

capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act. The Corporation's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Corporation. To the extent that such insurance coverage provides a benefit to the insured person, the Corporation's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

## **ARTICLE 13 – INDEMNIFICATION**

### **Section 13.1. Representative Defined.**

For purposes of this Article, "representative" means any Trustee or officer of the Corporation.

### **Section 13.2. Third-Party Actions.**

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had reasonable cause to believe that his or her conduct was unlawful.

### **Section 13.3. Derivative and Corporate Actions.**

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of the action if he or she acted in good faith

Corporation, in addition to the offices so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

**Section 15.4. Checks and Drafts, Etc.**

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation shall be signed by the Treasurer. In the absence of the Treasurer, such instruments shall be signed by an Assistant Treasurer appointed by the President.

**Section 15.5. Deposits.**

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

**Section 15.6. Gifts.**

The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

**Section 15.7. Voting Securities.**

All securities owned by the Corporation and having voting power in any other corporation shall be voted by the President or Vice President, unless the Board designates such other officer to vote any such securities. Any person authorized to vote a security shall have power to appoint proxies, with general power of substitution.

**ARTICLE 16 – CORPORATE RECORDS AND CALENDAR**

**Section 16.1. Corporate Records.**

The Corporation shall keep (a) an original or duplicate record of the proceedings of the Board, (b) the original or a copy of its Bylaws, including all amendments thereto to date, certified by the Secretary of the Corporation, and (c) appropriate, complete, and accurate books or records of account, at its registered office or at its principal place of business.

**Section 16.2. Accounting Records.**

The Corporation shall also keep appropriate, complete, and accurate books or records of account. The records provided for herein shall be kept at its principal place of business in the Commonwealth of Pennsylvania, or at its principal place of business, wherever situated.



THE WEST CHESTER UNIVERSITY FOUNDATION  
BOARD OF TRUSTEES  
2008-2009

**Ms. Paula D. Shaffner, Esq. '80**  
**President**  
Stradley Ronon Stevens & Young, LLP  
2600 One Commerce Square  
Philadelphia, PA 19103  
Office: 215-564-8761  
e-mail: [pshaffner@stradley.com](mailto:pshaffner@stradley.com)

**Mr. John J. Ciccarone**  
**Vice President**  
President, Omega Industries  
908 Sheridan Drive  
West Chester, PA 19382  
Office: 610-692-3069  
e-mail: [parkwayjic@aol.com](mailto:parkwayjic@aol.com)

**Mr. Keith E. Beale '77**  
**Treasurer**  
Vice President for Finance (ret.)  
Verizon  
1367 Cinnamon Drive  
Fort Washington, PA 19034  
Home: 215-646-7858  
e-mail: [Kbeale1@verizon.net](mailto:Kbeale1@verizon.net)

**Dr. Sandra F. Mather '64, '68**  
**Secretary**  
Professor of Geology (ret.)  
West Chester University of PA  
13 Roosevelt Way  
Avondale, PA 19311  
Home: 610-268-5442

**Mr. Thomas A. Fillippo '69**  
**Council of Trustees Representative**  
**President**  
Devault Foods  
Devault Lane  
Devault, PA 19432  
Office: 610-644-2536  
Fax: 610-644-2631  
e-mail: [tomf@devaultfoods.com](mailto:tomf@devaultfoods.com)

**Mr. Richard Przywara**  
**Executive Director**  
West Chester University of PA  
Filano Hall 102  
West Chester, PA 19383  
Office: 610-436-2868  
Fax: 610-436-2606  
e-mail: [rprzywara@wcupa.edu](mailto:rprzywara@wcupa.edu)

**Mr. Francis P. Branca '70**  
President, Branca-Rampart Agency, Inc.  
2308 Sandhurst Drive  
Jamison, PA 18929  
Home: 267-483-5603  
Office: 267-880-0900  
e-mail: [frank.branca@rampartlife.com](mailto:frank.branca@rampartlife.com)

**Dr. Matthew Bricketto**  
Vice President for Student  
Affairs  
West Chester University of PA  
Sykes Student Union Building 241  
West Chester, PA 19383  
Office: 610-436-3301  
Fax: 610-436-2480  
e-mail: [mbricketto@wcupa.edu](mailto:mbricketto@wcupa.edu)

**Dr. Diane Casagrande**  
Professor of Communication Studies (ret.)  
2382 Pheasant Hill  
Malvern, PA 19355  
Home: 610-644-4275  
e-mail: [doc2382@verizon.net](mailto:doc2382@verizon.net)

**Ms. Jane B. Fontaine '74**  
Certified Financial Planner  
J.B. Fontaine & Associates-AXA  
1721 SE 16<sup>th</sup> Avenue, Suite 103  
Ocala, FL 34471-4641  
Office: 352-622-9090  
e-mail: [Jane.Fontaine@axa-advisors.com](mailto:Jane.Fontaine@axa-advisors.com)

**Mr. Christopher Franklin '87**  
Regional President, Southern Operations  
Aqua America, Inc.  
762 Lancaster Avenue  
Bryn Mawr, PA 19010-3489  
Office: 610-645-1081  
e-mail: [chfranklin@aquamerica.com](mailto:chfranklin@aquamerica.com)

**Dr. John A. Gontarz**  
IT/Manufacturing Manager (ret.)  
ICI  
546 Chesterville Road  
Landenberg, PA 19350-1575  
Home: 610-255-4255  
e-mail: [Gontarzj1@verizon.net](mailto:Gontarzj1@verizon.net)

**Mr. Robert V. A. Harra, Jr.**  
President  
Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, DE 19890-0001  
Office: 302-651-1212  
e-mail: [rharra@wilmingtontrust.com](mailto:rharra@wilmingtontrust.com)

**Dr. David P. Holveck '68**  
President and CEO  
Endo Pharmaceuticals  
100 Endo Boulevard  
Chadds Ford, PA 19317  
Office: 484-840-4123  
e-mail: [holveck.dave@endo.com](mailto:holveck.dave@endo.com)

**Dr. Linda Lamwers**  
Interim President  
West Chester University of PA  
Phillips Memorial Building 1<sup>st</sup> Floor  
West Chester, PA 19383  
Office: 610-436-2471  
Fax: 610-436-3115  
e-mail: [llamwers@wcupa.edu](mailto:llamwers@wcupa.edu)

**Mr. Jorge A. Leon '81**  
Sr. Managing Executive Officer  
Aozora Bank, Ltd.  
Tokyo, Japan  
3-1, Kudan-minami 1-chome  
Chiyoda-ku, Tokyo 102-8660, Japan  
e-mail: [jorgealeon@comcast.net](mailto:jorgealeon@comcast.net)

**Mr. James E. McErlane**  
Senior Partner  
Lamb, Windle & McErlane, P.C.  
24 East Market Street  
P. O. Box 565  
West Chester, PA 19381-0565  
Office: 610-430-8000  
Fax: 610-692-0877  
e-mail: [jmcerlane@chescolaw.com](mailto:jmcerlane@chescolaw.com)

**Mr. Gustave C. Meyer '66**  
Owner/Operator  
Water World Pool Services, Inc.  
655 Schuylkill Road  
Phoenixville, PA 19460  
Office: 610-935-1290  
e-mail: [swim@waterworldrec.com](mailto:swim@waterworldrec.com)

**Mr. Ray Mincarelli**  
President of Commercial Real Estate and  
Construction Lending Division  
First Priority Bank  
2 West Liberty Blvd., Suite 104  
Malvern, PA 19355  
Office: 484-527-4010  
e-mail: [rmincarelli@fpbk.com](mailto:rmincarelli@fpbk.com)

**Mr. Mark P. Mixner**  
Vice President for Administration and  
Finance  
West Chester University of PA  
Phillips Memorial Building 2<sup>nd</sup> Floor  
West Chester, PA 19383  
Office: 610-436-2731  
Fax: 610-436-0314  
e-mail: [mmixner@wcupa.edu](mailto:mmixner@wcupa.edu)

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/17/2008

PRODUCER (610)696-2394 FAX: (610)436-9675

Arthur Hall Insurance  
101 East Chestnut Street  
P.O. Box 512  
West Chester PA 19381-0512

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	PA National Mutual Cas	14990
INSURER B:	Federal Ins Co	20281
INSURER C:		
INSURER D:		
INSURER E:		

INSURED  
West Chester University Foundation  
Attn: Teresa John  
P.O. Box 541  
West Chester PA 19381

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A			GENERAL LIABILITY	BP90618114	9/21/2008	9/21/2009	EACH OCCURRENCE \$ 1,000,000
			<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000
			<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC
A			AUTOMOBILE LIABILITY	BP90618114	9/21/2008	9/21/2009	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
			<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
			<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
			<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
<input checked="" type="checkbox"/> NON-OWNED AUTOS							
			GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
			<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
							AUTO ONLY: AGG \$
A			EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$
			<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
			<input type="checkbox"/> DEDUCTIBLE				\$
			<input type="checkbox"/> RETENTION \$				\$
							\$
A			WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC9061811404	9/21/2008	9/21/2009	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER \$
			ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				E.L. EACH ACCIDENT \$ 100,000
							E.L. DISEASE - EA EMPLOYEE \$ 100,000
B			OTHER Directors & Officers	81796981	10/30/2008	10/30/2009	E.L. DISEASE - POLICY LIMIT \$ 500,000
							Aggregate 5,000,000
Occurrence 5,000,000							

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

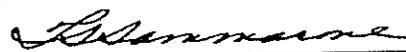
## CERTIFICATE HOLDER

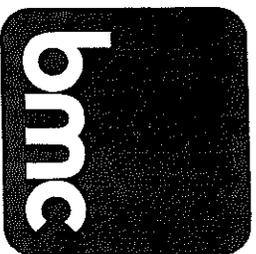
WCU Council of Trustees

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

T. S. Sammarone, CIC, 



*West Chester University Foundation and  
Subsidiary*

Financial Report

June 30, 2008



## Independent Auditor's Report

To the Board of Trustees  
West Chester University Foundation and Subsidiary

We have audited the accompanying consolidated statement of financial position of West Chester University Foundation and Subsidiary (a nonprofit organization) as of June 30, 2008, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the Foundation's 2007 financial statements and, in our report dated August 31, 2007, 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 consolidated 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 our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of West Chester University Foundation and Subsidiary as of June 30, 2008, 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.

*Beard Miller Company LLP*

Beard Miller Company LLP  
Malvern, Pennsylvania  
September 8, 2008

# West Chester University Foundation and Subsidiary

## Consolidated Statement of Activities Year Ended June 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2008</u>	<u>2007</u> (Summarized)
<b>Public Support and Revenue</b>					
Public support:					
Contributions	\$ 195,204	\$4,370,523	\$456,407	\$ 5,022,134	\$ 3,491,286
Fundraising events	-	149,081	-	149,081	86,436
Contributions, noncash	807,781	249,867	-	1,057,648	1,281,858
<b>Total Public Support</b>	<u>1,002,985</u>	<u>4,769,471</u>	<u>456,407</u>	<u>6,228,863</u>	<u>4,859,580</u>
Revenue:					
Rental	5,589,622	-	-	5,589,622	5,260,712
Investment income	951,102	79,926	-	1,031,028	395,457
Net gains (loss) on investments	-	(167,288)	-	(167,288)	168,141
Other income	600	-	-	600	50,000
Miscellaneous revenue	569,479	-	-	569,479	188,832
Change in fair value of interest rate swap asset/liability	(2,606,476)	-	-	(2,606,476)	(921,905)
Change in net present value of split-interest agreements	-	2,195	-	2,195	(8,063)
Net assets released from restriction	4,260,829	(4,260,829)	-	-	-
<b>Total Revenue</b>	<u>8,765,156</u>	<u>(4,345,996)</u>	<u>-</u>	<u>4,419,160</u>	<u>5,133,174</u>
<b>Total Public Support and Revenue</b>	<u>9,768,141</u>	<u>423,475</u>	<u>456,407</u>	<u>10,648,023</u>	<u>9,992,754</u>
<b>Distributions and Expenses</b>					
Distributions to West Chester University	4,260,829	-	-	4,260,829	2,840,651

See notes to consolidated financial statements.

# *West Chester University Foundation and Subsidiary*

## Statement of Cash Flows

Year Ended June 30, 2008

	2008	2007
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	(\$1,705,073)	(\$ 550,990)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	1,668,863	1,667,928
Amortization of deferred financing costs	38,985	27,916
Net realized and unrealized (gains) loss on investments	167,288	(168,141)
Bad debts	77,218	102,757
Change in fair value of derivative financial instrument	2,606,476	921,905
(Increase) decrease in assets:		
Contributions receivable	(480,993)	(188,069)
Accounts receivable	(149,381)	(65,797)
Other assets	(1,787)	(189,875)
Split interest agreement	(27,819)	61,757
Increase (decrease) in liabilities:		
Accounts payable	3,040,881	27,041
Other accrued liabilities	286,162	88,125
Due to West Chester University	(84,930)	(2,219)
<b>Net Cash Provided by Operating Activities</b>	<u>5,435,890</u>	<u>1,732,338</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of investments	(826,639)	(1,666,557)
Purchase of property and equipment	(17,020,059)	-
Proceeds from sale of investments	681,938	1,032,446
<b>Net Cash Used in Investing Activities</b>	<u>(17,164,760)</u>	<u>(634,111)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from line of credit	-	60,000
Payments on note payable	-	(359,751)
Payment on bonds payable	(235,000)	(180,000)
Proceeds from bond issuance	100,340,000	-
Payment on line of credit	(120,000)	-
Bond issuance costs	(1,542,252)	-
<b>Net Cash Provided by (Used in) Financing Activities</b>	<u>98,442,748</u>	<u>(479,751)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	86,713,878	618,476
<b>Cash and Cash Equivalents - Beginning</b>	<u>6,207,503</u>	<u>5,589,027</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$92,921,381</u>	<u>\$6,207,503</u>
<b>Supplemental Information</b>		
Interest paid	<u>\$ 2,362,099</u>	<u>\$1,480,563</u>
<b>Supplemental Disclosure of Noncash Investing Activities</b>		
Transfer of assets from merger of the Fund of West Chester University and the West Chester University Foundation	<u>\$ -</u>	<u>\$ 741,600</u>

*See notes to consolidated financial statements.*

# ***West Chester University Foundation and Subsidiary***

---

## **Notes to Consolidated Financial Statements**

June 30, 2008

### **Note 1 - Significant Accounting Policies (Continued)**

#### **Basis of Presentation (Continued)**

**Temporarily Restricted Net Assets** - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

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

#### **Uses of Estimates**

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

#### **Income Tax Status**

The Foundation and USH qualify as non-profit organizations under Section 501(c)(3) of the Internal Revenue Code and therefore, are not subject to income tax.

#### **Cash and Cash Equivalents**

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

#### **Investments**

The Foundation follows Statement of Financial Accounting Standards (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 valued at their fair values based on quoted market values in the statements of financial position. Unrealized gains and losses are included in the consolidated statement of activities.

#### **Contributions Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Management has provided for an allowance for uncollectible contributions receivable based upon a periodic review of individual contributions.

# ***West Chester University Foundation and Subsidiary***

## **Notes to Consolidated Financial Statements**

June 30, 2008

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Derivative Financial Instruments**

USH has entered into interest rate swap agreements, which are considered derivative financial instruments, to manage interest rate exposure on the Series 2003 and 2008 Bonds payable. The interest rate swap agreements are reported at fair value in the consolidated statement of financial position, and related changes in fair value are reported in the current period in the consolidated statement of activities.

#### **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 either temporarily or permanently restricted support. Temporarily restricted assets are reclassified to unrestricted net assets upon satisfaction of applicable purpose or time restrictions.

#### **Rental Revenue**

Rental revenue from operating, managing and maintaining student housing facilities is recognized when services are performed.

#### **Donated Materials and Services**

Donated materials and services are reflected as contributions at their estimated value at the date of receipt and reflected in the statement of activities.

#### **Concentration of Credit Risk**

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist primarily of cash and cash equivalents, investments, receivables, and amounts receivable pertaining to interest rate swap agreements. The investments are managed by professional investment managers. The degree and concentration of credit risk varies by the type of investment. Receivables result primarily from rent and unconditional promises to give, most of which are from individuals, most of whom reside in the local area of the University.

The Foundation maintains cash balances in major financial institutions in excess of the \$100,000 federally insured limit by the Federal Deposit Insurance Corporation (FDIC). The Foundation has not experienced any losses and believes it is not exposed to any significant credit risk with cash equivalents. Credit risk pertaining to interest rate swap agreements is described in Note 14.

#### **Comparative Information**

The financial statements include certain prior year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with Generally Accepted Accounting Principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

# *West Chester University Foundation and Subsidiary*

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 2 - Restricted Cash (Continued)

The administrative fees accounts are used to pay administrative costs of the student housing facilities.

The general accounts of the bond funds under the Indentures are used to pay debt service.

The replacement fund is to be used for the purpose of constructing or acquiring replacements of real or personal property related to the student housing facilities.

The subordinated expense account is used to pay the subordinated management fee related to the 2003 property management agreement (Note 13). Funds are also used to pay borrower's expenses which include payroll, overhead, professional fees, and administration costs incurred in association with the student housing project.

The prepaid revenue accounts receive advance receipts from the student housing facilities which are then transferred to the various funds based upon the Indenture of Trust Agreements.

Collected rent revenue is distributed to funds in accordance with the terms established by the Indenture of Trust agreements.

The property management account for the Village and University Hall is restricted for payments related to the operations and maintenance of the student housing facilities.

The construction account fund is to be used to pay construction costs of USH's two student housing projects.

The Samuel Barber account is for funds restricted by an agreement with an external donor.

The East Bradford escrow account was required by the Township for the construction of improvements in 2003 and was used for the payment of construction and landscaping costs.

The system fee account is used to pay the Pennsylvania State System of Higher Education fee related to ground lease expenses (see Note 13).

The rent expense accounts are used to pay the base rent of the ground leases (see Note 13).

The endowment account is for funds permanently restricted by external donors that have not been transferred to endowment investments.

The current revenue accounts are to be used for deposits from the current operations of the student housing facilities which are then transferred to various funds based upon the Indenture of Trust Agreements.

The charitable trusts account is used to make distribution to beneficiaries in accordance with the terms and conditions of their respective agreements.

The charitable gift annuities account is used to make distributions to beneficiaries in accordance with the terms and conditions of their respective agreements.

# West Chester University Foundation and Subsidiary

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 4 - Accounts Receivable

USH's accounts receivable are substantially from rent related to the student housing facilities. Management has provided for an allowance for doubtful accounts based upon a percentage of aged receivables and revenue. The allowance for doubtful accounts was \$179,471 and \$128,210 at June 30, 2008 and 2007, respectively.

### Note 5 - Contributions Receivable

Contributions receivable consisted of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Campaign for Excellence	\$1,791,755	\$1,215,483
Corporate giving	26,500	22,000
Special appeals	12,043	38,996
Discount to net present value	(110,670)	(37,844)
Allowance for uncollectible contributions	(110,658)	(88,824)
<b>Total Contributions Receivable, Net</b>	<u>\$1,608,970</u>	<u>\$1,149,811</u>

The following is a schedule of payments less discount and allowance:

	<u>2008</u>	<u>2007</u>
Due in less than one year	\$ 374,939	\$ 553,468
Due in one to five years	1,148,631	596,343
Due in more than five years	85,400	-
	<u>\$1,608,970</u>	<u>\$1,149,811</u>

### Note 6 - Investments

Investments are presented in the financial statements in the aggregate at their fair value. Investments are comprised of the following at June 30:

	<u>2008</u>	<u>2007</u>
Equity funds	\$1,470,360	\$1,471,783
Fixed income funds	1,009,107	919,904
	<u>\$2,479,467</u>	<u>\$2,391,687</u>

Investment management fees charged to operations were \$9,906 and \$9,375 for the years ended June 30, 2008 and 2007, respectively.

# *West Chester University Foundation and Subsidiary*

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 9 - Bonds Payable

On August 1, 2003, USH entered into a loan agreement with Chester County Industrial Development Authority ("CCIDA"), in which CCIDA lent the proceeds of a \$42,305,000 Series 2003 Student Housing Revenue Bond to USH for the construction of student housing facilities (the "Project"); funding of capitalized interest and other bond-issuance related costs; and funding a debt service reserve fund. Among other matters, the loan agreement contains a rate covenant in which USH will provide Income Available for Debt Service in each fiscal year which is at least equal to 120% of the Debt Service Requirement.

USH is also subject to the terms contained in the Indenture of Trust dated August 1, 2003, as amended January 31, 2005 and March 24, 2008, between CCIDA and Wilmington Trust Company (the "Trustee"). Among other matters, the significant terms of the Indenture of Trust are:

The maturity date of the bonds is August 1, 2035, subject to prior redemption, as outlined below:

- Interest is payable, at the direction of USH, based on three alternatives: weekly rate; commercial paper rate; or long-term rate. USH has retained the services of a bond re-marketing agent to perform such calculations and provide consulting services to USH.
- Although the bonds mature August 1, 2035, redemption prior to maturity can occur under the following conditions:
  - If the Project is sold or disposed of;
  - If the Project incurs property damage in excess of \$100,000; and
  - As mutually agreed by certain parties, as defined in the Indenture of Trust.

Under the terms of the Indenture of Trust, the Trustee deposited the bond proceeds into various restricted cash accounts to be used primarily to fund Project construction costs, capitalized interest, letter of credit fees and the debt service reserve fund. Project cash flows from operations are deposited into funds as provided for in the Indenture of Trust.

Citizens Bank of Pennsylvania ("Citizens") issued a direct pay letter of credit in favor of the Trustee to provide credit and liquidity support for the USH 2003 Project. The current letter of credit expires on August 19, 2013. The Project and its revenues are pledged as collateral to secure USH's reimbursement obligations to Citizens as the credit provider to the Project. USH pays a letter of credit fee based on the face amount of the letter of credit calculated at 0.6% rate on a quarterly basis. At June 30, 2008 USH had \$42,578,603 committed under outstanding letter of credit.

USH on August 19, 2003, as amended January 31, 2005, September 27, 2005 and March 24, 2008, entered into a credit and security agreement (the "facility agreement") with Citizens. USH's reimbursement obligations to Citizens are described in the facility agreement.

# West Chester University Foundation and Subsidiary

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 9 - Bonds Payable (Continued)

In connection with the above-described transaction, USH, on March 1, 2008, entered into a credit and security agreement (the "facility agreement") with Citizens. USH's reimbursement obligations are described in the facility agreement.

The facility agreement contains various affirmative and negative covenants, the most significant of which are USH maintaining a fixed charge coverage ratio, as defined in the facility agreement, or 1:20:1.0; and meeting an occupancy rate requirement of at least 90%, tested twice during the school year. The fixed charge coverage ratio is effective June 30, 2010 and annually thereafter.

Annual scheduled principal payments, based on provisions outlined in the facility agreements, are as follows as of June 30, 2008:

	<u>Series 2003 Amount</u>	<u>Series 2008 Amount</u>	<u>Total</u>
2009	\$ 305,000	\$ -	\$ 305,000
2010	440,000	575,000	1,015,000
2011	510,000	485,000	995,000
2012	585,000	640,000	1,225,000
2013	665,000	810,000	1,475,000
Thereafter	<u>39,385,000</u>	<u>97,830,000</u>	<u>137,215,000</u>
	<u>\$41,890,000</u>	<u>\$100,340,000</u>	<u>\$142,230,000</u>

### Note 10 - Pension Plan

During 2006, the Foundation established a defined contribution pension plan and a tax-deferred annuity pension plan under Internal Revenue Code Section 403(b). All employees of the Foundation are eligible to participate that work a minimum of 20 hours per week. The Foundation provides contributions of 9.29% of compensation under the defined contribution plan. Employee contributions are made on a tax-deferred basis up to the statutory limits under the deferred annuity plan. Funding vehicles are established for each participant individually for both plans through either the Teacher Insurance and Annuity Association ("TIAA") or the College Retirement Equities Fund ("CREF").

Pension expense amounted to \$70,044 and \$27,202 for the years ended June 30, 2008 and 2007, respectively.

### Note 11 - Net Assets Released from Restriction

Net assets of \$4,260,829 and \$2,840,651 were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by donors during the year ended June 30, 2008 and 2007, respectively.

# *West Chester University Foundation and Subsidiary*

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 13 - Commitments (Continued)

#### Ground Leases (Continued)

At June 30, 2008, future aggregate minimum lease payments due under the leases are as follows:

	<u>2003 Lease</u>	<u>2008 Lease</u>
Year ending June 30:		
2009	\$ 56,275	\$ -
2010	57,964	7,058
2011	59,703	7,270
2012	61,494	7,488
2013	63,339	7,712
Thereafter	<u>2,002,596</u>	<u>598,976</u>
<b>Total</b>	<u><u>\$2,301,371</u></u>	<u><u>\$628,504</u></u>

Rent expense under the ground leases totaled \$105,121 and \$103,505 at June 30, 2008 and 2007, respectively.

#### Office Lease

In July 2005, the Foundation entered into a two-year lease agreement with the University to lease certain office space and equipment where the Foundation operates. The terms of the lease were renewed in July 2007 and July 2008. The annual rent for fiscal year ending June 30, 2009 will be \$24,720.

Rent expense totaled \$24,000 at June 30, 2008 and 2007.

#### Property Management Agreement

In August 2003, as amended in 2006 and 2008, USH entered into a property management agreement with an unrelated third party to manage, operate and maintain the student housing facilities known as the Village and University Hall, commencing in August 2004. USH is to pay a senior management fee equal to 3.25% for 2007 and 2008, as that term is defined in the agreement, and a subordinated management fee equal to 1.5% of gross revenue. The senior management fee was \$180,080 and \$170,412 at June 30, 2008 and 2007, respectively. The subordinated management fee was \$83,114 and \$77,760 at June 30, 2008 and 2007, respectively. The term of the agreement expires December 31, 2008.

# West Chester University Foundation and Subsidiary

## Notes to Consolidated Financial Statements

June 30, 2008

### Note 14 - Interest Rate Swaps (Continued)

USH had the following interest rate swaps in effect at June 30, 2008:

Related Bond Issue	Series 2008	Series 2008	Series 2003	Series 2003
Counterparty	MKFP	Citizens	Citizens	Citizens
Notional amount	\$50,170,000 *	\$50,170,000 *	\$41,890,000	\$41,585,000
Fixed rate to be paid by USH	3.6825% until August 2018; 3.55% thereafter	3.4175%	3.4%	4.08%
Terms	April 2008 - February 2043	April 2008 - August 2018	August 2003 - August 2008	August 2008 - August 2018
Fair value as of June 30, 2007	N/A	N/A	\$116,684	\$(41,749)
Fair value as of June 30, 2008	\$(724,298)	\$173,701	\$(129,798)	\$(1,851,146)

\* The \$50,170,000 swap notional amount represents half of the Series 2008 bond issue and amortizes accordingly until August 1, 2018. On that date the notional amount increases on the swap with MKFP to \$90,835,000, which represents the entire principal amount outstanding at that time of the Series 2008 bond issue. The swap with MKFP continues to amortize in accordance with the Series 2008 bonds until final maturity in February 2043.

The fair value of the swap agreements is estimated to be the amount that USH would pay or receive to terminate the swap agreements at the reporting date and was based on information supplied by Citizens and MKFP.

Under the interest rate swap contract, USH will receive a variable rate based on either the Securities Industry and Financial Markets Association (SIFMA) index or 70% of the London Interbank Offered Rate (LIBOR). The floating rate received from the swap counterparty and the rate at which the variable rate bonds remarket may not be the same; thus, USH is exposed to basis risk. Basis risk exists if USH's bonds remarket at an interest rate that is higher than the floating swap receipt, which is the floating rate received from the swap counterparties.

# ***West Chester University Foundation and Subsidiary***

## **Notes to Consolidated Financial Statements**

June 30, 2008

### **Note 17 - Related Party Transactions**

#### **West Chester University**

The Foundation receives contributed services from the University. The Foundation recorded donated revenue in the amount of \$807,781 and \$1,134,139 at June 30, 2008 and 2007, respectively, primarily related to payment of operational and administrative expenses.

On April 4, 2006, USH entered into a \$2,000,000 line-of-credit agreement with the University, bearing interest at the rate of 6%. Principal and accrued interest were paid in full during fiscal 2008 as Series 2008 Bonds were issued in March 2008 for the student housing project.

On July 1, 2005, USH signed a promissory note agreement with the University. The principal of the note amounted to \$533,896 and represented advances received from the University in prior years. The balance of \$359,751 was paid in full during fiscal 2007.

The net amount due from the University was \$26,868 at June 30, 2008 and the net amount due to the University was \$178,062 at June 30, 2007.

The Foundation has contracts to provide development services with various departments of the University. Amounts received by the Foundation for these contracts totaled \$540,681 and \$188,082 at June 30, 2008 and 2007, respectively.

During fiscal year 2008 and 2007, the Foundation received noncash gifts in the amount of \$249,867 and \$147,719, respectively. These gifts were in the form of certain services (primarily printing), equipment and artwork donated to the Foundation. The donated equipment and artwork were transferred to the University during the year.

Contributions to the University totaled \$16,570 and \$55,210 at June 30, 2008 and 2007, respectively.

The Foundation has been established to advance the charitable, educational, and scientific purposes of WCU as defined by the President of WCU. Terms of this relationship are defined in the Memorandum of Understanding between the University and the Foundation. The Foundation receives gifts on behalf of the University and then transfers to the University.

The Foundation held the Presidential Gala of which net proceeds transferred to the President's scholarship.

The Foundation manages unrestricted funds of the five Colleges of the University.

The Foundation performs administrative work on behalf of the WC Statistics Institute and WC GeoScience Institute.

On behalf of the WCU Poetry Center, the Foundation purchased a trademark and paid the legal expenses for the formation of a new foundation related to the Poetry Center, named Aralia Foundation.

The Foundation has fundraising and staff contracts with the University totaling \$494,335 at June 30, 2008.

## Independent Auditor's Report on Supplementary Information

To the Board of Trustees  
West Chester University Foundation and Subsidiary

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The June 30, 2008 and 2007 consolidating information is presented for the purpose of additional analysis of the basic consolidated financial statements rather than to present the financial position and results of operations of the individual organizations. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

*Beard Miller Company LLP*

Beard Miller Company LLP  
Malvern, Pennsylvania  
September 8, 2008

# West Chester University Foundation and Subsidiary

## Consolidating Statement of Financial Position

Year Ended June 30, 2007

(See Auditor's Report on Supplementary Information)

	West Chester University Foundation	University Student Housing, LLC	Eliminating/ Reclass Entries	Total 2007
<b>Assets</b>				
Cash and cash equivalents	\$ 217,935	\$ 5,989,568	\$ -	\$ 6,207,503
Accounts receivable	2,375	115,910	-	118,285
Contributions receivable	1,149,811	-	-	1,149,811
Investments	2,391,687	-	-	2,391,687
Property and equipment	-	34,755,620	-	34,755,620
Deferred financing costs	-	783,971	-	783,971
Other assets	9,570	284,003	-	293,573
Due from University Student Housing	815,745	-	(815,745)	-
Interest rate swap asset	-	74,935	-	74,935
Split-interest agreements	1,379,409	-	-	1,379,409
<b>Total Assets</b>	<b>\$ 5,966,532</b>	<b>\$ 42,004,007</b>	<b>\$ (815,745)</b>	<b>\$ 47,154,794</b>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 8,057	\$ 733,546	\$ (471,710)	\$ 269,893
Other accrued liabilities	270,405	200,612	-	471,017
Line of credit, West Chester University	-	120,000	-	120,000
Due to West Chester University Foundation	-	344,035	(344,035)	-
Due to West Chester University	(26,644)	84,706	-	58,062
Bonds payable	-	42,125,000	-	42,125,000
<b>Total Liabilities</b>	<b>251,818</b>	<b>43,607,899</b>	<b>(815,745)</b>	<b>43,043,972</b>
<b>Net Assets</b>				
Unrestricted	(40,882)	(1,603,892)	471,710	(1,173,064)
Temporarily Restricted	3,592,321	-	(471,710)	3,120,611
Permanently Restricted	2,163,275	-	-	2,163,275
<b>Total Net Assets</b>	<b>5,714,714</b>	<b>(1,603,892)</b>	<b>-</b>	<b>4,110,822</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,966,532</b>	<b>\$ 42,004,007</b>	<b>\$ (815,745)</b>	<b>\$ 47,154,794</b>

# West Chester University Foundation and Subsidiary

## Consolidating Statement of Activities

Year Ended June 30, 2007

(See Auditor's Report on Supplementary Information)

	West Chester University Foundation				University Student Housing, LLC		Eliminating/ Reclass Entries	Consolidated			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Total		Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2007
<b>Public Support and Revenues</b>											
Public Support:											
Contributions	\$ 239,166	\$ 3,178,896	\$ 544,934	\$ 3,962,996	\$ -	\$ -	\$ (471,710)	\$ 239,166	\$ 2,707,186	\$ 544,934	\$ 3,451,286
Fundraising events	-	86,436	-	86,436	-	-	-	-	86,436	-	86,436
Contributions, non-cash	1,134,139	147,719	-	1,281,858	-	-	-	1,134,139	147,719	-	1,281,858
<b>Total Public Support</b>	<b>1,373,305</b>	<b>3,413,051</b>	<b>544,934</b>	<b>5,331,290</b>	<b>-</b>	<b>-</b>	<b>(471,710)</b>	<b>1,373,305</b>	<b>2,941,341</b>	<b>544,934</b>	<b>4,859,580</b>
Revenue:											
Rental	-	-	-	-	5,260,712	5,260,712	-	5,260,712	-	-	5,260,712
Investment income	12,490	104,629	-	117,119	278,338	278,338	-	290,828	104,629	-	395,457
Net gain/loss on investments	-	168,141	-	168,141	-	-	-	-	168,141	-	168,141
Other income	50,000	-	-	50,000	-	-	-	50,000	-	-	50,000
Miscellaneous revenue	188,832	-	-	188,832	-	-	-	188,832	-	-	188,832
Change in fair value of interest rate swap asset/liability	-	-	-	-	(921,905)	(921,905)	-	(921,905)	-	-	(921,905)
Change in net present value of split interest	-	(8,063)	-	(8,063)	-	-	-	-	(8,063)	-	(8,063)
Net assets released from restriction	2,840,651	(2,840,651)	-	-	-	-	-	2,840,651	(2,840,651)	-	-
<b>Total Revenue</b>	<b>3,091,973</b>	<b>(2,575,944)</b>	<b>-</b>	<b>516,029</b>	<b>4,617,145</b>	<b>4,617,145</b>	<b>-</b>	<b>7,709,118</b>	<b>(2,575,944)</b>	<b>-</b>	<b>5,133,174</b>
<b>Total Public Support and Revenue</b>	<b>\$ 4,465,278</b>	<b>\$ 837,107</b>	<b>\$ 544,934</b>	<b>\$ 5,847,319</b>	<b>\$ 4,617,145</b>	<b>\$ 4,617,145</b>	<b>\$ (471,710)</b>	<b>\$ 9,082,423</b>	<b>\$ 365,397</b>	<b>\$ 544,934</b>	<b>\$ 9,992,754</b>
<b>Distributions and Expenses</b>											
Distributions to West Chester University	\$ 2,840,651	\$ -	\$ -	\$ 2,840,651	\$ -	\$ -	\$ -	\$ 2,840,651	\$ -	\$ -	\$ 2,840,651
Expenses:											
Other rental operating	24,000	-	-	24,000	1,255,895	1,255,895	-	1,279,895	-	-	1,279,895
Salaries and benefits	1,109,003	-	-	1,109,003	573,373	573,373	-	1,682,376	-	-	1,682,376
Advertising/marketing	3,370	-	-	3,370	17,975	17,975	-	21,345	-	-	21,345
Bad debt expense	37,924	-	-	37,924	64,833	64,833	-	102,757	-	-	102,757
Letter of credit/bank fees	4,511	-	-	4,511	290,553	290,553	-	295,064	-	-	295,064
Consulting/professional services	92,975	-	-	92,975	47,230	47,230	-	140,205	-	-	140,205
Depreciation	-	-	-	-	1,667,928	1,667,928	-	1,667,928	-	-	1,667,928
Dues and subscriptions	26,872	-	-	26,872	-	-	-	26,872	-	-	26,872
Food	198,539	-	-	198,539	295	295	-	198,834	-	-	198,834
Insurance	11,374	-	-	11,374	88,062	88,062	-	99,436	-	-	99,436
Interest	-	-	-	-	1,459,238	1,459,238	-	1,459,238	-	-	1,459,238
Amortization of deferred financing fees	-	-	-	-	27,916	27,916	-	27,916	-	-	27,916
Legal	10,940	-	-	10,940	1,609	1,609	-	12,549	-	-	12,549
Audit	22,000	-	-	22,000	17,500	17,500	-	39,500	-	-	39,500
Management fee	-	-	-	-	248,172	248,172	-	248,172	-	-	248,172
Fundraising	74,017	-	-	74,017	-	-	-	74,017	-	-	74,017
Contributions	56,810	-	-	56,810	471,710	471,710	(471,710)	56,810	-	-	56,810
Miscellaneous	39,176	-	-	39,176	6,545	6,545	-	45,721	-	-	45,721
Postage	39,536	-	-	39,536	-	-	-	39,536	-	-	39,536
Printing	84,821	-	-	84,821	-	-	-	84,821	-	-	84,821
Scholarships	18,783	-	-	18,783	-	-	-	18,783	-	-	18,783
Supplies	26,020	-	-	26,020	-	-	-	26,020	-	-	26,020
Telephone	6,931	-	-	6,931	-	-	-	6,931	-	-	6,931
Travel	48,367	-	-	48,367	-	-	-	48,367	-	-	48,367
<b>Total Expenses</b>	<b>1,935,969</b>	<b>-</b>	<b>-</b>	<b>1,935,969</b>	<b>6,238,834</b>	<b>6,238,834</b>	<b>(471,710)</b>	<b>7,703,093</b>	<b>-</b>	<b>-</b>	<b>7,703,093</b>
<b>Total Distributions and Expenses</b>	<b>\$ 4,776,620</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,776,620</b>	<b>\$ 6,238,834</b>	<b>\$ 6,238,834</b>	<b>\$ (471,710)</b>	<b>\$ 10,543,744</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,543,744</b>
<b>Change in Net Assets</b>	<b>\$ (311,342)</b>	<b>\$ 837,107</b>	<b>\$ 544,934</b>	<b>\$ 1,070,699</b>	<b>\$ (1,621,689)</b>	<b>\$ (1,621,689)</b>	<b>\$ -</b>	<b>\$ (1,461,321)</b>	<b>\$ 365,397</b>	<b>\$ 544,934</b>	<b>\$ (550,990)</b>
<b>Other Changes</b>											
Transfer	275,000	-	-	275,000	(275,000)	(275,000)	-	-	-	-	-
Merged net assets	-	-	741,600	741,600	-	-	-	-	-	741,600	741,600
Net Assets - Beginning	(4,540)	2,755,214	876,741	3,627,415	292,797	292,797	-	288,257	2,755,214	876,741	3,920,212
<b>Net Assets - Ending</b>	<b>\$ (40,862)</b>	<b>\$ 3,592,321</b>	<b>\$ 2,163,275</b>	<b>\$ 5,714,714</b>	<b>\$ (1,603,892)</b>	<b>\$ (1,603,892)</b>	<b>\$ -</b>	<b>\$ (1,173,064)</b>	<b>\$ 3,120,611</b>	<b>\$ 2,163,275</b>	<b>\$ 4,110,822</b>