WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
BOARD OF DIRECTORS
2004-2005

Executive Council

President
Anne Sourbeer Morris '70, M79
1522 Fox Run Drive
Coatesville, PA 19320-4724
610-384-3805 (H)
610-644-6440 (W)
anнемorris@aol.com OR amorris@gvsd.org
(Joseph '69, M'74)

Vice President
C. Curtis Norcini '87
118 Sussex Road
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610-431-0299 (H)
610-891-8806 (W)
curtnorcini@comcast.net OR ccn@delcopalaw.com
(Cindy)

Treasurer
John Stoddart '93, M'99
12 Fifth Avenue
Wilmington, DE 19805
302-427-9077 (H)
484-881-4141 (W)
john.stoddart@fnbcchestercounty.com

Secretary
Judith A. Jarrett '67, M'73
615 West Gay Street
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610-696-6564 (H)

Past President
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610-608-4506 (cell)
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302-778-8497 (Fax) or 302-654-2178
joseph.kienle@morganstanley.com

12/15/2004
Term Expires 2005
Nancy Ambrosia MacMullan '51
719 Midway Lane
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nanmac719@msn.com
(Robert)

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(Joseph)

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610-932-6640 (W)
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Ann G. Rilatt '61
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610-436-4684 (H)
agr1@verizon.net

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Boyertown, PA 19512
610-367-9052 (H)
christopher.schrode@erieinsurance.com
(Amy '63)

Terry P. Weyant '54
758 Country Club Trail
Fairfield, PA 17320-8583
717-642-5582 (H)
jojoqu@earthlink.net

12/15/2004
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
BOARD OF DIRECTORS
2004-2005

Term Expires 2006
Arthur J. DiGiuseppe ’62
1745 Yardley Drive
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610-429-4212 (H); 610-619-7454 (W)
digiuseppeaj@comcast.net

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Strasburg, PA 17579
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kiscadenlkj@ad.com

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(Karen)

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610-368-6154 (Cell)
garrick.weaver@thecbigroup.com

12/15/2004
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
BOARD OF DIRECTORS
2004-2005

Term Expires 2007
Carmen Evans Culp '52, M'64
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Dr. Thomas Kent '65, M'73
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KentT340@aol.com

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lmc dowell@weichert.com

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(Cindy)

12/15/2004
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
BOARD OF DIRECTORS
2004-2005

Board Emeriti
Dr. Herbert Lee '59, M64
48 Dogwood Lane
Glen Mills, PA 19342-1328
610-459-5477 (H)
610-436-3508 (W)
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(Elen)

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nmurphy609@aol.com
(Norine)

President Emeriti
Janice Weir Etshied ’50
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Karl Heficher 72, M’82, M’87
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Rmerion@iwon.com
(Jeannette)

Dr. Luther B. Scwers ’49
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717-755-4392
(Ruth)
12/15/2004
Liaisons

Faculty Liaison
Stanley Cramer ’84
WCU – Sturzebecker Bldg.
West Chester, PA 19383
610-873-8535 (H)
610-436-2415 (W)
scramer@wcupa.edu
(Caron ‘88)

Parliamentarian
Dr. Carolyn Keefe
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(610) 696-3603

State System Alumni Advocacy
Council (SSAAC) Representative
Ann G. Rilatt ’61
811 South Church Avenue
West Chester, PA 19382
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agr1@verizon.net

West Chester University
Council of Trustees Liaison
Hon. Elinor Zimmerman Taylor ’43
859 Spruce Avenue
West Chester, PA 19382
610-696-8220
610-436-4433 = W.C. Office
717-783-3737 = Harrisburg Office
etaylor@pahousegop.com

12/15/2004
Chapter Representatives
Black Caucus
Corinne Green '01, M'02
Arcadia University
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(Justin '03)

Chester County
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609-927-9657 (Cell)
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Richard T. Guinan '87
2871 Dewberry Road
York, PA 17404
717-767-4827
rguinan@suscom.net
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
BOARD OF DIRECTORS
2004-2005

Dr. Mark Pavlovich
WCU Vice President for Advancement
WCU - Filano Hall

Connie Ott
Director of Alumni Relations
Veterans Memorial Alumni House
Cott@wcupa.edu
(Will)

12/15/2004
SELECTIVE INSURANCE COMPANY OF SOUTH CAROLINA
3420 TORINGDON WAY, CHARLOTTE, NC 28277

COMMERCIAL POLICY COMMON DECLARATION

<table>
<thead>
<tr>
<th>Named Insured and Address</th>
<th>Policy Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION 806 S CHURCH AVENUE WEST CHESTER, PA 19381</td>
<td>From: FEBRUARY 19, 2004</td>
</tr>
<tr>
<td></td>
<td>To: FEBRUARY 19, 2005</td>
</tr>
</tbody>
</table>

12:01 A.M. Standard Time At Location of Designated Premises.

<table>
<thead>
<tr>
<th>Named Insured is:</th>
<th>Producer Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLUB</td>
<td>00-02750-0000</td>
</tr>
</tbody>
</table>

Producer:
FRANCIS A HALL INC PENNSYLVANIA

Service Establishment

Schedule of Coverage

COMMERCIAL PROPERTY COVERAGE
COMMERCIAL GENERAL LIABILITY COVERAGE
COMMERCIAL AUTOMOBILE COVERAGE
COMMERCIAL INLAND MARINE COVERAGE

REFER TO THE ATTACHED IMPORTANT NOTICE CA7048 FOR INFORMATION REGARDING COLLISION COVERAGE ON RENTAL VEHICLES

PREMIUM INCLUDES TERRORISM COVERAGE $93.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD
D/B - 1

Total Policy Premium $3,241.00
(This premium may be subject to adjustment.)

Date Issued: FEBRUARY 5, 2004
Issuing Office: PENNSYLVANIA REGION

Authorized Representative [Signature]
COMMERCIAL LIABILITY COVERAGE DECLARATION

Policy Effective Date: FEBRUARY 19, 2004

Business of Named Insured:
ALUMNI ASSOCIATION

Insurance is provided only for those coverages for which a specific limit is shown in the following coverage schedule.

Coverage Limits

COMMERCIAL GENERAL LIABILITY

<table>
<thead>
<tr>
<th>Coverage Description</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Aggregate Limit (Other Than Products-Completed Operations)</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Products-Completed Operations - Aggregate Limit</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Personal and Advertising -- Injury Limit</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Each Occurrence Limit</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Damage To Premises Rented To You Limit -- Any One Premises</td>
<td>$100,000</td>
</tr>
<tr>
<td>Medical Expense Limit -- Any One Person</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

Commercial Liability Premium(s)

<table>
<thead>
<tr>
<th>Classification</th>
<th>Class Code</th>
<th>Premium Basis</th>
<th>Area (A) Rate</th>
<th>Units (U) Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOCATION #001 BUILDING #001</td>
<td>41667</td>
<td>1,840 (A)</td>
<td>363.780</td>
<td>INCL.</td>
</tr>
<tr>
<td>CLUB CIVIC, SERVICE OTHER</td>
<td>40010</td>
<td>1.0000 (U)</td>
<td>105.247</td>
<td>INCL.</td>
</tr>
</tbody>
</table>

Minimum Premium: $279.00
Total Premium: $789.00

Premium and Rate Legend
(A) Area - rate per 1000 square feet
(U) Units - rate per unit

Location of all premises you own, rent, or control:
Refer to “Schedule of Locations”

Forms and Endorsements:
Refer to “Commercial Policy Forms and Endorsement Schedule”

Total Advanced Premium: $789.00
(This premium may be subject to adjustment)
Independent Auditor’s Report

Board of Directors
West Chester University Alumni Association
West Chester, Pennsylvania

We have audited the accompanying statement of financial position of West Chester University Alumni Association (a Pennsylvania non-profit corporation) as of June 30, 2004, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of West Chester University Alumni Association’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 West Chester University Alumni Association, as of June 30, 2004, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Maulo & Company, Ltd.

West Chester, Pennsylvania
August 2, 2004
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2004

**ASSETS**

Current assets  
- Cash and cash equivalents  $21,117  
- Investments (Note 4)  $833,728  
- Accounts receivable  $12,987  

Total current assets  $867,832

Fixed assets (net of depreciation) (Note 5)  $86,606  

Total assets  $954,438

**LIABILITIES AND NET ASSETS**

Current liabilities  
- Accounts payable  $736  

Total current liabilities  $736

Net assets  
- Unrestricted - designated for contingency  $229,510  
- Unrestricted - designated for Alumni House  $487,799  

Total unrestricted  $717,309

Temporarily restricted  $236,393

Total net assets  $953,702

Total liabilities and net assets  $954,438

The accompanying notes are an integral part of the financial statements.
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

SUPPORT AND REVENUE

<table>
<thead>
<tr>
<th></th>
<th>Contingency</th>
<th>Alumni House</th>
<th>WCU Provided</th>
<th>Total Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$ 20</td>
<td>$ 245</td>
<td>$ 181,492</td>
<td>$ 181,757</td>
<td>$ 3,076</td>
<td>$ 184,833</td>
</tr>
<tr>
<td>House user fees</td>
<td>8,000</td>
<td>1,150</td>
<td></td>
<td>9,150</td>
<td></td>
<td>9,150</td>
</tr>
<tr>
<td>Dividends and interest income</td>
<td>6,446</td>
<td>7,520</td>
<td></td>
<td>13,966</td>
<td>7,099</td>
<td>21,065</td>
</tr>
<tr>
<td>Realized gains (losses) on investments</td>
<td>1,463</td>
<td>1,707</td>
<td></td>
<td>3,170</td>
<td>1,611</td>
<td>4,781</td>
</tr>
<tr>
<td>Royalties</td>
<td>43,678</td>
<td></td>
<td></td>
<td>43,678</td>
<td>5,421</td>
<td>49,099</td>
</tr>
<tr>
<td>Other income</td>
<td>5,750</td>
<td></td>
<td></td>
<td>5,750</td>
<td>554</td>
<td>6,304</td>
</tr>
<tr>
<td>Appreciation / (Depreciation) on investments</td>
<td>28,402</td>
<td>33,135</td>
<td></td>
<td>61,537</td>
<td>31,279</td>
<td>92,816</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>17,000</td>
<td></td>
<td></td>
<td>17,000</td>
<td>(17,000)</td>
<td>0</td>
</tr>
<tr>
<td>Total support and revenue</td>
<td>110,759</td>
<td>43,757</td>
<td>181,492</td>
<td>336,008</td>
<td>32,040</td>
<td>368,048</td>
</tr>
</tbody>
</table>

EXPENSES

<table>
<thead>
<tr>
<th>Program expenses</th>
<th>Alumni House</th>
<th>Events</th>
<th>Scholarships</th>
<th>Awards programs</th>
<th>Total Program expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumni House</td>
<td>14,127</td>
<td>12,585</td>
<td></td>
<td>248,851</td>
<td>208,855</td>
</tr>
<tr>
<td>Events</td>
<td>139,033</td>
<td>139,033</td>
<td></td>
<td>248,851</td>
<td>208,855</td>
</tr>
<tr>
<td>Scholarships</td>
<td>17,000</td>
<td>1,259</td>
<td></td>
<td>248,851</td>
<td>208,855</td>
</tr>
<tr>
<td>Awards programs</td>
<td></td>
<td>1,259</td>
<td></td>
<td>248,851</td>
<td>208,855</td>
</tr>
<tr>
<td>Total program expenses</td>
<td>40,592</td>
<td>14,127</td>
<td>154,136</td>
<td>208,855</td>
<td>208,855</td>
</tr>
</tbody>
</table>

| General and administrative expenses | 5,384 | 7,649 | 27,356 | 40,389 | 1,084 | 41,473 |
| Total expenses | 45,976 | 21,776 | 181,492 | 249,244 | 1,084 | 250,328 |

Change in net assets

| Net assets at beginning of year | 64,783 | 21,981 | 0 | 86,764 | 30,956 | 117,720 |
| Net assets at end of year | 164,727 | 465,816 | 0 | 630,545 | 205,437 | 835,982 |

| Net assets at end of year | $ 229,510 | $ 487,799 | $ 0 | $ 717,309 | $ 236,393 | $ 953,702 |

The accompanying notes are an integral part of the financial statements.
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

Cash Flows From Operating Activities
Cash received from contributors and grants $ 344,336
Cash payments to suppliers and employees (245,762)
Interest received 21,065

Net cash provided by operating activities 119,639

Cash Flows From Non-capital Financing Activities 0

Cash Flows From Capital and Related Financing Activities 0

Cash Flows From Investing Activities
Cash paid to acquire property (1,000)
Proceeds from (cash paid to acquire) other investments (104,742)

Net cash flow provided by investing activities (105,742)

Net increase (decrease) in cash and cash flow 13,897

Cash and cash equivalents--July 1, 2003 7,220

Cash and cash equivalents--June 30, 2004 $ 21,117

Reconciliation of Net Income to Net Cash Flow from Operating Activities
Operating income (loss) $ 117,720

Adjustments to reconcile operating income (loss) to net cash
provided by operating activities
Depreciation expense 10,000
Changes in assets and liabilities:
(Increase) Decrease in accounts receivable (2,647)
Increase (Decrease) in accounts payable (5,434)
Increase (Decrease) in deferred revenue 0

Total adjustments 1,919

Cash provided by (used for) operating activities $ 119,639

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

4
1. **Summary of Significant Accounting Policies**

**Statement of Organization**—The West Chester University Alumni Association (the Association) is a Pennsylvania tax-exempt, education-related organization. The mission of the Association is to promote the interests of West Chester University in all areas of academic, cultural, and social needs through a strong network of graduates and to increase alumni awareness of the University’s needs. The Association is responsible for the maintenance and operation of the Veterans’ Memorial Alumni House located on the campus of West Chester University. The Association awards scholarships to students attending West Chester University.

**Basis of Presentation**—The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

- **Unrestricted Net Assets**—Net assets which are not subject to donor-imposed requirements.

- **Temporarily Restricted Net Assets**—Net assets subject to donor-imposed stipulations that may or will be met, either by action of the Association and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

- **Permanently Restricted Net Assets**—Net assets are subject to donor-imposed stipulations that they be maintained permanently by the Association. Generally, the donors of these assets permit the Association to use all or part of the income earned on any related investments for general or specific purposes.

**Advertising**—The Association expenses advertising as incurred.

**Cash and Cash Equivalents**—For purposes of reporting cash flows, cash and cash equivalents includes cash and all short-term investments purchased with a maturity of three months or less.

**Accounts Receivable and Allowance for Bad Debts**—The Association uses the direct write-off method for bad debt recognition. As of June 30, 2004, the Association considered accounts receivable to be fully collectible. Accordingly, no allowance for bad debts is required. Generally accepted accounting principles require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

**Income Taxes**—The Association is an education-related organization that is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Consequently, no provisions for income taxes are included.

**Investments**—The Association has adopted SFAS No. 124, “Accounting for Certain Investments Held by Not-for-Profit Organizations.” Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by the passage of time or by use) in the reporting period in which the income and gains are recognized.
Contributed Services—A substantial number of unpaid volunteers have made significant contributions of their time to produce Association programs. The value of this contributed time is not reflected in these statements, since it is not susceptible to objective measurement or valuation.

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

Property and Equipment—Purchased property and equipment is recorded at cost. Donations of property and equipment are recorded at cost, if it is known, or at estimated fair value. Property and equipment are depreciated using the straight-line method over their estimated useful lives. The Association's policy is to capitalize all purchases greater than $1,000.

Contributions and Donations—Cash contributions and donations of property and equipment are considered to be unrestricted support unless they are specifically restricted by the donor. Restricted donations are classified as permanently restricted net assets or temporarily restricted net assets, depending on the nature of the restrictions. After the restrictions of time or use are fulfilled, the assets are reclassified as unrestricted net assets. If the restrictions are fulfilled in the same period the contribution is made, it is considered to be unrestricted support.

2. Permanently Restricted Net Assets and Temporarily Restricted Net Assets

At June 30, 2004, there are no permanently restricted net assets and the temporarily restricted assets are restricted for scholarships, as follows:

<table>
<thead>
<tr>
<th>Scholarship Fund</th>
<th>Viola Maple</th>
<th>General</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and net investment income</td>
<td>39,950</td>
<td>165,487</td>
<td>205,437</td>
</tr>
<tr>
<td>Scholarships granted</td>
<td>7,946</td>
<td>40,010</td>
<td>47,956</td>
</tr>
<tr>
<td>Balance – June 30, 2004</td>
<td>(1,000)</td>
<td>(16,000)</td>
<td>(17,000)</td>
</tr>
<tr>
<td>Balance – July 1, 2003</td>
<td>46,896</td>
<td>189,497</td>
<td>236,393</td>
</tr>
</tbody>
</table>

3. Related Party Transactions

Pursuant to an agreement between West Chester University (WCU) and the Association dated June 16, 1992, WCU is responsible for all development activities related to the University. During the Annual Giving Program, contributions from alumni are solicited by WCU for the enhancement of the University. All collecting, reporting, and managing of funds gathered during the Annual Giving Program is the responsibility of WCU. The dispensing of the annual giving funds for alumni operating purposes is directed by WCU.

WCU pays the Association $5,000 per year as a user fee for access to the Veterans' Memorial Alumni House for university-related functions. Under a separate agreement, WCU pays the Association a rental fee for use of the second floor of the house for office space. During the year ended June 30, 2004, the Association received $5,000 from WCU for user's fees and $3,000 for rental fees for 2004.

West Chester University (WCU) pays for payroll, employee benefits, and other costs for the Association. Contributions related to these expenditures for the year ended June 30, 2004, are $181,492, and are included in these statements.
4. **Investments**

Investments are stated at market value and consist primarily of mutual funds as follows:

<table>
<thead>
<tr>
<th>The Vanguard Group</th>
<th>Cost</th>
<th>Market Value</th>
<th>Unrealized Appreciation (Depreciation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanguard High-yield Corporate Fund</td>
<td>49,258</td>
<td>42,183</td>
<td>(7,076)</td>
</tr>
<tr>
<td>Vanguard Inter-term Corporate Fund</td>
<td>90,612</td>
<td>90,792</td>
<td>180</td>
</tr>
<tr>
<td>Vanguard Long-term Bond Index Fund</td>
<td>40,396</td>
<td>40,718</td>
<td>322</td>
</tr>
<tr>
<td>Vanguard Short-term Bond Index Fund</td>
<td>55,127</td>
<td>55,428</td>
<td>301</td>
</tr>
<tr>
<td>Vanguard Short-term Corporate Fund</td>
<td>61,149</td>
<td>60,491</td>
<td>(656)</td>
</tr>
<tr>
<td>Vanguard Strategic Equity Fund</td>
<td>22,545</td>
<td>32,327</td>
<td>9,782</td>
</tr>
<tr>
<td>Vanguard Explorer Fund</td>
<td>25,132</td>
<td>31,704</td>
<td>6,572</td>
</tr>
<tr>
<td>Vanguard Total Intern Stock Index Fund</td>
<td>106,348</td>
<td>109,438</td>
<td>3,093</td>
</tr>
<tr>
<td>Vanguard Total Stock Market Index Fund</td>
<td>203,482</td>
<td>217,626</td>
<td>14,144</td>
</tr>
<tr>
<td>Vanguard US Growth Fund</td>
<td>113,295</td>
<td>75,404</td>
<td>(37,891)</td>
</tr>
<tr>
<td>Vanguard Windsor II Fund</td>
<td>78,658</td>
<td>77,517</td>
<td>(1,041)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$846,002</td>
<td>$833,728</td>
<td>$(12,274)</td>
</tr>
</tbody>
</table>

Vanguard advisor fees for the year ended June 30, 2004 were $3,217.

5. **Fixed Assets**

Summary of fixed assets:

<table>
<thead>
<tr>
<th></th>
<th>Balance 6/30/03</th>
<th>Additions</th>
<th>Balance 6/30/04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$4,200</td>
<td>$0</td>
<td>$4,200</td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>194,558</td>
<td>1,000</td>
<td>195,558</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>25,784</td>
<td>0</td>
<td>25,784</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$224,542</td>
<td>1,000</td>
<td>$225,542</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>128,936</td>
<td>10,000</td>
<td>138,936</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$95,606</td>
<td>(9,000)</td>
<td>$86,606</td>
</tr>
</tbody>
</table>
RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY OF PENNSYLVANIA
JANUARY 27, 2005

Certification of Compliance of the West Chester University Foundation 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
FOUNDATION 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

1/27/05

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES

Thomas Filippo, Chairperson
Council of Trustees

1/27/05
MEMORANDUM OF CERTIFICATION

TO: The Council of Trustees

FROM: Mark G. Pavlovich, Vice President for Advancement

RE: Certification of the West Chester University Foundation

DATE: January 17, 2005

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

1) An annual statement summarizing University support for and contributions from the Foundation has been prepared for the year ending June 30, 2004 (copy attached).

2) A Memorandum of Understanding signed by the Foundation, 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 Foundation Board 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).
Annual Summary Report of Direct University Support To and Contributions Made By the West Chester University Foundation
For the Year Ending June 30, 2004

Direct University support to the West Chester University Foundation

Luncheon meeting - September 2004

Contributions made to or benefiting West Chester University of Pennsylvania

Scholarships to individuals $12,100

To West Chester University for Sturzebecker Foundation Scholarship, School of Health Sciences 5,000

$17,100

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

Mark P. Mixner
Date

West Chester University of Pennsylvania is a member of the State System of Higher Education
MEMORANDUM OF UNDERSTANDING

By this Memorandum of Understanding, West Chester University of Pennsylvania of the State System of Higher Education (hereinafter “University”) will provide support to the West Chester University Foundation, Inc. (hereinafter “Foundation”), a 501(c)(3) non-profit organization, which exists for the benefit of the University.

Provision for this Memorandum of Understanding is provided within policy 1985-04, D. 1 and 2, of the Board of Governors Policy of the State System of Higher Education, Commonwealth of Pennsylvania, granted through section 2003-A (b) of Act 188 of 1987.

The mission of the Foundation is to provide financial support to the University. The Foundation is an independent, affiliated organization.

1. The Foundation will carry director's liability insurance in the amount of $1,000,000. A Certificate of insurance will be provided when issued and renewed.

2. The Foundation will, on an annual basis, have an external audit performed and the audit report submitted to the University.

3. The Foundation will provide a current listing of the Board of Directors and Officers.

4. The Foundation will provide to the University financial support from the endowments and funds held by the Foundation following guidelines established by the donor.

5. The University will provide a space and meals for the Foundation meetings.

6. The University will provide to the Foundation guidance when requested from the Advancement and Administrative and Fiscal Affairs divisions.

7. The University's Council of Trustees and President will annually review the operations of the Foundation and, if appropriate, certify, in a written letter, that the Foundation is meeting its desired purposes and requirements. Included in this statement will be a summary of support given by the University to the Foundation.

8. Upon request of the Vice President for Administrative and Fiscal Affairs, the Foundation will provide an annual listing of gifts made to the University by the Foundation.

9. The University will be held harmless from any potential legal or financial obligations of the Foundation. The Foundation's obligation to hold the University harmless includes an obligation to indemnify the University from complaints and claims arising from or related to the actions, or lack thereof, of the Foundation and its officers, employees, and agents.

10. Current Articles of Incorporation and Bylaws of the Foundation will be submitted to the University.

Signed this 6th day of January, 1999

[Signature]  [Signature]
President Executive Director
West Chester University of Pennsylvania West Chester University Foundation, Inc.

[Signature]
Chief Legal Counsel
State System of Higher Education
The limitations of any expressed restrictions inherent to a concept, for
and underwritten discretion shall be determined, subject, however, to
so much of the proceeds thereof as the Trustees in their sole
and entire discretion shall see fit, to be held, managed, and invested such funds
from any other source, to hold, manage, and invest such funds
value from annum and interest on said Chesser Creek College, or
value from annum and interest thereon or any other source and
of
2. To receive and administer funds and things of

The purpose of this corporation are:

Chesser, Chesser County, Pennsylvania,

Phillips Memorial Building, high and college avenues, West

intestate testamentary objects in this commonwealth is: Alumni office

College Foundation.

3. The name of the corporation is: The West Center

s:1:2:3:4:

1915, 1923, are amended, do hereby declare, set forth and certify
Pennsylvania mission as the "West Center Corporation Law", approved
of the acts of the General Assembly of the commonwealth of
incorporated in accordance with the provisions and requirements
West Center College Foundation, and being designated as the

incorporated in accordance with the provisions of this original charter,
are residents of the commonwealth of Pennsylvania, and therefore
be in order, that the name be underwritten, as hereinbefore of whom

ARTICLES OF INCORPORATION

Governor, a non-profit

of this West Center College.

ARTICLES OF INCORPORATION

DEPARTMENT OF STATE

IN IN

3-1-70:37

3:49
enhancing, fostering and developing the program and purposes of West Chester State College.

b. To do any and all things necessary, incidental and desirable for the accomplishment of the purposes hereinafter specified, which are lawful and not injurious to the community.

4. That the corporation does not contemplate pecuniary gain or profit, incidental or otherwise, to its members.

5. The term of its existence is perpetual.

6. The names and addresses of the incorporators are:

Donald Diffenbaugh       Krista Mill Road, Collegeville, Pa. 19426
Tom W. Snyder             Black Hawk Apts., Downingtown, Pa. 19335
William R. Benner         732 Price Street, West Chester, Pa. 19380
Donald S. Pitt            710 Southern Drive, West Chester, Pa. 19380
Paul W. Rossey            Tanglewood, E. Rosedale Ave., West Chester, Pa. 19380
Joseph Saltzman           16 Cedar Street, Marcus Hook, Pa. 19061
Everett E. Swope          233 First Avenue, Malvern, Pa. 19355
Charles E. Swope          Rosedale Ave. and Church St., West Chester, Pa. 19380

Elmira E. Taylor          404 Price Street, West Chester, Pa. 19380

7. That the following are the names, addresses and titles of the persons who are to act as directors until the election of their successors:

   Donald Diffenbaugh       Krista Mill Road Collegeville, Pa.  Trustee
   Tom W. Snyder             Black Hawk Apts. Downingtown, Pa.  Trustee
   William R. Benner         732 Price Street West Chester, Pa.  Trustee
   Donald S. Pitt            710 Southern Drive West Chester, Pa.  Trustee
   Paul W. Rossey            "Tanglewood" E. Rosedale Ave. West Chester, Pa.  Trustee

   William R. Benner
   732 Price Street
   West Chester, Pa.

2.
Joseph Saltman       16 Cedar Street       Trustee
                      Marcus Hook, Pa.
Everett E. Shafer    233 First Avenue       Trustee
                      Malvern, Pa.
Charles E. Swope     Rosedale Ave. & Church St. Trustee
                      West Chester, Pa.
Elinor E. Taylor     404 Price Street       Trustee
                      West Chester, Pa.

8. That this corporation is organized upon a non-stock basis.

Donald Diffenbaugh, Incorporator      Paul W. Rossey, Incorporator
                                      (SEL)  (SEL)
Tom W. Snyder, Incorporator           Joseph Saltman, Incorporator
                                      (SEL)  (SEL)
William R. Benner, Incorporator       Everett E. Shafer, Incorporator
                                      (SEL)  (SEL)
Donald S. Pitt, Incorporator          Charles E. Swope, Incorporator
                                      (SEL)  (SEL)
Elinor E. Taylor, Incorporator
                                      (SEL)

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CHESTER

BEFORE ME, a Notary Public in and for the County aforesaid, personally came Donald Diffenbaugh, Tom W. Snyder, William R. Benner, Donald S. Pitt, Paul W. Rossey, Joseph Saltman, Everett E. Shafer, Charles E. Swope and Elinor E. Taylor, the above-named incorporators who, in due form of law, acknowledged the foregoing instrument to be their act and deed for the purposes therein specified.

WITNESS, my hand and seal of office the day of 1970.
Approved and filed in the Department of State on this 14th day of September, A.D. 1970.

[Signature]

Secretary of the Commonwealth