS. This MOU may be amended by a majority vote of both the Fund Board of Trustees and the WCU Council of Trustees. In the event that one party to this MOU approves an amendment or amendments of the Bylaws of the Fund without the concurrence of the other party, which concurrence shall not be unreasonably withheld, the Fund shall transfer to WCU all of its assets including gifts and endowments given to the Fund by WCU, gifts contributed directly to the Fund, and endowment principal and income.

12. DISSOLUTION. In the event that one or both parties to this agreement determine that the affiliation between the Fund and WCU should be dissolved, the Fund shall transfer to WCU all of its assets including gifts and endowments given to the Fund by WCU, gifts contributed directly to the Fund, and endowment principal and income.

13. NOTICE. All written notice required to be given under this MOU shall be sent to the President and Executive Director of the Fund and the President of WCU.

14. TERM AND REVIEW OF MOU.

14A. The initial term of this MOU will be from January 1, 2001 to the ending date of June 30, 2001. June 30, 2001 and each June 30 thereafter shall serve as the anniversary date for this MOU.

14B. The MOU will automatically renew and continue in effect for an additional one (1) year period commencing from the ending date to the first anniversary date, and then from anniversary dates to anniversary dates.

14C. If either party desires to renegotiate the MOU, that party must provide the other party with written notice at least sixty (60) days prior to the next anniversary date of the party's intention to renegotiate the MOU.

14D. 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 and the affiliation will be dissolved as defined in Section 10 of this MOU.

The Fund For West Chester University
of Pennsylvania

By: [Signature]

Date: 7-30-00

West Chester University of Pennsylvania

By: [Signature]

Date: 11/14/00

Approved for Form and Legality:

By: [Signature]
University Legal Counsel

Date: 12-12-00



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

Council of Trustees
Resolution
2000-024

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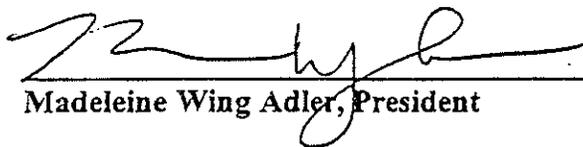
PROPOSED

RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY OF PENNSYLVANIA
NOVEMBER 29, 2000
THE FUND FOR WEST CHESTER UNIVERSITY
OF PENNSYLVANIA

MEMORANDUM OF UNDERSTANDING

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA HEREBY APPROVES THE MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE FUND AND WEST CHESTER UNIVERSITY OF PENNSYLVANIA (ATTACHED).

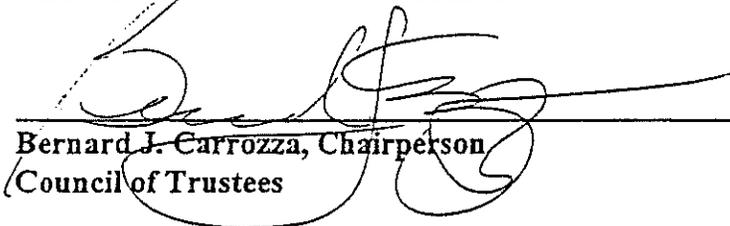
APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES



Madeleine Wing Adler, President

11/31/00
Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES



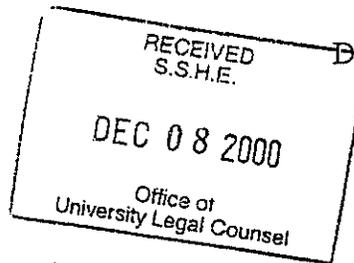
Bernard J. Carrozza, Chairperson
Council of Trustees

11/29/00
Date



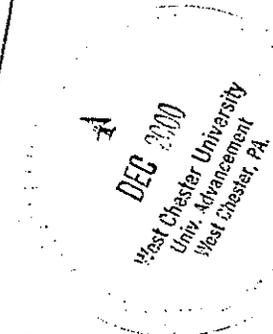
Office of the Vice President for Advancement
Smith House 101
West Chester University
West Chester, Pennsylvania 19383-7000

610-436-3303
fax: 610-436-2606
www.wcupa.edu



December 6, 2000

Wayne S. Melnick, Esq.
University Legal Counsel
State System of Higher Education
Dixon University Center
2986 North Second Street
Harrisburg, PA 17110



Dear Wayne,

As you may recall, West Chester University of Pennsylvania is creating a relationship with a new not-for-profit organization known as the Fund for West Chester University. The purpose of this affiliation is to generate and manage additional resources to advance the mission of the University.

Please find enclosed the recently adopted Memorandum of Understanding (MOU) between the University and the Fund (original signatures). The WCU Council of Trustees approved this MOU at its November 30, 2000 meeting, while the Fund Board adopted the MOU at its October 30, 2000 meeting. You may remember reviewing this document prior to its submission to the Council and the Fund Board.

It is my understanding that your endorsement of the document's legal content and form is the final step in the approval process. I appreciate your review of the MOU and your acceptance as indicated by your signature on the final page of the form. You may forward the signed MOU to my attention.

Thank you in advance for your timely approval of this MOU. And please contact me at your convenience if you have any questions or need additional information.

Sincerely,

Mark G. Pavlovich
Vice President for Advancement

mgp
Enclosure

**THE FUND FOR WEST CHESTER UNIVERSITY
OF PENNSYLVANIA**

FINANCIAL STATEMENTS

JUNE 30, 2002

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
JUNE 30, 2002

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INDEPENDENT AUDITORS' REPORT

202 Bancroft Building
3411 Silverside Road
Wilmington, Delaware 19810
302.478.8940

25 West Third Street
Media, Pennsylvania 19063
610.565.5222

FAX: 302.478.0133

August 1, 2002

To the Board of Trustees
The Fund for West Chester University of Pennsylvania
West Chester, Pennsylvania

We have audited the accompanying statement of financial position of The Fund for West Chester University of Pennsylvania, a nonprofit organization, as of June 30, 2002 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 The Fund for West Chester University of Pennsylvania as of June 30, 2002 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.

Barbacane, Thornton & Company
BARBACANE, THORNTON & COMPANY

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2002

ASSETS

Cash and cash equivalents	\$ 187,771
Pledges receivable, net of allowance of \$41,953	<u>797,130</u>
TOTAL ASSETS	<u>\$ 984,901</u>

LIABILITIES AND NET ASSETS

LIABILITIES	\$ -
NET ASSETS:	
Unrestricted	145,817
Temporarily restricted	<u>839,084</u>
Total Net Assets	<u>984,901</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 984,901</u>

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

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR JUNE 30, 2002

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>PUBLIC SUPPORT AND REVENUE</u>			
<u>PUBLIC SUPPORT:</u>			
Contributions - Cash	\$ 239,727	\$ 2,391,642	\$ 2,631,369
Contributions - Noncash	<u>1,009,042</u>	<u>581,561</u>	<u>1,590,603</u>
Total Public Support	<u>1,248,769</u>	<u>2,973,203</u>	<u>4,221,972</u>
<u>REVENUE:</u>			
Special events	-	91,951	91,951
Investment income	388	-	388
Net assets released from restriction	<u>3,304,153</u>	<u>(3,304,153)</u>	<u>-</u>
Total Revenue	<u>3,304,541</u>	<u>(3,212,202)</u>	<u>92,339</u>
 TOTAL PUBLIC SUPPORT AND REVENUE	 <u>4,553,310</u>	 <u>(238,999)</u>	 <u>4,314,311</u>
 <u>DISTRIBUTIONS AND EXPENSES</u>			
<u>DISTRIBUTIONS:</u>			
Distributions to West Chester University	<u>3,304,153</u>	<u>-</u>	<u>3,304,153</u>
Total Distributions	<u>3,304,153</u>	<u>-</u>	<u>3,304,153</u>
 <u>EXPENSES:</u>			
Salaries	717,016	-	717,016
Advertising	1,975	-	1,975
Bad debt expense	41,953	-	41,953
Copier	74	-	74
Consulting	111,938	-	111,938
Dues and subscriptions	3,867	-	3,867
Food	25,115	-	25,115
Insurance	2,995	-	2,995
Miscellaneous	39,016	-	39,016
Postage	15,624	-	15,624
Printing	73,692	-	73,692
President gala	35,057	-	35,057
Supplies	10,819	-	10,819
Telephone	14,333	-	14,333
Travel	20,169	-	20,169
Total Expenses	<u>1,113,643</u>	<u>-</u>	<u>1,113,643</u>
 TOTAL DISTRIBUTIONS AND EXPENSES	 <u>4,417,796</u>	 <u>-</u>	 <u>4,417,796</u>
 CHANGE IN NET ASSETS	 135,514	 (238,999)	 (103,485)
 NET ASSETS, BEGINNING OF YEAR	 <u>10,303</u>	 <u>1,078,083</u>	 <u>1,088,386</u>
 NET ASSETS, END OF YEAR	 <u>\$ 145,817</u>	 <u>\$ 839,084</u>	 <u>\$ 984,901</u>

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

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2002

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ (103,485)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Bad debt expense	41,953
Decrease in pledges receivable	<u>239,000</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>177,468</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	177,468
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>10,303</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 187,771</u>
<u>SUPPLEMENTAL INFORMATION</u>	
Interest paid	<u>\$ -</u>
Taxes paid	<u>\$ -</u>

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

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002

NOTE 1 NATURE OF THE ORGANIZATION

The Fund for West Chester University of Pennsylvania was formed to promote the charitable, scientific and educational interest of West Chester University. The Fund achieves this by soliciting funds and other property in accordance with priorities set by the University.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of The Fund for West Chester University of Pennsylvania have been prepared on the accrual basis of accounting.

Financial Statement Presentation

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations," the Organization 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. In addition, the Organization is required to present a statement of cash flows.

Contributions

In accordance with 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 and/or nature of any donor restrictions. Under SFAS No. 116, contributions with donor restrictions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction.

Income Taxes

The Fund for West Chester University of Pennsylvania, a publicly supported nonprofit organization, is exempt from federal income tax under Code Section 501(c)(3) of the Internal Revenue Code.

Cash and Cash Equivalents

The Organization considers all short-term highly liquid instruments with an original maturity of three months or less to be cash equivalents.

Allocation of Functional Expenses

Approximately 80 percent of expenses, or \$890,914, is related directly to program activities.

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable represent unconditional promises to give due in the future. As of June 30, 2002, pledges receivable consisted of the following:

Pledges receivable related to current campaign	\$ 11,000
Present value of pledges receivable related to prior campaigns	828,083
Allowance for uncollectible pledges	<u>(41,953)</u>
Total Pledges Receivable, Net	<u>\$ 797,130</u>

The following is a schedule of the present value of future payments:

2003	\$ 705,870
2004	45,184
2005	17,571
2006	8,494
2007	8,494
Thereafter	<u>42,470</u>
Total	<u>\$ 828,083</u>

NOTE 4 DONATED SERVICES AND MATERIALS/RELATED PARTIES

The Organization receives numerous contributions from West Chester University. The Organization recorded donated revenue in the amount of \$1,009,042 during the year. The donation was received from West Chester University, which paid for a majority of the Fund's operational and administrative expenses.

Contributed services are not recognized as revenue unless the services received create or enhance the value of a nonfinancial asset; or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not donated.

THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002

NOTE 5 UNRESTRICTED NET ASSETS

As of June 30, 2002, there was \$145,817 of unrestricted net assets. These funds are designated for operational purposes of the Fund for West Chester University of Pennsylvania.

NOTE 6 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are restricted for the following purposes as of June 30, 2002:

Time restrictions	\$ 250,000
Program restrictions	<u>589,084</u>
	<u>\$ 839,084</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by donors as of June 30, 2002:

Passage of time restrictions	<u>\$ 3,304,153</u>
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NOTE 7 NONCASH CONTRIBUTIONS

The Organization received noncash gifts in the amount of \$581,561. These gifts were in the form of services (i.e. printing), equipment and art work. Equipment and art work were transferred to the University during the year. The services were provided for the benefit of the University.

ARTICLES OF INCORPORATION
OF
THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
A PENNSYLVANIA NONPROFIT CORPORATION

In compliance with the requirements of Pa. Stat. Ann. Tit. 15, § 7316, the undersigned, desiring to be incorporated as a nonprofit corporation, hereby certifies that:

1. Name. The name of the Corporation is Fund for West Chester University of Pennsylvania.
2. Address. The location and post office address of the initial registered office of the Corporation in this Commonwealth is West Chester University of Pennsylvania, 628 South High Street, West Chester, Pennsylvania 19383-7100. The county of venue is Chester.
3. Purposes.
 - A. The Corporation is formed exclusively for charitable, educational, and scientific purposes within the meaning of § 7311 of the Pennsylvania Nonprofit Corporation Law and § 501(c)(3) of the Internal Revenue Code of 1954, as amended, or any other corresponding section of any future federal tax code (the "Code").
 - B. Specific Purposes. In furtherance of its exclusively charitable, educational, and scientific purposes, the Corporation shall promote the interests of West Chester University of Pennsylvania of the State System of Higher Education, a Pennsylvania body corporate described in § 509(a)(1) and (2) of the Code, and such other affiliated entities as fall within the class of organizations described both by § 501(c)(3) and § 509 (a)(1) and (2) of the Code, and the Corporation shall, without otherwise limiting its powers, perform the following:
 - a. solicit funds and other property for the charitable, scientific, and educational purposes of West Chester University of Pennsylvania in accordance with priorities set by West Chester University of Pennsylvania;
 - b. receive, manage, and liquidate material assets, including unique gifts such as jewelry, artworks, and real property, to benefit West Chester University of Pennsylvania;

- c. contribute capital, make loans and grants, and provide other financial assistance to West Chester University of Pennsylvania, any of its affiliated entities, and any institutions or organizations that become affiliated with the Corporation; provided all such entities are organizations described in either Section 170(b)(1)(A) or Section 501(c)(3) of the Code;
 - d. manage the relationship, including the selection and negotiation of services, with a financial institution or institutions for the purposes of holding endowment funds, life income gifts, and similar funds;
 - e. manage any contract for the advancement of West Chester University of Pennsylvania;
 - f. provide funds and services to conduct the business of the Corporation;
 - g. manage the Corporation's endowment fund, and upon request and with proper approvals, the endowment fund of West Chester University of Pennsylvania; and
 - h. engage in and do any and all acts and engage in all lawful business which a nonprofit corporation may do consistent with or in furtherance of the purposes herein set forth above.
4. Term. The term for which the Corporation is to exist is perpetual.
 5. Non-stock. The Corporation is organized on a non-stock basis.
 6. Members. The Corporation shall have no members.
 7. Nonprofit. The Corporation does not contemplate pecuniary gain or profit, incidental, or otherwise. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its trustees, officers, or other persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Corporation shall be carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene (including publishing or distribution of statements) in any political campaign on behalf of any candidate for public office.
 8. Status. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (b)

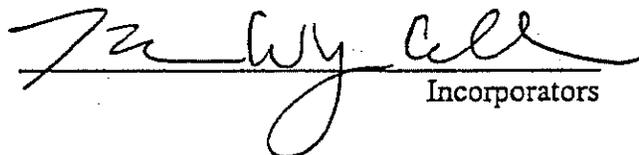
by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

9. Dissolution. Upon the liquidation or dissolution of the Corporation, the Board of Trustees of the Corporation shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purpose of the Corporation in such manner, or to the West Chester University of Pennsylvania of the State System of Higher Education, or its successor, if such organization is a permitted beneficiary under the requirements of Income Tax Regulation § 1.501(c)(3)-1(b)(4), or to such organizations organized and operated exclusively for charitable, educational, or scientific purposes as at the time shall qualify as an exempt organization or organizations under § 501(c)(3) of the Internal Revenue Code of 1954, as amended, as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the County in which the principal office of the Corporation is then located.

10. The name and post office address of the Incorporators is:

Name: Madeleine Wing Adler, President
Address: West Chester University of Pennsylvania
Philips Memorial Building, First Floor
700 South High Street
West Chester, PA 19383

IN WITNESS WHEREOF, the incorporators signed these Articles of Incorporation on August 11, 2000.


Incorporators

BYLAWS
OF
THE FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA
A PENNSYLVANIA NONPROFIT CORPORATION

ARTICLE 1 – DEFINITIONS

Section 1.1. Definitions.

The following terms used in these Bylaws shall have the meanings set forth below.

- A. “Act” means the Pennsylvania Nonprofit Corporation Law of 1988, as amended.
- B. “Board” means the Board of Trustees of the Corporation.
- C. “Corporation” means the Fund for West Chester University of Pennsylvania.
- D. “Trustee” means an individual serving on the Board.
- E. “University” means West Chester University of Pennsylvania.

ARTICLE 2 – PURPOSES

Section 2.1. Purposes.

The purposes of the Corporation are set forth in its Articles of Incorporation.

Section 2.2. Activities.

The Corporation is organized exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any other corresponding section of any future federal tax code (the “Code”), particularly to promote the interests of West Chester University of Pennsylvania of the State System of Higher Education. The Corporation shall perform the following:

- A. solicit funds and other property to advance the charitable, scientific, and educational interests of the University in accordance with priorities set by the University;

- B. receive, manage, and liquidate material assets, including unique gifts such as jewelry, artworks, and real property, to the benefit of the University;
- C. contribute capital, make loans and grants, and provide other financial assistance to the University, any of its affiliated entities, and any institutions or organizations that become affiliated with the Corporation; provided all such entities are organizations described in either Section 170(b)(1)(A) or Section 501(c)(3) of the Code;
- D. manage the relationship, including the selection and negotiation of services, with a financial institution or institutions for the purposes of holding endowment funds, life income gifts, and similar funds;
- E. manage any contract for the advancement of the University;
- F. provide funds and services to conduct the business of the Corporation;
- G. manage the Corporation's endowment fund, and upon request and with proper approvals, the endowment fund of the University; and
- H. engage in and do any and all acts and engage in all lawful business which a nonprofit corporation may do consistent with or in furtherance of the purposes herein set forth above.

ARTICLE 3 – OFFICES

Section 3.1. Offices.

The registered office of the Corporation shall be located at the West Chester University of Pennsylvania, 628 South High Street, West Chester, Pennsylvania. The Corporation may have any number of other offices at such places as the Board may determine, whether located in or out of Pennsylvania.

ARTICLE 4 – SEAL

Section 4.1. Seal.

The Corporation may use a Corporate Seal. The Corporate Seal shall bear the name of the Corporation, the year of its incorporation, and the words "Corporate Seal, The Fund for West Chester University of Pennsylvania."