MERCYHURST UNIVERSITY

FEDERAL FORM 990

May 31, 2011

IRS Public Inspection Rules

M. Public Inspection of Returns, etc.

Through the IRS

Use Form 4506-A to request:

- A copy of an exempt or political organization's return, report, notice, or exemption application;
- An inspection of a return, report, notice, or exemption application at an IRS office.

The IRS can provide copies of exempt organization returns on a compact disk (CD-ROM). Requesters can order the complete set (all Forms 990 and 990-EZ or all Forms 990-PF filed for a year) or a partial set by state or by month. For more information on the cost and how to order CD-ROMs, call the TEGE Customer Account Services toll-free number (1-877-829-5500) or write to the IRS in Cincinnati, OH at the address in *General Instruction A.*

The IRS may not disclose portions of an exemption application relating to any trade secrets, etc. See the instructions for Schedule B (Form 990, 990-EZ, or 990-PF) that discuss the disclosure of that schedule.

You can only request Forms 990 or 990-EZ for section 527 organizations for tax years beginning after June 30, 2000.

You may inspect a return, report, notice, or exemption application at an IRS office free of charge. You may also obtain a copy of these items through the organization as discussed in the following section.

Through the organization

Public inspection and distribution of returns and reports for a political organization. Section 527 political organizations required to file Form 990, or Form 990-EZ, must, in general, make their Form 8871, 8872, 990, or 990-EZ available for public inspection in the same manner as annual information returns of section 501(c) organizations and 4947(a)(1) nonexempt charitable trusts are made available. See the public inspection rules for "tax-exempt organizations" below. Generally, Form 8871 and Form 8872 are available for inspection and printing from the Internet. The website address for both of these forms is *http://eforms.irs.gov*.

Note that a section 527 political organization (and an organization filing Form 990-PF) must disclose their Schedule B (Form 990, 990-EZ, or 990-PF), Schedule of Contributors. See the instructions for Schedule B.

The penalties discussed in *General Instruction K* also apply to section 527 political organizations (Rev. Rul. 2000-49, 2000-44 I.R.B. 430).

Public inspection and distribution of applications for tax exemption and annual information returns of tax-exempt organizations. Under Regulations sections 301.6104(d)-1 through 301.6104(d)-3, a tax-exempt organization must:

- Make its application for recognition of exemption and its annual information returns available for public inspection without charge at its principal, regional and district offices during regular business hours.
- Make each annual information return available for a period of 3 years beginning on the date the return is required to be filed (determined with regard to any extension of time for filing) or is actually filed, whichever is later.
- Provide a copy without charge, other than a reasonable fee for reproduction and actual postage costs, of all or any part of any application or return required to be made available for public inspection to any individual who makes a request for such copy in person or in writing (except as provided in Regulations sections 301.6104(d)-2 and -3).

Definitions —

Tax-exempt organization is any organization that is described in section 501(c) or (d) and is exempt from taxation under section 501(a). The term tax-exempt organization also includes any section 4947(a)(1) nonexempt charitable trust or nonexempt private foundation that is subject to the reporting requirements of section 6033.

Application for tax exemption includes (except as described later):

- Any prescribed application form (such as Form 1023 or Form 1024),
- All documents and statements the IRS requires an applicant to file with the form,
- Any statement or other supporting document submitted in support of the application, and
- Any letter or other document issued by the IRS concerning the application.

"Application for tax exemption" does not include:

- Any application for tax exemption filed before July 15, 1987, unless the organization filing the application had a copy of the application on July 15, 1987;
- In the case of a tax-exempt organization other than a private foundation, the name and address of any contributor to the organization; or
- Any material that is not available for public inspection under section 6104.

Annual information return includes:

- An exact copy of the Form 990, or Form 990-EZ filed by a tax-exempt organization as required by section 6033.
- Any amended return the organization files with the IRS after the date the original return is filed.

The copy must include all information furnished to the IRS on Form 990, or Form 990-EZ, as well as all schedules, attachments and supporting documents, except for the name and address of any contributor to the organization. See the instructions for Schedule B (Form 990, 990-EZ, or 990-PF).

Annual returns more than 3 years old. An annual information return does not include any return after the expiration of 3 years from the date the return is required to be filed (including any extension of time that has been granted for filing such return) or is actually filed, whichever is later.

If an organization files an amended return, however, the amended return must be made available for a period of 3 years beginning on the date it is filed with the IRS.

Local or subordinate organizations. For rules relating to annual information returns of local or subordinate organizations, see Regulations section 301.6104(d)-1(f)(2).

Regional or district offices. A regional or district office is any office of a tax-exempt organization, other than its principal office, that has paid employees, whether part-time or full-time, whose aggregate number of paid hours a week are normally at least 120.

A site is not considered a regional or district office, however, if—

The only services provided at the site further exempt purposes (such as day care, health care or scientific or medical research); and

The site does not serve as an office for management staff, other than managers who are involved solely in managing the exempt function activities at the site.

Special rules relating to public inspection.

Permissible conditions on public inspection. A tax-exempt organization—

- May have an employee present in the room during an inspection.
- Must allow the individual conducting the inspection to take notes freely during the inspection.
- Must allow the individual to photocopy the document at no charge, if the individual provides photocopying equipment at the place of inspection.

Organizations that do not maintain permanent offices. A tax-exempt organization with no permanent office—

- Must make its application for tax exemption and its annual information returns available for inspection at a reasonable location of its choice.
- Must permit public inspection within a reasonable amount of time after receiving a request for inspection (normally not more than 2 weeks) and at a reasonable time of day.
- May mail, within 2 weeks of receiving the request, a copy of its application for tax exemption and annual information returns to the requester instead of allowing an inspection.
- May charge the requester for copying and actual postage costs only if the requester consents to the charge.

An organization that has a permanent office, but has no office hours, or very limited hours during certain times of the year, must make its documents available during those periods when office hours are limited, or not available, as though it were an organization without a permanent office.

Special rules relating to copies.

Time and place for providing copies in response to requests made in-person. A tax-exempt organization must:

- Provide copies of required documents under section 6104(d) in response to a request made in person at its principal, regional and district offices during regular business hours.
- Provide such copies to a requester on the day the request is made, except for unusual circumstances (see below).

Unusual circumstances. In the case of an in-person request, where unusual circumstances exist so that fulfilling the request on the same business day causes an unreasonable burden to the tax-exempt organization, the organization must provide the copies no later than the next business day following the day that the unusual circumstances cease to exist, or the 5th business day after the date of the request, whichever occurs first.

Unusual circumstances include:

- Requests received that exceed the organization's daily capacity to make copies;
- Requests received shortly before the end of regular business hours that require an extensive amount of copying; or
- Requests received on a day when the organization's managerial staff capable of fulfilling the request is conducting special duties, such as student registration or attending an off-site meeting or convention, rather than its regular administrative duties.

Agents for providing copies. For rules relating to use of agents to provide copies, see Regulations sections 301.6104(d)-1(d)(1) and (2).

Request for copies in writing. A tax-exempt organization must honor a written request for a copy of documents (or the requested part) required under section 6104(d) if the request:

1. Is addressed to, and delivered by mail, electronic mail, facsimile, or a private delivery service, as defined in section 7502(f), to a principal, regional, or district office of the organization; and
2. Sets forth the address to which the copy of the documents should be sent.

Time and manner of fulfilling written requests.

IF the organization	*THEN the organization*
Receives a written request for a copy,	Must mail the copy of the requested documents (or the requested parts) within 30 days from the date it receives the request.

Mails the copy of the requested document,	Is deemed to have provided the copy on the postmark date or private delivery mark (if sent by certified or registered mail, the date of registration or the date of the postmark on the sender's receipt).
Requires payment in advance,	Is required to provide the copies within 30 days from the date it receives payment.
Receives a request or payment by mail,	Is deemed to have received it 7 days after the date of the postmark, absent evidence to the contrary.
Receives a request transmitted by electronic mail or facsimile,	Is deemed to have received it the day the request is transmitted successfully.
Receives a written request without payment or with an insufficient payment, when payment in advance is required,	Must notify the requester of the prepayment policy and the amount due within 7 days from the date of the request's receipt.
Receives consent from an individual making a request,	May provide a copy of the requested document exclusively by electronic mail (the material is provided on the date the organization successfully transmits the electronic mail).

Request for a copy of parts of a document. A tax-exempt organization must fulfill a request for a copy of the organization's entire application for tax exemption or annual information return or any specific part or schedule of its application or return. A request for a copy of less than the entire application or less than the entire return must specifically identify the requested part or schedule.

Fees for copies. A tax-exempt organization may charge a reasonable fee for providing copies.

Before the organization provides the documents, it may require that the individual requesting copies of the documents pay the fee. If the organization has provided an individual making a request with notice of the fee, and the individual does not pay the fee within 30 days, or if the individual pays the fee by check and the check does not clear upon deposit, the organization may disregard the request.

Form of payment—(A) Request made in person. If a tax-exempt organization charges a fee for copying, it must accept payment by cash and money order for requests made in person. The organization may accept other forms of payment, such as credit cards and personal checks.

(B) Request made in writing. If a tax-exempt organization charges a fee for copying and postage, it must accept payment by certified check, money order, and either personal check or credit card for requests made in writing. The organization may accept other forms of payment.

Avoidance of unexpected fees. Where a tax-exempt organization does not require prepayment and a requester does not enclose payment with a request, an organization must receive consent from a requester before providing copies for which the fee charged for copying and postage exceeds $20.

Documents to be provided by regional and district offices. Except as otherwise provided, a regional or district office of a tax-exempt organization must satisfy the same rules as the principal office with respect to allowing public inspection and providing copies of its application for tax exemption and annual information returns.

A regional or district office is not required, however, to make its annual information return available for inspection or to provide copies until 30 days after the date the return is required to be filed (including any extension of time that is granted for filing such return) or is actually filed, whichever is later.

Documents to be provided by local and subordinate organizations.
Applications for tax exemption. Except as otherwise provided, a tax-exempt organization that did not file its own application for tax exemption (because it is a local or subordinate organization covered by a group exemption letter) must, upon request, make available for public inspection, or provide copies of, the application submitted to the IRS by the central or parent organization to obtain the group exemption letter and those documents which were submitted by the central or parent organization to include the local or subordinate organization in the group exemption letter.

However, if the central or parent organization submits to the IRS a list or directory of local or subordinate organizations covered by the group exemption letter, the local or subordinate organization is required to provide only the application for the group exemption ruling and the pages of the list or directory that specifically refer to it. The local or subordinate organization must permit public inspection, or comply with a request for copies made in person, within a reasonable amount of time (normally not more than 2 weeks) after receiving a request made in person for public inspection or copies and at a reasonable time of day. See Regulations section 301.6104(d)-1(f) for further information.

Annual information returns. A local or subordinate organization that does not file its own annual information return (because it is affiliated with a central or parent organization that files a group return) must, upon request, make available for public inspection, or provide copies of, the group returns filed by the central or parent organization.

However, if the group return includes separate schedules with respect to each local or subordinate organization included in the group return, the local or subordinate organization receiving the request may omit any schedules relating only to other organizations included in the group return.

The local or subordinate organization must permit public inspection, or comply with a request for copies made in person, within a reasonable amount of time (normally not more than 2 weeks) after receiving a request made in person for public inspection or copies and at a reasonable time of day.

In a case where the requester seeks inspection, the local or subordinate organization may mail a copy of the applicable documents to the requester within the same time period instead of allowing an inspection. In such a case, the organization may charge the requester for copying and actual postage costs only if the requester consents to the charge.

If the local or subordinate organization receives a written request for a copy of its annual information return, it must fulfill the request by providing a copy of the group return in the time and manner specified in the paragraph above, *Request for copies in writing*.

The requester has the option of requesting from the central or parent organization, at its principal office, inspection or copies of group returns filed by the central or parent organization. The central or parent organization must fulfill such requests in the time and manner specified in the paragraphs, *Special rules relating to public inspection* and *Special rules relating to copies* above.

Failure to comply. If an organization fails to comply with the requirements specified in this paragraph, the penalty provisions of sections 6652(c)(1)(C), 6652(c)(1)(D), and 6685 apply.

Making applications and returns widely available. A tax-exempt organization is not required to comply with a request for a copy of its application for tax exemption or an annual information return if the organization has made the requested document widely available (see below).

An organization that makes its application for tax exemption and/or annual information return widely available must nevertheless make the document available for public inspection as required under Regulations section 301.6104(d)-1(a).

A tax-exempt organization makes its application for tax exemption and/or an annual information return widely available if the organization complies with the Internet posting requirements and the notice requirements given below.

Internet posting. A tax-exempt organization can make its application for tax exemption and/or an annual information return widely available by posting the document on a World Wide Web page that the tax-exempt organization establishes and maintains or by having the document posted, as part of a database of similar documents of other tax-exempt organizations, on a World Wide Web page established and maintained by another entity. The document will be considered widely available only if—

(A) The World Wide Web page through which it is available clearly informs readers that the document is available and provides instructions for downloading it;

(B) The document is posted in a format that, when accessed, downloaded, viewed and printed in hard copy, exactly reproduces the image of the application for tax exemption or annual information return as it was originally filed with the IRS, except for any information permitted by statute to be withheld from public disclosure; and

(C) Any individual with access to the Internet can access, download, view and print the document without special computer hardware or software required for that format (other than software that is readily available to members of the public without payment of any fee) and without payment of a fee to the tax-exempt organization or to another entity maintaining the World Wide Web page.

Reliability and accuracy. In order for the document to be widely available through an Internet posting, the entity maintaining the World Wide Web page must have procedures for ensuring the reliability and accuracy of the document that it posts on the page and must take reasonable precautions to prevent alteration, destruction or accidental loss of the document when posted on its page. In the

event that a posted document is altered, destroyed or lost, the entity must correct or replace the document.

Notice requirement. If a tax-exempt organization has made its application for tax exemption and/or an annual information return widely available, it must notify any individual requesting a copy where the documents are available (including the address on the World Wide Web, if applicable). If the request is made in person, the organization must provide such notice to the individual immediately. If the request is made in writing, the notice must be provided within 7 days of receiving the request.

Tax-exempt organization subject to harassment campaign. If the Director EO Examination (or designee) determines that the organization is being harassed, a tax-exempt organization is not required to comply with any request for copies that it reasonably believes is part of a harassment campaign.

Whether a group of requests constitutes a harassment campaign depends on the relevant facts and circumstances such as:

A sudden increase in requests; an extraordinary number of requests by form letters or similarly worded correspondence; hostile requests; evidence showing bad faith or deterrence of the organization's exempt purpose; prior provision of the requested documents to the purported harassing group; and a demonstration that the organization routinely provides copies of its documents upon request.

A tax-exempt organization may disregard any request for copies of all or part of any document beyond the first two received within any 30-day period or the first four received within any 1-year period from the same individual or the same address, regardless of whether the Director EO Examination (or designee) has determined that the organization is subject to a harassment campaign.

A tax-exempt organization may apply for a determination that it is the subject of a harassment campaign and that compliance with requests that are part of the campaign would not be in the public interest by submitting a signed application to the Director EO Examination (or designee) for the area where the organization's principal office is located.

In addition, the organization may suspend compliance with any request it reasonably believes to be part of the harassment campaign until it receives a response to its application for a harassment campaign determination. However, if the Director EO Examination (or designee) determines that the organization did not have a reasonable basis for requesting a determination that it was subject to a harassment campaign or reasonable belief that a request was part of the campaign, the officer, director, trustee, employee, or other responsible individual of the organization remains liable for any penalties for not providing the copies in a timely fashion. See Regulations section 301.6104(d)-3.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 07/01 **, 2010, and ending** 05/31 **, 20** 11

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: MERCYHURST COLLEGE

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address): 501 East 38th Street | Room/suite

City or town, state or country, and ZIP + 4: Erie, PA 16546-0001

D Employer identification number 25-0965430

E Telephone number 814-824-2000

G Gross receipts $ 123,867,189

F Name and address of principal officer: Ms Jane M Kelsey
501 East 38th Street, Erie, PA 16546

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

I Tax-exempt status: ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.mercyhurst.edu

H(c) Group exemption number ▶

K Form of organization: ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1926 **M** State of legal domicile: PA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Mercyhurst College is a fully accredited, four-year, Catholic comprehensive institution founded by the Sisters of Mercy in 1926. The Erie (Pa.) campus offers 56 undergraduate majors with 36 minors and 60 concentrations, as well as unique adult programs and 6 graduate programs. In addition, the (Continued on Schedule O, Statement 1)

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	33
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	31
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	2,946
6	Total number of volunteers (estimate if necessary)	6	250
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	195,627
b	Net unrelated business taxable income from Form 990-T, line 34	7b	91,923

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	7,011,509	9,711,894
	9	Program service revenue (Part VIII, line 2g)	104,277,272	108,692,151
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	856,066	845,275
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	299,085	313,804
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	112,443,932	119,563,124
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	36,831,922	40,446,856
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	38,380,359	37,901,076
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 951,427		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	33,875,151	35,014,939
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	109,087,432	113,362,871
	19	Revenue less expenses. Subtract line 18 from line 12	3,356,500	6,200,253
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	139,173,227	147,162,931
	21	Total liabilities (Part X, line 26)	59,027,059	56,082,407
	22	Net assets or fund balances. Subtract line 21 from line 20	80,146,168	91,080,524

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer | Date

▶ Jane M Kelsey, Vice Pres for Finance and Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no.

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y Form **990** (2010)

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Jane M. Kelsey
Signature of officer

Date 3-28-12

▶ Jane M Kelsey, Vice Pres for Finance and Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Joyce Illworth, CPA	[signature]	4/6/12		

Firm's name ▶ BKD LLP — Firm's EIN ▶

Firm's address ▶ 200 E. Main Street, Ste. 700, Fort Wayne IN 46802 — Phone no. 260.460.4000

May the IRS discuss this return with the preparer shown above? (see instructions) . . . . . ☐ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission:

Consistent with its Catholic identity and Mercy heritage, Mercyhurst College educates women and men in a culture where faith and reason flourish together, where the beauty and power of the liberal arts combine with an appreciation for the dignity of work and a commitment to serving others. Confident in the strength of its student-faculty bonds, the College community is inspired by the

(Continued on Schedule O, Statement 2)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 59,336,518 including grants of $ 34,384,491) (Revenue $ 86,096,836)

During the 2010-11 academic year there were 4,388 students enrolled in undergraduate, graduate, and associate degree programs on two campuses, Main (3,180) and North East (1,177), and at three separate learning centers, Corry (11), BTW (14), and West (31). The student population was comprised of 3,444 full-time and 570 part-time undergraduate students along with 241 full-time and 133 part-time graduate students. 1,176 total degrees were conferred in the following categories; Baccalureate 575, Associate 268, Masters 116, Post-baccalureate 56, and certificate 161. There are a total of 185 full-time and 144 part-time faculty and an offering of 56 undergraduate majors with 36 minors and 50 concentrations on the Main campus,12 associate degree programs on the North East campus and 2 associate degree programs at the College's three educational learning centers. Additionally, 11 advanced certificate programs and 10 graduate certificate programs.

4b (Code:) (Expenses $ 14,275,895 including grants of $ 0) (Revenue $ 20,111,918)

Auxiliary services includes student housing, foodservice, the college bookstore and the college's conference center on the Main and North East campuses. The total student population in college housing was 1,930 on the Main campus and 249 on the North East campus for the 2010-11 fiscal year. 1965 students had paid meal plans while many other students and employees dine in college facilities on a pay-as-you-go basis. The college maintains a bookstore on the Main campus as well as the North East campus. The college has conference center facilities at both campuses and regularly hosts outside groups and organizations.

4c (Code:) (Expenses $ 12,703,366 including grants of $ 6,062,365) (Revenue $ 966,065)

Mercyhurst College has 574 student-athletes making up 24 athletic teams, 12 women and 12 men, competing at both the NCAA Division I (Men's and Women's Hockey) and Division II levels. These teams are members of six different athletic conferences, with the preponderance of sports being affiliated with the Pennsylvania State Athletic Conference. The athletic department is also supported by athletic administration, athletic training, the recreational training facility and the department of sports information. The athletic department is comprised of 10 full-time head coaches and 14 part-time head coaches along with 12 full-time and 30 part-time assistant coaches. Athletic administration and support includes another 47 full- and part-time employees and the department also utilizes over 40 volunteers. The North East campus sponsors another 9 sports, 5 men and 4 women, and are members of the National Junior College Athletic Association. North East athletics includes another 181 student athletes along with 8 full-time coaches and 5 part-time coaches/graduate assistants, 4 administrative personnel and numerous volunteers.

4d Other program services. (Describe in Schedule O.) See Schedule O, Statement 3

(Expenses $ 17,519,689 including grants of $ 0) (Revenue $ 8,205,769)

4e **Total program service expenses** ▶ 103,835,468

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	✔	
2	Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	2	✔	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		✔
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	✔	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		✔
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✔
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7	✔	
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8	✔	
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		✔
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	✔	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	✔	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		✔
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		✔
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		✔
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	✔	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		✔
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	✔	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		✔
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13	✔	
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		✔
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b	✔	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		✔
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		✔
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		✔
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	✔	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		✔
20 a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		✔
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	✔	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22	✔	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	✔	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a	✔	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		✔
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		✔
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		✔
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✔
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		✔
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		✔
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27	✔	
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		✔
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✔
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		✔
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	✔	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30	✔	
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✔
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✔
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		✔
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	✔	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		✔
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ Yes ☑ No			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✔
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		✔
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	✔	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V . . . . . ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	228			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	✔	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2946			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	✔	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file*. (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	✔	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	✔	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	✔	
b	If "Yes," enter the name of the foreign country: ► Cayman Islands See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		✔
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		✔
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		✔
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a	✔	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	✔	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		✔
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		✔
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		✔
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O.					
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		✔
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . 1a 33			
b	Enter the number of voting members included in line 1a, above, who are independent . 1b 31			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	✔	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		✔
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		✔
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		✔
6	Does the organization have members or stockholders?	6		✔
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		✔
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		✔
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✔	
b	Each committee with authority to act on behalf of the governing body?	8b	✔	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		✔

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		✔
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	✔	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	✔	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✔	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	✔	
13	Does the organization have a written whistleblower policy?	13	✔	
14	Does the organization have a written document retention and destruction policy?	14	✔	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	✔	
b	Other officers or key employees of the organization	15b	✔	
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✔
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☑ Own website ☑ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ James F Lieb, (814)824-2276

501 East 38th Street, Erie, PA 16546-0001

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII . . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Bader RSM Sister Mary Ann Board of Trustees	1	✔						0	0	0
Belfiore Phillip J Chair, College Council	45	✔						118,843	0	23,541
Cavanaugh Terrence W Board of Trustees	1	✔						0	0	0
Courneen RSM JoAnne Vice Chair of Board	2	✔						0	0	0
Dahlkemper Mary Ellen Asst Board Secretary	2	✔						0	0	0
Dobbs PhD Vernon D Board of Trustees	1	✔						0	0	0
Durkin Esq Rosemary Board of Trustees	2	✔						0	0	0
Duska RSM Mary Felice Board of Trustees	1	✔						0	0	0
Federici Michael P President, Faculty Senate	45	✔						86,569	0	26,213
Greenleaf Elizabeth Board of Trustees	1	✔						0	0	0
Hess Meghan E President, Mercyhurst Student Government	1	✔						0	0	0
Hyland David President, Faculty Senate	45	✔						81,161	0	11,771
Jones Myron Board of Trustees	1	✔						0	0	0
NeCastro Joseph G Board of Trustees	1	✔						0	0	0
Knight Charles G Board of Trustees	2	✔						0	0	0
Lanzillo Esq Richard A Vice Chair of Board	2	✔						0	0	0

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Lewis William G Board of Trustees	1	✔						0	0	0
Marin Dennis Board of Trustees	2	✔						0	0	0
Mazza Robert Board of Trustees	1	✔						0	0	0
McCormick Owen J Assistant Board Secretary	2	✔						0	0	0
McDonald Desmond J Board of Trustees	1	✔						0	0	0
Miller Robert S Board Secretary	2	✔						0	0	0
Monslave Marco A Board of Trustees	1	✔						0	0	0
Mosco Marlene D Chair of the Board	2	✔						0	0	0
Raimy Bruce Board of Trustees	1	✔						0	0	0
Robaszkiewicz Matthew J President, Mercyhurst Alumni Assoc.	1	✔						0	0	0
Rohm Kathleen Board of Trustees	2	✔						0	0	0
Ryan M Ellen H Board of Trustees	1	✔						0	0	0
Schimscheiner RSM Mary Ann Board of Trustees	1	✔						0	0	0
Sennett Esq William C Board of Trustees	2	✔						0	0	0
Sgro Santina President, Mercyhurst Student Government	1	✔						0	0	0
Smith RSM EdD Sister Maura Board of Trustees	1	✔						0	0	0

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Snyderwine The Rev Msgr LThomas Board of Trustees	1	✔						0	0	0
Theuerkauf Jane Board of Trustees	1	✔						0	0	0
Victor Frank B Board of Trustees	1	✔						0	0	0
Weschler Patrick J Board of Trustees	1	✔						0	0	0
Brown Dr Gary M Senior VP for Mercyhurst North East and Mercyhur	45			✔				153,234	0	31,008
Gamble PhD Thomas J President & Board	45			✔				269,659	0	35,806
Kelsey Jane M VP Finance/Treasurer	45			✔				109,902	0	19,546
Lieb James F Assistant Treasurer	45			✔				78,633	0	22,066
Adovasio James M PhD Provost	45				✔			203,172	0	24,371
Billingsley Thomas A VP Administration	0					✔	✔	125,429	0	19,792
Breckenridge Dr James Assoc. Professor of Intelligence Studies	45					✔		106,937	0	7,521
Livingston Dr David J VP Advancement	45					✔		119,845	0	22,658
Pond Floyd Deputy Director, HIDTA	45					✔		126,057	0	407
Sisti Michael Women's Ice Hockey Coach	45					✔		122,815	0	21,708

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Sub-total ▶										
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								1,702,256	0	266,408

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 12

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	✔	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	✔	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		✔

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
Crowther Construction, 125 Allison Road, Seneca, PA 16346	Construction contractor	1,797,688
4th Dimension Data, 17609 Darnestown Road, Boyds, MD 20841	Consulting	176,700
Neilsen Painting, 3209 Regis Drive, Erie, PA 16510	Painting Contractor	155,075
Dick Morewood Plumbing and Heating, 4560 West Lake Road, Erie, PA 16505	Plumbing Contractor	131,957
BKD LLP, 312 Walnut Street, Suite 3000 PO Box 5367, Cincinnati, OH 45201	Accounting and Auditing	100,450

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 5

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 105,949				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 5,852,434				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 3,753,511				
	g	Noncash contributions included in lines 1a-1f: $ 885,406					
	h	**Total.** Add lines 1a–1f ▶		9,711,894			
Program Service Revenue			Business Code				
	2a	Tuition and Fees	611310	86,096,836	86,096,836	0	0
	b	Auxiliary Enterprises	611310	20,111,918	20,111,918	0	0
	c	Gov't Grants and Contracts	611310	1,234,204	1,234,204	0	0
	d	Other Educational Related	611310	1,113,986	1,113,986	0	0
	e						
	f	All other program service revenue		135,207	124,762	10,445	0
	g	**Total.** Add lines 2a–2f ▶		108,692,151			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		638,147	0	467	637,680
	4	Income from investment of tax-exempt bond proceeds ▶		0	0	0	0
	5	Royalties ▶		0	0	0	0
			(i) Real / (ii) Personal				
	6a	Gross Rents	17,400 / 184,715				
	b	Less: rental expenses	0 / 0				
	c	Rental income or (loss)	17,400 / 184,715				
	d	Net rental income or (loss) ▶		202,115	0	184,715	17,400
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	4,460,318 / 0				
	b	Less: cost or other basis and sales expenses	4,253,190 / 0				
	c	Gain or (loss)	207,128 / 0				
	d	Net gain or (loss) ▶		207,128	0	0	207,128
	8a	Gross income from fundraising events (not including $ 105,949 of contributions reported on line 1c). See Part IV, line 18 a	162,564				
	b	Less: direct expenses b	50,875				
	c	Net income or (loss) from fundraising events ▶		111,689		0	111,689
	9a	Gross income from gaming activities. See Part IV, line 19 a					
	b	Less: direct expenses b					
	c	Net income or (loss) from gaming activities ▶					
	10a	Gross sales of inventory, less returns and allowances a					
	b	Less: cost of goods sold b					
	c	Net income or (loss) from sales of inventory ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d ▶		0			
	12	**Total revenue.** See instructions. ▶		119,563,124	108,681,706	195,627	973,897

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	114,539	114,539		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	40,332,317	40,332,317		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	1,422,811	618,245	703,472	101,094
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7	Other salaries and wages	27,919,719	24,381,706	3,230,872	307,141
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,080,217	904,270	159,407	16,540
9	Other employee benefits	5,411,717	4,721,472	630,324	59,921
10	Payroll taxes	2,066,612	1,747,232	289,356	30,024
11	Fees for services (non-employees):				
a	Management	0	0	0	0
b	Legal	109,957	6,912	103,045	0
c	Accounting	104,520	5,450	99,070	0
d	Lobbying	110,527	0	0	110,527
e	Professional fundraising services. See Part IV, line 17	0			0
f	Investment management fees	133,421	0	133,421	0
g	Other	4,093,648	3,206,760	864,685	22,203
12	Advertising and promotion	338,605	311,748	24,958	1,899
13	Office expenses	5,169,396	3,945,085	1,150,501	73,810
14	Information technology	2,379,996	2,142,219	197,167	40,610
15	Royalties	0	0	0	0
16	Occupancy	4,554,485	3,979,415	514,569	60,501
17	Travel	1,660,911	1,589,898	62,725	8,288
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	1,237,353	947,860	181,473	108,020
20	Interest	1,656,831	1,656,831	0	0
21	Payments to affiliates	0	0	0	0
22	Depreciation, depletion, and amortization	4,419,296	4,419,296	0	0
23	Insurance	763,599	687,239	76,360	0
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a	Cost of Sales - Dining, Bookstore, Productions	6,529,244	6,529,244	0	0
b	Bad Debts, Write-offs, and Collections	476,867	476,867	0	0
c	Recruiting	402,974	402,768	206	0
d	Athletic Team Expenses	312,847	312,847	0	0
e	Miscellaneous	560,462	395,248	154,365	10,849
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	113,362,871	103,835,468	8,575,976	951,427
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

					(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			0	1	0
	2	Savings and temporary cash investments			11,384,910	2	15,889,011
	3	Pledges and grants receivable, net			5,388,602	3	4,466,597
	4	Accounts receivable, net			1,254,999	4	2,010,297
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			0	6	0
	7	Notes and loans receivable, net			3,794,221	7	2,564,708
	8	Inventories for sale or use			458,844	8	446,892
	9	Prepaid expenses and deferred charges			407,502	9	282,461
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	145,632,235			
	b	Less: accumulated depreciation	10b	54,096,087	91,735,519	10c	91,536,148
	11	Investments—publicly traded securities			20,807,119	11	26,109,479
	12	Investments—other securities. See Part IV, line 11			0	12	0
	13	Investments—program-related. See Part IV, line 11			0	13	0
	14	Intangible assets			620,065	14	557,884
	15	Other assets. See Part IV, line 11			3,321,446	15	3,299,454
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)			139,173,227	16	147,162,931
Liabilities	17	Accounts payable and accrued expenses			6,265,596	17	6,596,147
	18	Grants payable			0	18	0
	19	Deferred revenue			1,977,492	19	232,338
	20	Tax-exempt bond liabilities			45,315,000	20	43,495,000
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			1,584,370	23	1,573,212
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities. Complete Part X of Schedule D			3,884,601	25	4,185,710
	26	**Total liabilities.** Add lines 17 through 25			59,027,059	26	56,082,407
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**					
	27	Unrestricted net assets			62,126,769	27	69,502,403
	28	Temporarily restricted net assets			3,478,028	28	5,731,855
	29	Permanently restricted net assets			14,541,371	29	15,846,266
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building, or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			80,146,168	33	91,080,524
	34	Total liabilities and net assets/fund balances			139,173,227	34	147,162,931

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	119,563,124
2	Total expenses (must equal Part IX, column (A), line 25)	2	113,362,871
3	Revenue less expenses. Subtract line 2 from line 1	3	6,200,253
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	80,146,168
5	Other changes in net assets or fund balances (explain in Schedule O)	5	4,734,103
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	91,080,524

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		✔
b	Were the organization's financial statements audited by an independent accountant?	2b	✔	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	✔	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	✔	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	✔	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☑ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1–9 above or IRC section **(see instructions)**)	**(iv)** Is the organization in col. **(i)** listed in your governing document?		**(v)** Did you notify the organization in col. **(i)** of your support?		**(vi)** Is the organization in col. **(i)** organized in the U.S.?		**(vii)** Amount of support
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat. No. 11285F

Schedule A (Form 990 or 990-EZ) 2010

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) **12**

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) . . . . **14** %

15 Public support percentage from 2009 Schedule A, Part II, line 14 . . . . . **15** %

16a **33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **33 1/3% support test—2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

17a **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here**. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f)) . . .	17	%
18	Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization . ▶ ☐

b **33 1/3% support tests—2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

OMB No. 1545-0047

2010

Name of the organization	**Employer identification number**
MERCYHURST COLLEGE	25-0965430

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☑ 501(c)(3) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☐ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☑ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . . ▶ $ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No. 1545-0047

2010

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	**Employer identification number**
MERCYHURST COLLEGE	25-0965430

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political expenditures . . . . . ▶ $

3 Volunteer hours . . . . . .

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 . . . . ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . . . ☐ **Yes** ☐ **No**

4a Was a correction made? . . . . . ☐ **Yes** ☐ **No**

b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities . . . . . ▶ $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . . . ▶ $

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b . . . . . ▶ $

4 Did the filing organization file **Form 1120-POL** for this year? . . . . . ☐ **Yes** ☐ **No**

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

	(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds. If none, enter -0-.	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ► ☐ if the filing organization belongs to an affiliated group.

B Check ► ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	0	
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	110,527	
c	Total lobbying expenditures (add lines 1a and 1b)	110,527	
d	Other exempt purpose expenditures	113,252,343	
e	Total exempt purpose expenditures (add lines 1c and 1d)	113,362,870	
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000	

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000.

g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h	Subtract line 1g from line 1a. If zero or less, enter -0-	0	
i	Subtract line 1f from line 1c. If zero or less, enter -0-	0	

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2007	**(b)** 2008	**(c)** 2009	**(d)** 2010	**(e)** Total
2a Lobbying nontaxable amount	0	1,000,000	1,000,000	1,000,000	3,000,000
b Lobbying ceiling amount (150% of line 2a, column (e))					4,500,000
c Total lobbying expenditures	0	36,057	120,115	110,527	266,699
d Grassroots nontaxable amount	0	250,000	250,000	250,000	750,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,125,000
f Grassroots lobbying expenditures	0	0	0	0	0

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities? If "Yes," describe in Part IV			
j	Total. Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Schedule C, Part II-A, Line 1b - Mercyhurst retains a lobbyist that provides many services to Mercyhurst including, but not limited to, advice on government grants and contracts, access and introductions to government agencies, government leaders, and media outlets, and advocacy on behalf of Mercyhurst.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)
☐ Preservation of an historically important land area
☑ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	1
b	Total acreage restricted by conservation easements	2b	17
c	Number of conservation easements on a certified historic structure included in (a)	2c	0
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	0

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ 0

4 Number of states where property subject to conservation easement is located ▶ 1

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☑ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ 0

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ 0

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☑ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ 0

b Assets included in Form 990, Part X ▶ $ 0

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☑ Public exhibition
b ☑ Scholarly research
c ☑ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☑ No

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V **Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	23,339,566	20,516,420	24,882,542		
b Contributions	1,347,239	1,489,162	908,156		
c Net investment earnings, gains, and losses	3,813,531	2,239,005	-4,354,067		
d Grants or scholarships	1,230,204	905,021	920,211		
e Other expenditures for facilities and programs	0	0	0		
f Administrative expenses	0	0	0		
g End of year balance	27,270,132	23,339,566	20,516,420		

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ 30 %
b Permanent endowment ▶ 12 %
c Term endowment ▶ 58 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)	✔	
(ii) related organizations	3a(ii)		✔
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI **Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	422,168	4,097,200		4,519,368
b Buildings	0	112,551,923	31,040,084	81,511,839
c Leasehold improvements	0	164,153	143,440	20,713
d Equipment	0	23,086,209	19,172,532	3,913,677
e Other	0	5,310,582	3,740,031	1,570,551
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				91,536,148

Part VII **Investments—Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII **Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶		

Part IX **Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	

Part X **Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	0
(2) Federal Gov't Adv for Student Loans	2,267,892
(3) Student Deposits	1,676,769
(4) Trusts Payable	241,049
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	4,185,710

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	119,563,124
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	113,362,871
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	6,200,253
4	Net unrealized gains (losses) on investments	4	4,661,776
5	Donated services and use of facilities	5	0
6	Investment expenses	6	72,326
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV.)	8	0
9	Total adjustments (net). Add lines 4 through 8	9	4,734,102
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	10,934,355

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	85,224,198
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	4,661,776		
b	Donated services and use of facilities	2b	40,078		
c	Recoveries of prior year grants	2c	0		
d	Other (Describe in Part XIV.)	2d	306,566		
e	Add lines **2a** through **2d**			2e	5,008,420
3	Subtract line **2e** from line **1**			3	80,215,778
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1** :				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	84,310		
b	Other (Describe in Part XIV.)	4b	39,263,036		
c	Add lines **4a** and **4b**			4c	39,347,346
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	119,563,124

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	74,289,843
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a	40,078		
b	Prior year adjustments	2b	0		
c	Other losses	2c	0		
d	Other (Describe in Part XIV.)	2d	234,240		
e	Add lines **2a** through **2d**			2e	274,318
3	Subtract line **2e** from line **1**			3	74,015,525
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	84,310		
b	Other (Describe in Part XIV.)	4b	39,263,036		
c	Add lines **4a** and **4b**			4c	39,347,346
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	113,362,871

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Schedule D, Part II, Line 9 - The college does not derive any revenue from this agreement beyond the original $1 it received in entering into the agreement. As stated in question 7 above, there are no expenses exclusively or directly related to the easement agreement. Being that the 16.89 acres of the easement was part of the land purchased by the college, the fair market value of the easement is included on the college's books and financial statements as property, plant and equipment. There is not a separate footnote in the college financial statements addressing the easement agreement.

Schedule D, Part III, Line 1 - Collections of works of art, historical treasures and similar assets are not capitalized in as much as the items are preserved and cared for continuously. Contributions of collection items are not reported in the financial statements. The College's collections consist primarily of paintings, sculptures, and other works of art, books, and antique furniture.

Schedule D, Part III, Line 4 - The observance and study of works of art and historical treasures are part of the educational curriculum in many disciplines. The College maintains a collection to further and enhance the educational experience in these disciplines, which is the

Part XIV - Supplemental Information (Continued)

primary reason for the College's exempt purpose

Schedule D, Part V, Line 4 - The College's endowment consists of individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments (board-designated endowment funds). Many of the individual funds established provide scholarships to students. Several other endowments support academic programs, the library, the performing arts center and other areas of the College.

Schedule D, Part XII, Line 2d - This line includes administrative cost recovery (36,513) and amounts expended for plant facilities (118,542) which are neither revenue nor expense to the College. Fundraising revenue that should have been a reduction of expenses (28,310) , direct fundraising expenses reported as net revenue in the tax return (50,875), and the value of a Split Interest Agreement (72,326) which is reported on Line 20 of the tax return.

Schedule D, Part XII, Line 4b - Financial assistance awarded to students of the institution which is recorded as a contra-revenue in the audited financial statements.

Schedule D, Part XIII, Line 2d - This line includes administrative cost recovery (36,513) and amounts expended for plant facilities (118,542) which are neither revenue nor expense to the College. Fundraising revenue that should have been a reduction of expenses (28,310) , and direct fundraising expenses reported as net revenue in the tax return (50,875).

Schedule D, Part XIII, Line 4b - Financial assistance awarded to students of the institution which is recorded as a contra-revenue in the audited financial statements.

SCHEDULE E (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.
▶ Attach to Form 990 or Form 990-EZ.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I

			YES	NO
1	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1	✔	
2	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2	✔	
3	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. If you need more space, use Part II	3	✔	
	The College practice is to print our racial nondiscrimination policy in all publications directed toward students, prospective students, and parents. The policy is also referred to in radio, television, and print advertising as well as being fully disclosed on the College's website.			
4	Does the organization maintain the following?			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	4a	✔	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b	✔	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c	✔	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	4d	✔	
	If you answered "No" to any of the above, please explain. If you need more space, use Part II.			
5	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	5a		✔
b	Admissions policies?	5b		✔
c	Employment of faculty or administrative staff?	5c		✔
d	Scholarships or other financial assistance?	5d		✔
e	Educational policies?	5e		✔
f	Use of facilities?	5f		✔
g	Athletic programs?	5g		✔
h	Other extracurricular activities?	5h		✔
	If you answered "Yes" to any of the above, please explain. If you need more space, use Part II.			
6a	Does the organization receive any financial aid or assistance from a governmental agency?	6a	✔	
b	Has the organization's right to such aid ever been revoked or suspended?	6b		✔
	If you answered "Yes" to either line 6a or line 6b, explain on Part II.			
7	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II	7	✔	

Part II **Supplemental Information.** Complete this part to provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information (see instructions).

Schedule E, Part I, Line 6 - The College receives an Institutional Assistance Grant from the Pennsylvania Higher Education Assistance Agency (PHEAA). This aid is determined by the number of Pennsylvania state grant recipients enrolled at the College during the current academic year.

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Sch F, Stmt 1					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)	0	0			736,871

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . . ▶ ☐
Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
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(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* . . . . . ☐ Yes ☑ No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* . . . . . ☐ Yes ☑ No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see Instructions for Form 5471)* . . . . . ☐ Yes ☑ No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* . . . . . ☑ Yes ☐ No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see Instructions for Form 8865)* . . . . . ☐ Yes ☑ No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* . . . . . ☐ Yes ☑ No

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

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Schedule F, Part V, Statement 1
Form: Schedule F
Page: 1
Line Number: Part I Line 3

MERCYHURST COLLEGE
25-0965430

Accounts and Activities Outside the United States

		Offices	Employees	Total
Region **Activities** **Services**	Europe (including Iceland and Greenland) Fundraising Alumni trip to Italy.	0	0	24,162
Region **Activities** **Services**	East Asia and the Pacific Speaking at Seminars or Conferences ATA training workshop - Identifying, Developing Investigative Information - Manila, Phillipines and ATA training workshop - Integrating Counterterrorism Strategies - Kuala Lampur, Malaysia	0	0	275,482
Region **Activities** **Services**	Sub-Saharan Africa Speaking at Seminars or Conferences ATA training workshop - Combating Domestic Transnational Terrorism - Kampala, Uganda	0	0	128,756
Region **Activities** **Services**	Europe (including Iceland and Greenland) Speaking at Seminars or Conferences Various seminars and conferences.	0	0	99,581
Region **Activities** **Services**	South America Program Services Analysis of perishable remains.	0	0	278
Region **Activities** **Services**	Europe (including Iceland and Greenland) Program Services Study abroad - Spring in Ireland, recruiting of international students, and other program related activities.	0	0	148,326
Region **Activities** **Services**	South America Program Services Mission trip to Guyana.	0	0	3,700
Region **Activities** **Services**	North America (including Canada and Mexico, but not the United States) Program Services Recruiting of student athletes.	0	0	25,082
Region **Activities** **Services**	North America (including Canada and Mexico, but not the United States) Speaking at Seminars or Conferences Various seminars and conferences.	0	0	7,500
Region **Activities** **Services**	East Asia and the Pacific Program Services Recruiting of International students.	0	0	13,010
Region **Activities** **Services**	Central America and the Caribbean Program Services Recruiting of International students.	0	0	10,994
	Total:	**0**	**0**	**736,871**

SCHEDULE G
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047
2010
Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions?		**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col. **(i)**	**(vi)** Amount paid to (or retained by) organization
			Yes	**No**			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 Football Kickoff Clas (event type)	(b) Event #2 Men's Hockey Show (event type)	(c) Other events 3 (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	23,000	20,712	30,354	74,066
	2 Less: Charitable contributions	950	0	300	1,250
	3 Gross income (line 1 minus line 2)	22,050	20,712	30,054	72,816
Direct Expenses	4 Cash prizes	600	0	401	1,001
	5 Noncash prizes	2,569	0	784	3,353
	6 Rent/facility costs	4,704	0	3,905	8,609
	7 Food and beverages	3,628	637	5,733	9,998
	8 Entertainment	0	0	575	575
	9 Other direct expenses	2,003	6,084	5,652	13,739
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				(37,275)
	11 Net income summary. Combine line 3, column (d), and line 10 ▶				35,541

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No %	☐ Yes ☐ No %	☐ Yes ☐ No %	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary. Combine line 1, column d, and line 7 ▶				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ **Yes** ☐ **No**

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ **Yes** ☐ **No**

13 Indicate the percentage of gaming activity operated in:

a The organization's facility	**13a**	%
b An outside facility	**13b**	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ **Yes** ☐ **No**

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____ .

c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ $ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ **Yes** ☐ **No**

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) The City of Erie PA 626 State Street, Erie, PA 16501	25-6000857		75,000	0	Cash		Voluntary contribu
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 27

3 Enter total number of other organizations . . . ▶ 22

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 See Schedule I, Part IV, Statement 1					
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Schedule I, Part I, Line 2 - Every student who receives financial aid from the College must complete an annual Free Application for Federal Student Aid (FAFSA) form and make satisfactory academic progress in order to retain their aid. Reviews are also conducted on each student to ensure that their grades, academic standing, and major continue to qualify them for the financial aid. These review processes are conducted annually at the end of the College's spring term, prior to the renewal of financial aid packages for the students. Additionally, the College has formed a Student Finances Committee, chaired by the Director of Student Financial Services and comprised of the Vice President for Enrollment, Vice President for Finance and Treasurer, Executive Vice President for Mercyhurst North East and West and Vice President for Strategic Finance, and the Director of Finance and Assistant Treasurer. The Committee meets periodically to review the status of financial aid that has been awarded to students and compares both to the budget allotted for financial aid as well as financial aid actual activity for prior years.

Description of Grants and Other Assistance to Individuals in the United States

		Number of recipients	Amount of cash grant	Amount of non-cash assistance
Type of grant	College funded financial assistance based on need and merit provided to students attending Mercyhurst College.	3737	40,332,317	0
Method of valuation	N/A			
Description of non-cash assistance	N/A			

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☑ First-class or charter travel ☑ Travel for companions ☑ Tax indemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☑ Health or social club dues or initiation fees ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	✔	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	✔	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.			
	☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☑ Written employment contract ☑ Compensation survey or study ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	4a	✔	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		✔
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		✔
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		✔
b	Any related organization?	5b		✔
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		✔
b	Any related organization?	6b		✔
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		✔
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		✔
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Gamble PhD Thomas J	(i)	264,815	0	4,844	19,948	15,858	305,465	0
1	(ii)	0	0	0	0	0	0	
Adovasio James M PhD	(i)	201,257	0	1,915	19,600	4,771	227,543	0
2	(ii)	0	0	0	0	0	0	0
Brown Dr Gary M	(i)	149,892	0	3,342	15,150	15,858	184,242	0
3	(ii)	0	0	0	0	0	0	0
	(i)							
4	(ii)							
	(i)							
5	(ii)							
	(i)							
6	(ii)							
	(i)							
7	(ii)							
	(i)							
8	(ii)							
	(i)							
9	(ii)							
	(i)							
10	(ii)							
	(i)							
11	(ii)							
	(i)							
12	(ii)							
	(i)							
13	(ii)							
	(i)							
14	(ii)							
	(i)							
15	(ii)							
	(i)							
16	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Schedule J, Part I, Line 1a - PART I - Line 1a - First Class or Charter Travel - the President and the Provost are permitted to fly first class while certain other VPs are permitted if the trip is either cross country or international in nature. The college did not use any charter travel during the reporting period. PART I - Line 1a - Travel for Companions and Gross-up Payments - the President is permitted to take his wife on certain trips that are pre-approved by the Chair of the Board of Trustees. All costs associated with the travel of the President's wife, including the gross up of those expenses, are treated as compensation to the President on Form W-2. The Provost and certain other Vice Presidents who are involved in fund raising and entertainment events are occasionally permitted to take their spouses or companions on such trips. PART I - Line 1a - Health or Social Club Dues or Initiation Fees - the college pays for dues and initiation fees to certain social clubs for the President, Provost, Vice President for Advancement, and the Senior Vice President for Mercyhurst North East and Mercyhurst West and Vice President for Strategic Finance.

Schedule J, Part I, Line 4 - 4a. Thomas Billingsley, former Vice President of Administration received a severance in accordance with a separation agreement dated May 10, 2010. The agreement called for a full salary continuation for 6 months, beginning July 1, 2010 in the amount of $58,750. Additionally, he was entitled to certain insurance and other benefits beyond the date of separation.

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	2003 Series - CEHEBA	25-1536711	295435AA9	07/31/2003	5,602,239	Acquisition and construction of assets, payment of issuance costs.		✔		✔		✔
B	2004 Series A&B - CEHEBA	25-1536711	295435AA9	10/08/2004	18,392,510	Refunding of 1993 issue; reserve fund; issuance costs		✔		✔		✔
C	2008 Series - CEHEBA	25-1536711	295433AA9	06/19/2008	21,676,206	Refunding of 1997 issue, const of assets; rsv fund; issuance costs		✔		✔		✔
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	1,275,000	7,140,000	0	
2	Amount of bonds legally defeased	0	0	0	
3	Total proceeds of issue	5,696,797	18,393,479	21,747,548	
4	Gross proceeds in reserve funds	0	1,502,501	1,571,668	
5	Capitalized interest from proceeds	0	15,073	58,057	
6	Proceeds in refunding escrows	0	18,145,285	1,378,500	
7	Issuance costs from proceeds	103,029	241,878	521,248	
8	Credit enhancement from proceeds	5,579	0	0	
9	Working capital expenditures from proceeds	0	0	0	
10	Capital expenditures from proceeds	5,594,529	0	18,503,638	
11	Other spent proceeds	0	0	0	
12	Other unspent proceeds	0	0	69,182	
13	Year of substantial completion	2005	2006	2009	

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?		✔	✔		✔			
15	Were the bonds issued as part of an advance refunding issue?		✔		✔		✔		
16	Has the final allocation of proceeds been made?	✔		✔			✔		
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	✔		✔		✔			

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		✔		✔		✔		
2	Are there any lease arrangements that may result in private business use of bond-financed property?		✔		✔		✔		

Part III **Private Business Use** *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	✔		✔		✔			
b	Are there any research agreements that may result in private business use of bond-financed property?		✔		✔		✔		
c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	✔		✔		✔			
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %		0 %		0 %		%	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 %		0 %		0 %		%	
6	Total of lines 4 and 5	0 %		0 %		0 %		%	
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		✔		✔		✔		

Part IV **Arbitrage**

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		✔		✔		✔		
2	Is the bond issue a variable rate issue?	✔			✔		✔		
3a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	✔			✔		✔		
b	Name of provider	PNC Bank NA							
c	Term of hedge		1.4						
d	Was the hedge superintegrated?	✔							
e	Was the hedge terminated?		✔						
4a	Were gross proceeds invested in a GIC?		✔	✔		✔			
b	Name of provider			Wells Fargo Bank NA		Branch Banking & Trust			
c	Term of GIC				11.9		3.6		
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?			✔		✔			
5	Were any gross proceeds invested beyond an available temporary period?		✔		✔		✔		
6	Did the bond issue qualify for an exception to rebate?	✔		✔		✔			

Part V **Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

	(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
(1)											
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											
(8)											
(9)											
(10)											
Total	. . . . . ▶ $										

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)	NA Exception for Schools	Not required.	49,297, Tuition remission
(2)	NA Exception for Schools	Not required	45,870, Merit-based scholarships
(3)	NA Exception for Schools	Not required	10,500, Needs-based scholarships
(4)	NA Exception for Schools	Not required	1,181, Work scholarships
(5)	NA Exception for Schools	Not required	29,740, Tuition exchange
(6)			
(7)			
(8)			
(9)			
(10)			

Part IV **Business Transactions Involving Interested Persons.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
					Yes	No
(1)						
(2)						
(3)						
(4)						
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Part V **Supplemental Information**
Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Types of Property

		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	✔	7	17,575	Market value
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential	✔	1	842,731	Appraisal
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts	✔	1	25,100	Estimated
25	Other ▶ ( )				
26	Other ▶ ( )				
27	Other ▶ ( )				
28	Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** 1

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1–28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		✔
b	If "Yes," describe the arrangement in Part II.			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	✔	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	32a	✔	
b	If "Yes," describe in Part II.			
33	If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.			

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Schedule M, Part I, Line 32b - Mercyhurst has an account with a financial/investment institution. When stock gifts are received the are delivered to this institution and sold by them on behalf of the College with the proceeds being deposited into our account.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: **MERCYHURST COLLEGE**

Employer identification number: **25-0965430**

Form 990, Part VI, Section A, Line 2 - Bruce Raimy (Trustee) business relationship with Dennis Marin (Trustee) and Frank Victor (Trustee) Owen McCormick (Trustee) family relationship with Jane Theuerkauf (Trustee)

Form 990, Part VI, Section B, Line 11a - The 2010 Form 990 for Mercyhurst College for the fiscal year ended May 31, 2011 was reviewed in detail by the Vice President for Finance and Treasurer and by an independent accounting firm during January and February of 2012 prior to filing with the IRS. In addition to management's review of the 2010 Form 990, the Committee on Audit of the Mercyhurst College Board of Trustees reviewed the highlights of the final return at its February 2012 meeting. Committee members were provided a copy of the 2010 Form 990, including all required schedules, several days prior to the meeting and the Committee was given an opportunity to ask questions and provide feedback to management prior to the filing of the return with the IRS. Finally, a copy of the final 2010 Form 990, including all required schedules, was e-mailed to each voting member of the Mercyhurst College Board of Trustees approximately one week before the April 15, 2012 filing deadline.

Form 990, Part VI, Section B, Line 12c - Mercyhurst College has a written Conflict of Interest Policy. All officers, Trustees, President's Associates, and members of the President's staff are required to disclose to the Board of Trustees any possible conflict of interest at the earliest practical time. Further, the Trustee shall absent him or her from discussion of, and abstain from voting on, such matters under consideration by the Board of Trustees or its committees. Each officer, Trustee, President's Associate, and member of the President's staff shall complete and sign by May 15 of each year (or the first business day thereafter if May 15 falls on a weekend or holiday) a conflict of interest disclosure form provided annually by the Secretary of the Board of Trustees. The annual conflict of interest disclosure forms are reviewed first by the Chair of the Board of Trustees, who also serves as Chair of the Executive Committee and by the full Executive Committee of the Board of Trustees typically at its Spring meeting. Copies of the annual conflict of interest disclosure forms are provided to the Executive Committee of the Board of Trustees, the Chair of the Board of Trustees, the Secretary of the Board of Trustees, the Chair of the Committee on Audit, the external audit firm, and the President of the College.

Form 990, Part VI, Section B, Line 15 - The Mercyhurst College board of trustees follows the recommendation of the Association of Governing Boards of Universities and Colleges when dealing with presidential compensation and therefore, adheres to best practices established. The process/policy for setting presidential compensation at Mercyhurst College is: Step #1: During the late summer, the Chair of the Board requests the President to provide a list of goals and objectives for the institution and for the office of the president for the forthcoming year. This document is reviewed by the Executive Committee and presented to the full board at its fall meeting for consensus. It provides the baseline used in evaluating the performance of the president 10 to 12 months later. This request is followed up in April by a second request of the Chair of the Board to the President to prepare a report that assesses progress on each of the annual and standing objectives presented in the summer/fall report. Step #2: At Mercyhurst College, the Executive Committee of the board of trustees is responsible for the compensation-setting function of the President. The Executive Committee is chaired by the Chair of the Board of Trustees. This 14-member committee is composed of the officers, immediate past chair of the board, and the chairs of the standing committees of the board. The President of the college also sits on the Executive Committee except in such matters. Step #3: To assist the full Executive Committee in determining compensation for the president, a subcommittee from within the Executive Committee is charged with the responsibility of assessing the president's performance as measured against the earlier agreed upon goals from Step #1. This committee is also chaired by the Chair of the Board. Other members of this subcommittee include a vice-chair of the board and the chair of the Committee on Budget and Finance. Based on this subcommittee's in-depth evaluation of the President's performance during the preceding year and its research of comparative information for compensation of leaders of similar and regionally competitive institutions, a recommendation on presidential salary compensation is made to the full Executive Committee for discussion, changes, and finally to vote on approval. Step #4: The Chair of the Board/Chair of the Executive Committee presents this action item to the full board of trustees in executive session for ratification, first disclosing the amount and benefits, and the reasoning of the Executive Committee behind this motion. Step #5: The President, as a member of the Executive Committee and an ex officio trustee, recuses himself from attendance at Executive Committee meetings and executive sessions of the board, when presidential compensation matters are discussed, approved and ratified.

Form 990, Part VI, Section C, Line 19 - Mercyhurst College posts its audited financial statement on the same webpage that it accomplishes its public disclosure requirement for its Federal Form 990 and 990-T. Additionally, on that website, it alerts users that if they wish to obtain

Supplemental Information (Continued)

either the College's Conflict of Interest policy or the governing documents of the College, they are available upon request.

Form 990, Part XI, Line 5 - Other changes in net assets is comprised of unrealized gains of $4,661,777 and the increase in value of a split interest agreement in the amount of $72,326.

Activity Or Mission Description

Description

college maintains one- and two-year programs at Mercyhurst North East (North East, Pa.) and three satellite campuses-Mercyhurst West (Girard, Pa.), Mercyhurst Corry (Corry, Pa.) and Mercyhurst @ BT Washington (Erie).

Mission Description

Description

image of students whose choices, in life and work, will enable them to realize the human and spiritual values embedded in everyday realities and to exercise leadership in service toward a just world.

Other Program Services Accomplishments

Activity Code	Description	Expense	Grants	Revenue
	All other program related activities.	17,519,689	0	8,205,769
Total:		**17,519,689**	**0**	**8,205,769**

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization: MERCYHURST COLLEGE

Employer identification number: 25-0965430

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) Mercyhurst College WCRUT (25-6545732) 620 Liberty Avenue 10th Floor, Pittsburgh, PA 15222	Charitable Investment	PA	N/A	T	0	760,295	95%
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	**1a**		✔
b	Gift, grant, or capital contribution to other organization(s)	**1b**		✔
c	Gift, grant, or capital contribution from other organization(s)	**1c**		✔
d	Loans or loan guarantees to or for other organization(s)	**1d**		✔
e	Loans or loan guarantees by other organization(s)	**1e**		✔
f	Sale of assets to other organization(s)	**1f**		✔
g	Purchase of assets from other organization(s)	**1g**		✔
h	Exchange of assets	**1h**		✔
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		✔
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**		✔
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**		✔
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**		✔
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		✔
n	Sharing of paid employees	**1n**		✔
o	Reimbursement paid to other organization for expenses	**1o**		✔
p	Reimbursement paid by other organization for expenses	**1p**		✔
q	Other transfer of cash or property to other organization(s)	**1q**		✔
r	Other transfer of cash or property from other organization(s)	**1r**		✔

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of other organization	**(b)** Transaction type (a–r)	**(c)** Amount involved	**(d)** Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										
(15)										
(16)										

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).