Mercyhurst
COLLEGE

FEDERAL FORM 990

June 30, 2008

M. Public Inspection of Returns, etc.

Some members of the public rely on Form 990, or Form 990-EZ, as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its returns.

An organization's completed Form 990, or Form 990-EZ, is available for public inspection as required by section 6104. Schedule B (Form 990, 990-EZ, or 990-PF) is open for public inspection for section 527 organizations filing Form 990 or Form 990-EZ. For other organizations that file Form 990 or Form 990-EZ, parts of Schedule B may be open to public inspection. Form 990-T filed after August 17, 2006, by a 501(c)(3) organization to report any unrelated business income, is also available for public inspection and disclosure.

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 disc (CD). 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 CDs, 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. Additionally, the IRS may not disclose the names and addresses of contributors. See the Instructions for Schedule B (Form 990, 990-EZ, or 990-PF) for more information about the disclosure of that schedule.

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

A return, report, notice, or exemption application may be inspected at an IRS office free of charge. Copies of these items may also be obtained through the organization as discussed in the following section.

Through the Organization

Public inspection and distribution of certain returns of unrelated business income. Section 501(c)(3) organizations that are required to file Form 990-T after August 17, 2006, must make Form 990-T available for public inspection under section 6104(d)(1)(A)(ii).

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 organization*, later. Generally, Form 8871 and Form 8872 are available for inspection and printing from the Internet. The website address for both of these forms is */www.irs.gov/charities/political/article/0,,id=109332,00.html*.

TIP *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). See the Instructions for Schedule B.*

The penalties discussed in *General Instruction K* also apply to section 527 political organizations (Rev. Rul. 2003-49, 2003-204 I.R.B. 903).

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, (for Form 990-T, this requirement only applies to Form 990-T's filed after August 17, 2006) 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:

- 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.

If there is no prescribed application form, see Regulations section 301.6104(d)-1(b)(4)(i).

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.
- An exact copy of Form 990-T if one is filed by a 501(c)(3) organization.

The copy must include all information furnished to the IRS on Form 990, Form 990-EZ, or Form 990-T 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, scientific research, 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 earlier, *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* earlier.

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:

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

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning 7/1/2007 , and ending 6/30/2008

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: MERCYHURST COLLEGE

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

F Accounting method: ☐ Cash ☑ Accrual ☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates ▶

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

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☑ No

I Group Exemption Number ▶

M Check ▶ ☐ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ www.mercyhurst.edu

J Organization type (check only one) ▶ ☑ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than $25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **109,942,707**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions.)*

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Contributions to donor advised funds	1a	0		
	b	Direct public support (not included on line 1a)	1b	5,170,433		
	c	Indirect public support (not included on line 1a)	1c	0		
	d	Government contributions (grants) (not included on line 1a)	1d	161,901		
	e	**Total** (add lines 1a through 1d) (cash $ 5,191,876 noncash $ 140,458)			1e	5,332,334
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	99,225,901
	3	Membership dues and assessments			3	0
	4	Interest on savings and temporary cash investments			4	388,909
	5	Dividends and interest from securities			5	1,111,955
	6a	Gross rents	6a	227,456		
	b	Less: rental expenses	6b	0		
	c	Net rental income or (loss). Subtract line 6b from line 6a			6c	227,456
	7	Other investment income (describe ▶)			7	0

		(A) Securities		(B) Other
8a	Gross amount from sales of assets other than inventory	3,529,000	8a	17,350
b	Less: cost or other basis and sales expenses	3,156,092	8b	1,758
c	Gain or (loss) (attach schedule) Stmt 1	372,908	8c	15,592

	d	Net gain or (loss). Combine line 8c, columns (A) and (B)			8d	388,500
	9	Special events and activities (attach schedule). If any amount is from **gaming,** check here ▶ ☐				
	a	Gross revenue (not including $ 0 of contributions reported on line 1b)	9a	0		
	b	Less: direct expenses other than fundraising expenses	9b	0		
	c	Net income or (loss) from special events. Subtract line 9b from line 9a			9c	0
	10a	Gross sales of inventory, less returns and allowances	10a	0		
	b	Less: cost of goods sold	10b	0		
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a			10c	0
	11	Other revenue (from Part VII, line 103)			11	109,802
	12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	106,784,857
Expenses	13	Program services (from line 44, column (B))			13	89,203,366
	14	Management and general (from line 44, column (C))			14	9,098,872
	15	Fundraising (from line 44, column (D))			15	1,474,211
	16	Payments to affiliates (attach schedule)			16	0
	17	**Total expenses.** Add lines 16 and 44, column (A)			17	99,776,449
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12			18	7,008,408
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	71,600,042
	20	Other changes in net assets or fund balances (attach explanation) Stmt 2			20	-3,198,060
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20			21	75,410,390

Part II **Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. *(See the instructions.)*

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ _____ noncash $ _____) If this amount includes foreign grants, check here ▶ ☐	22a	0	0		
22b Other grants and allocations (attach schedule) (cash $ 32,305,567 noncash $ 0) If this amount includes foreign grants, check here ▶ ☐	22b	Stmt 3 32,305,567	32,305,567		
23 Specific assistance to individuals (attach schedule)	23	0	0		
24 Benefits paid to or for members (attach schedule)	24	0	0		
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	1,556,122	408,616	877,286	270,220
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	114,174	0	6,299	107,875
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c	0	0	0	0
26 Salaries and wages of employees not included on lines 25a, b, and c	26	25,033,478	21,332,419	3,155,809	545,250
27 Pension plan contributions not included on lines 25a, b, and c	27	1,126,062	919,662	171,686	34,714
28 Employee benefits not included on lines 25a – 27	28	5,661,404	4,537,703	934,708	188,993
29 Payroll taxes	29	1,907,961	1,558,245	290,898	58,818
30 Professional fundraising fees	30	0	0	0	0
31 Accounting fees	31	84,712	5,000	79,712	0
32 Legal fees	32	65,440	13,065	52,375	0
33 Supplies	33	1,421,130	1,258,596	150,413	12,121
34 Telephone	34	472,236	81,675	388,806	1,755
35 Postage and shipping	35	292,476	234,524	41,235	16,717
36 Occupancy	36	754,378	754,378	0	0
37 Equipment rental and maintenance	37	1,374,224	1,100,092	264,819	9,313
38 Printing and publications	38	431,950	334,368	62,038	35,544
39 Travel	39	2,236,802	2,012,886	155,181	68,735
40 Conferences, conventions, and meetings	40	0	0	0	0
41 Interest	41	2,060,921	1,606,532	454,389	0
42 Depreciation, depletion, etc. (attach schedule)	42	3,838,135	3,838,135	0	0 Stmt 4
43 Other expenses not covered above (itemize): **a** See Statement 5	43a	19,039,277	16,901,903	2,013,218	124,156
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)–(D), carry these totals to lines 13–15)	44	99,776,449	89,203,366	9,098,872	1,474,211

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ **Yes** ☑ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $ _____; **(ii)** the amount allocated to Program services $ _____; **(iii)** the amount allocated to Management and general $ _____; and **(iv)** the amount allocated to Fundraising $ _____

Part III **Statement of Program Service Accomplishments** *(See the instructions.)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ **Post-secondary education.** All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a **See Statement 6** (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services). . . . . ▶	**89,203,366**

Part IV Balance Sheets *(See the instructions.)*

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*

				(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing		0	45	0
	46	Savings and temporary cash investments		10,039,343	46	9,618,682
	47a	Accounts receivable	47a 2,443,478			
	b	Less: allowance for doubtful accounts	47b 930,023	1,210,803	47c	1,513,455
	48a	Pledges receivable	48a 3,764,492			
	b	Less: allowance for doubtful accounts	48b 55,000	834,667	48c	3,709,492
	49	Grants receivable		565,472	49	954,527
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		0	50a	0
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		0	50b	0
	51a	Other notes and loans receivable (attach schedule) See Statement 7	51a 2,916,459			
	b	Less: allowance for doubtful accounts	51b 118,677	2,631,217	51c	2,797,782
	52	Inventories for sale or use		379,169	52	413,866
	53	Prepaid expenses and deferred charges		271,382	53	220,205
	54a	Investments—publicly-traded securities ▶ ☐ Cost ☑ FMV		25,792,871	54a	41,251,355
	b	Investments—other securities (attach schedule) ▶ ☐ Cost ☐ FMV		0	54b	0
	55a	Investments—land, buildings, and equipment: basis	55a 422,168			
	b	Less: accumulated depreciation (attach schedule) See Statement 8	55b 0	422,168	55c	422,168
	56	Investments—other (attach schedule)		0	56	0
	57a	Land, buildings, and equipment: basis	57a 116,170,160			
	b	Less: accumulated depreciation (attach schedule) Stmt 9	57b 41,820,046	70,520,379	57c	74,350,114
	58	Other assets, including program-related investments (describe ▶ See Statement 10)		419,479	58	892,310
	59	**Total assets** (must equal line 74). Add lines 45 through 58		113,086,950	59	136,143,956
Liabilities	60	Accounts payable and accrued expenses		4,264,835	60	4,599,113
	61	Grants payable		0	61	0
	62	Deferred revenue		1,032,739	62	1,239,762
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64a	Tax-exempt bond liabilities (attach schedule) See Statement 11		30,495,000	64a	48,755,000
	b	Mortgages and other notes payable (attach schedule) Stmt 12		1,707,291	64b	1,699,116
	65	Other liabilities (describe ▶ See Statement 13)		3,987,043	65	4,440,575
	66	**Total liabilities.** Add lines 60 through 65		41,486,908	66	60,733,566
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here** ▶ ☑ and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		54,256,070	67	58,641,306
	68	Temporarily restricted		6,438,541	68	4,648,938
	69	Permanently restricted		10,905,431	69	12,120,146
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	**Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72. (Column (A) **must** equal line 19 and column (B) **must** equal line 21)		71,600,042	73	75,410,390
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73		113,086,950	74	136,143,956

Part IV-A **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	74,287,922
b	Amounts included on line **a** but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	-3,070,562		
2	Donated services and use of facilities	b2	174,433		
3	Recoveries of prior year grants	b3	0		
4	Other (specify): See Statement 14	b4	239,997		
	Add lines **b1** through **b4**			b	-2,656,132
c	Subtract line **b** from line **a**			c	76,944,054
d	Amounts included on Part I, line 12, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1	89,446		
2	Other (specify): See Statement 15	d2	29,751,357		
	Add lines **d1** and **d2**			d	29,840,803
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	106,784,857

Part IV-B **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements			a	70,477,575
b	Amounts included on line **a** but not on Part I, line 17:				
1	Donated services and use of facilities	b1	174,433		
2	Prior year adjustments reported on Part I, line 20	b2	0		
3	Losses reported on Part I, line 20	b3	0		
4	Other (specify): See Statement 16	b4	367,496		
	Add lines **b1** through **b4**			b	541,929
c	Subtract line **b** from line **a**			c	69,935,646
d	Amounts included on Part I, line 17, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1	89,446		
2	Other (specify): See Statement 17	d2	29,751,357		
	Add lines **d1** and **d2**			d	29,840,803
e	**Total expenses** (Part I, line 17). Add lines **c** and **d** ▶			e	99,776,449

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See Statement 18				

Part V-A **Current Officers, Directors, Trustees, and Key Employees** *(continued)*

			Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 34			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b		✔
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." ▶	75c		✔
	If "Yes," attach a statement that includes the information described in the instructions.			
d	Does the organization have a written conflict of interest policy?	75d	✔	

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	**(B)** Loans and Advances	**(C)** Compensation (if not paid, enter -0-)	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See Statement 19				

Part VI **Other Information** *(See the instructions.)*

			Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		✔
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	77		✔
	If "Yes," attach a conformed copy of the changes.			
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	✔	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	✔	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		✔
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		✔
b	If "Yes," enter the name of the organization ▶ ____ and check whether it is ☐ exempt **or** ☐ nonexempt			
81a	Enter direct and indirect political expenditures. (See line 81 instructions.)	81a 0		
b	Did the organization file **Form 1120-POL** for this year?	81b		✔

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	✔	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b 174,433			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✔	
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b	✔	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		✔
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter: **a** Initiation fees and capital contributions included on line 12 86a			
b	Gross receipts, included on line 12, for public use of club facilities 86b			
87	*501(c)(12) orgs.* Enter: **a** Gross income from members or shareholders 87a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b			
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		✔
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		✔
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		✔
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		✔
f	*All organizations.* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		✔
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		✔

90a List the states with which a copy of this return is filed ▶ PA

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.) 90b 2132

91a The books are in care of ▶ James F Lieb Telephone no. ▶ 814-824-2276

Located at ▶ 501 East 38th Street, Erie, PA ZIP + 4 ▶ 16546-0001

			Yes	No
b	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)?	91b		✔
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.			

Part VI Other Information *(continued)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		✔

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041*****—**Check here . . . . . ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the tax year . . ▶ | 92 |

Part VII Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated.*

		Unrelated business income		Excluded by section 512, 513, or 514		
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	(E) Related or exempt function income
93	Program service revenue:					
a	**Tuition & Fees**					**75,435,712**
b	**Auxilliary Enterprises**					**17,379,258**
c	**Governmental Grants**					**5,643,891**
d	**Other Educational-related Income**					**767,040**
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					
94	Membership dues and assessments . . .					
95	Interest on savings and temporary cash investments			**14**	**388,909**	
96	Dividends and interest from securities . .			**14**	**1,111,955**	
97	Net rental income or (loss) from real estate:					
a	debt-financed property					
b	not debt-financed property					**18,526**
98	Net rental income or (loss) from personal property	**713900**	**200,065**			**8,865**
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory			**18**	**388,500**	
101	Net income or (loss) from special events .					
102	Gross profit or (loss) from sales of inventory					
103	Other revenue: **a** **Concessions & Food Sales**					**46,196**
b	**Student Newspaper & Other Advertising**					**33,273**
c	**Other**					**23,503**
d	**Alcohol Education & Awareness**					**6,830**
e						
104	Subtotal (add columns (B), (D), and (E)) .		**200,065**		**1,889,364**	**99,363,094**
105	**Total** (add line 104, columns (B), (D), and (E)) . . . . . ▶					**101,452,523**

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	See Statement 20

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . ☐ **Yes** ☑ **No**

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **Yes** ☑ **No**

Note: *If "Yes" to* ***(b),*** *file Form 8870* ***and*** *Form 4720 (see instructions).*

Part XI **Information Regarding Transfers To and From Controlled Entities.** *Complete only if the organization is a controlling organization as defined in section 512(b)(13).*

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2007, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

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.

Signature of officer | Date

Jane M Kelsey, Vice President of Finance

Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN ▶	
, ,		Phone no. ▶ ( )	

Printed on recycled paper

*** 990 Online Filers: Please fax completed and signed form to 866-699-3916

Form **8453-EO**

Department of the Treasury
Internal Revenue Service

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2007, or tax year beginning 7/1/2007, and ending 6/30/2008

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868
▶ See instructions on back.

OMB No. 1545-1879

2007

Name of exempt organization: MERCYHURST COLLEGE

Employer identification number: 25 - 0965430

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return if any. If you check the box on line **1a, 2a, 3a, 4a, or 5a** below and the amount on that line for the return for which you are filing this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b,** whichever is applicable, blank (that is, do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a Form 990 check here ▶ ☑	b Total revenue, if any (Form 990, line 12)	1b	$106,784,857
2a Form 990-EZ check here ▶ ☐	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ ☐	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ ☐	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ ☐	b Balance due (Form 8868, line 3c)	5b	

Part II Declaration of Officer

6 ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2007 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** an indication of any refund offset, **(c)** the reason for any delay in processing the return or refund, and **(d)** the date of any refund.

Sign Here ▶ Jane M Kelsey (Signature of officer) | 5-12-09 (Date) ▶ Vice President of Finance & Treasurer (Title)

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Publication 4206, Information for Authorized IRS *e-file* Providers of Exempt Organization Filings. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's signature ▶	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶			EIN	
			Phone no. ( )	

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer's Use Only

Preparer's signature ▶	Date 5-13-09	Check if self-employed ☐	Preparer's SSN or PTIN P00151125
Firm's name (or yours if self-employed), address, and ZIP code ▶ BKD, LLP 312 Walnut Street, Suite 3000 P.O. Box 5367 Cincinnati, Ohio 45201-5367			EIN 44 - 0160260
			Phone no. (260) 460-4000

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Cat. No. 36606Q Form **8453-EO** (2007)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2007

Name of the organization: **MERCYHURST COLLEGE**

Employer identification number: **25 0965430**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Breckenridge James G 501 East 38th Street, Erie, PA 16546-0001, US	Faculty 45	114,272	6,112	0
Wheaton Kristan 501 East 38th Street, Erie, PA 16546-0001, US	Faculty 45	110,450	4,814	0
Sisti Michael A 501 East 38th Street, Erie, PA 16546-0001, US	W Hockey Coach 45	102,248	17,293	0
Gotkin Rick A 501 East 38th Street, Erie, PA 16546-0001, US	M Hockey Coach 45	95,700	13,333	0
Manchel Gary 501 East 38th Street, Erie, PA 16546-0001, US	M Basketball Coach 45	87,814	9,268	0
Total number of other employees paid over $50,000 ▶	123			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
BKD LLP 312 Walnut Street Suite 3000, Cincinnati, OH 45201-5367, US	Accounting & Audit	93,385
Knox McLauglin Gornall Sennett PC 120 West Tenth Street, Erie, PA 16501, US	Legal	53,501
Total number of others receiving over $50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
Crowther Construction Company 125 Allison Road, Seneca, PA 16346, US	Construction Contractor	919,405
Neilsen Painting 3209 Regis Drive, Erie, PA 16510, US	Painting Contractor	117,195
Commercial Management Solutions 8 Bloomfield Parkway, Erie, PA 16509, US	Maintenance Management	74,500
Ellen R Feerst 9948 Woodrow Street, Vienna, VA 22181, US	Program Consulting	72,750
Dick Morewood Plumbing 4560 West Lake Road, Erie, PA 16505, US	Plumbing Contractor	61,700
Total number of other contractors receiving over $50,000 for other services ▶	0	

Part III **Statements About Activities** (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► $ 0 (Must equal amounts on line 38, Part VI-A, or line **i** of Part VI-B.)	1		✔
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)* **See Statement 21**			
a	Sale, exchange, or leasing of property?	2a		✔
b	Lending of money or other extension of credit?	2b	✔	
c	Furnishing of goods, services, or facilities?	2c	✔	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? **See Form 990, Pt. V**	2d	✔	
e	Transfer of any part of its income or assets?	2e		✔
3a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) **Stmt 23**	3a	✔	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	✔	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement **Stmt 22**	3c	✔	
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	✔	
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		✔
b	Did the organization make any taxable distributions under section 4966?	4b		✔
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		✔
d	Enter the total number of donor advised funds owned at the end of the tax year ►			
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ►			
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ►			0
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ►			0

Part IV **Reason for Non-Private Foundation Status** (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☑ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 ☐ An organization that normally receives: **(1) more than 33⅓%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33⅓%** 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). (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total . . . . . ▶					0

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	**(a)** 2006	**(b)** 2005	**(c)** 2004	**(d)** 2003	**(e)** Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18.					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 **Organizations described on lines 10 or 11:** **a** Enter 2% of amount in column (e), line 24 ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ **26c**

d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** %

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2006) ..... (2005) ..... (2004) ..... (2003) .....

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2),** enter the sum of these differences (the excess amounts) for each year:

(2006) ..... (2005) ..... (2004) ..... (2003) .....

c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶ **27c**

d Add: Line 27a total _____ and line 27b total _____ ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ **27f**

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h** %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V **Private School Questionnaire** (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	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?	29	✔	
30	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?	30	✔	
31	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?	31	✔	
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) **See Statement 24**			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	✔	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	✔	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	✔	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	✔	
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		✔
b	Admissions policies?	33b		✔
c	Employment of faculty or administrative staff?	33c		✔
d	Scholarships or other financial assistance?	33d		✔
e	Educational policies?	33e		✔
f	Use of facilities?	33f		✔
g	Athletic programs?	33g		✔
h	Other extracurricular activities?	33h		✔
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	✔	
b	Has the organization's right to such aid ever been revoked or suspended?	34b		✔
	If you answered "Yes" to either 34a or b, please explain using an attached statement. **Stmt 25**			
35	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," attach an explanation	35	✔	

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 10 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ **a** ☐ if the organization belongs to an affiliated group. Check ▶ **b** ☐ if you checked **"a"** and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for **all** electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	**36**		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	**37**		
38 Total lobbying expenditures (add lines 36 and 37)	**38**		
39 Other exempt purpose expenditures	**39**		
40 Total exempt purpose expenditures (add lines 38 and 39)	**40**		
41 Lobbying nontaxable amount. Enter the amount from the following table—			
If the amount on line 40 is— / **The lobbying nontaxable amount is—**			
Not over $500,000 — 20% of the amount on line 40			
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	**41**		
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			
42 Grassroots nontaxable amount (enter 25% of line 41)	**42**		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	**43**		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	**44**		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

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 45 through 50 on page 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2007	**(b)** 2006	**(c)** 2005	**(d)** 2004	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	**Yes**	**No**	**Amount**
a Volunteers		✔	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)		✔	
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 other means		✔	
i Total lobbying expenditures (Add lines **c** through **h.**)			**0**

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 13 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of:		
(i)	Cash		✔
(ii)	Other assets		✔
b	Other transactions:		
(i)	Sales or exchanges of assets with a noncharitable exempt organization		✔
(ii)	Purchases of assets from a noncharitable exempt organization		✔
(iii)	Rental of facilities, equipment, or other assets		✔
(iv)	Reimbursement arrangements		✔
(v)	Loans or loan guarantees		✔
(vi)	Performance of services or membership or fundraising solicitations		✔
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		✔

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ **Yes** ☑ **No**

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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Statement 1
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Question: 8

MERCYHURST COLLEGE
25-0965430

Sales of Assets Other than Inventory

Noninventory Asset

Description:	Dormitory Furniture		
Sold To:	Family First Sports Park		
Sales Price:	$850.00	**Date Sold:**	12/07/2007
Expense of Sale:	$8.00	**Date acquired:**	07/01/2000
Cost or value when acquired:	$3,000.00	**How acquired:**	
Depreciation since acquistion:	$3,000.00	Purchase	
Net Sale:	**$842.00**		

Noninventory Asset

Description:	1998 Rowing Boat		
Sold To:	Traded in on new boat		
Sales Price:	$8,000.00	**Date Sold:**	06/01/2008
Expense of Sale:	$0.00	**Date acquired:**	06/01/1998
Cost or value when acquired:	$17,500.00	**How acquired:**	
Depreciation since acquistion:	$15,750.00	Purchase	
Net Sale:	**$6,250.00**		

Noninventory Asset

Description:	1996 Rowing Boat		
Sold To:	Traded in on new boat		
Sales Price:	$8,500.00	**Date Sold:**	06/01/2008
Expense of Sale:	$0.00	**Date acquired:**	06/01/1996
Cost or value when acquired:	$16,000.00	**How acquired:**	
Depreciation since acquistion:	$16,000.00	Purchase	
Net Sale:	**$8,500.00**		

Publicly Traded Securities

Description:			
Sold To:			
Sales Price:	$3,529,000.00	**Date Sold:**	
Expense of Sale:	$126.00	**Date acquired:**	
Cost or value when acquired:	$3,155,966.00	**How acquired:**	
Depreciation since acquistion:	$0.00		
Net Sale:	**$372,908.00**		

Statement 2
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Question: 20

MERCYHURST COLLEGE
25-0965430

Other changes in Net Assets or Fund Balances

Explanation	Amount
Unrealized Gains	-$3,070,562.00
Net Change in Value of Split Interest Agreement	-$127,498.00
Total:	**-$3,198,060.00**

Statement 3
Form: 990
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Part: II
Question: 22b

MERCYHURST COLLEGE
25-0965430

Grants and Allocations

Classification Charitable contributions to Local
Date:
Type: Cash
Grant Amt $91,756.00

Various Local Organizations
Address: Various
Erie, PA 16546
United States

Purp of payment to affiliate
Relationship: None
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Classification Financial Aid to Enrolled College Students
Date:
Type: Cash
Grant Amt $32,046,811.00

Various Students
Address: Various
Various, PA 16546
United States

Purp of payment to affiliate
Relationship: Enrolled College Students
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Classification Charitable contribution - 4th of July
Date:
Type: Cash
Grant Amt $167,000.00

City of Erie Pennsylvania
Address: City Hall
Erie, PA 16501
United States

Purp of payment to affiliate
Relationship: None
Description of Property:

How Determined

Book Value of Property:
FMV of Property:

Total Grants: **$32,305,567.00**

Statement 4
Form: 990
Page: 2
Part: II
Question: 42

MERCYHURST COLLEGE
25-0965430

Depreciation and Depletion

Asset	Current Deprec.
Library Holdings	$180,188.00
Land Improvements	$478,520.00
Buildings & Improvements	$1,816,837.00
Equipment and Furnishings	$1,299,577.00
Amortization	$63,013.00
Total	**$3,838,135.00**

Statement 5
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Part: II
Question: 43

MERCYHURST COLLEGE
25-0965430

Attachment listing other expenses for Part II

Description	Total:	Pgm Services	Mgt and General	Fundrasing
Cost of Sales - Foodservice	$3,118,303.00	$3,118,303.00	$0.00	$0.00
Contracted Services	$3,050,187.00	$2,368,952.00	$654,897.00	$26,338.00
Utilities	$2,221,694.00	$1,908,936.00	$266,682.00	$46,076.00
Repairs & Maintenance	$1,955,448.00	$1,925,408.00	$30,040.00	$0.00
Cost of Sales - Bookstore	$1,933,085.00	$1,933,085.00	$0.00	$0.00
Non-capital Equipment	$1,637,275.00	$1,372,884.00	$259,737.00	$4,654.00
Bad Debt Expense	$968,750.00	$968,750.00	$0.00	$0.00
Miscellaneous	$827,252.00	$685,526.00	$136,502.00	$5,224.00
Advertising	$568,441.00	$339,812.00	$225,284.00	$3,345.00
Dues, Subscriptions & Memberships	$431,632.00	$320,744.00	$101,047.00	$9,841.00
Books & Periodicals	$400,481.00	$394,719.00	$5,651.00	$111.00
Copying	$378,870.00	$318,085.00	$51,907.00	$8,878.00
Recruiting	$228,094.00	$228,094.00	$0.00	$0.00
Athletic Game Expenses	$217,903.00	$217,903.00	$0.00	$0.00
Insurance	$197,844.00	$197,844.00	$0.00	$0.00
Property & Income Taxes	$185,770.00	$158,115.00	$27,655.00	$0.00
Investment Expenses	$140,852.00	$0.00	$140,852.00	$0.00
Bank Fees & Charges	$137,031.00	$103,599.00	$33,432.00	$0.00
Loss on Disposal of Assets	$106,287.00	$106,287.00	$0.00	$0.00
Production Costs	$92,278.00	$84,212.00	$8,066.00	$0.00
Computer & Data Processing	$80,972.00	$54,193.00	$26,579.00	$200.00
Pre-season Camps	$54,947.00	$54,947.00	$0.00	$0.00
Uncollectible Pledge Write-off	$25,652.00	$0.00	$25,652.00	$0.00
Accreditation & Assessment	$21,047.00	$1,587.00	$19,460.00	$0.00
Fundraising Expenses	$19,489.00	$0.00	$0.00	$19,489.00
Loan Cancellation & Write-off	$15,366.00	$15,366.00	$0.00	$0.00
Consulting	$10,274.00	$10,274.00	$0.00	$0.00
Collection Costs	$9,218.00	$9,218.00	$0.00	$0.00
Tuition Expense	$4,660.00	$4,660.00	$0.00	$0.00
Prizes & Awards	$175.00	$400.00	-$225.00	$0.00
Total:	**$19,039,277.00**	**$16,901,903.00**	**$2,013,218.00**	**$124,156.00**

Statement 6
Form: 990
Page: 3
Part: III
Question:

MERCYHURST COLLEGE
25-0965430

Program Services

Achievement	**Pgm. Svc. Exp.**
Higher Education: During the 2007-08 academic school year, over 4,000 students were enrolled in undergraduate, graduate, and associated degree programs. (1107 Degrees conferred)	$89,203,366.00
Grants and Allocations: $32,305,567.00 This amount includes foreign grants: No	
Total:	**$89,203,366.00**

Statement 7
Form: 990
Page: 4
Part: IV
Question: 51

MERCYHURST COLLEGE
25-0965430

Schedule of Other Notes and Loans Receivable

Borrower's Name:	Federal Perkins Student Loan Program
Borrower's Title:	
Original Amount:	$10,593,119.00
Balance Due:	$2,916,196.00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	
Relationship of Borrower/Lender:	

Borrower's Name:	Insitutional Student Loan Funds
Borrower's Title:	
Original Amount:	$497,739.00
Balance Due:	$263.00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	
Relationship of Borrower/Lender:	

Total Due:	**$2,916,459.00**

Statement 8
Form: 990
Page: 4
Part: IV
Question: 55

MERCYHURST COLLEGE
25-0965430

Schedule of Investment Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Real Estate	$422,168.00	$0.00	$422,168.00
Total:	**$422,168.00**	**$0.00**	**$422,168.00**

Statement 9
Form: 990
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Question: 57

MERCYHURST COLLEGE
25-0965430

Schedule of Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Land Improvements	$8,327,257.00	$4,400,415.00	$3,926,842.00
Buildings & Improvements	$76,132,987.00	$18,869,522.00	$57,263,465.00
Land	$3,826,217.00	$0.00	$3,826,217.00
Furnishings & Equipment	$20,814,666.00	$15,380,569.00	$5,434,097.00
Library Books, etc.	$4,349,359.00	$3,169,540.00	$1,179,819.00
Construction in Progress	$2,719,674.00	$0.00	$2,719,674.00
Total:	**$116,170,160.00**	**$41,820,046.00**	**$74,350,114.00**

Statement 10
Form: 990
Page: 4
Part: IV
Question: 58

MERCYHURST COLLEGE
25-0965430

Other Assets

Asset Description	BOY Amount	EOY Amount
Deferred Bond Issuance Costs	$198,080.00	$379,136.00
Cash Value of Life Insurance	$121,232.00	$140,069.00
Discount on Sale of Bonds	$100,167.00	$373,105.00
Total:	**$419,479.00**	**$892,310.00**

Statement 11
Form: 990
Page: 4
Part: IV
Question: 64a

MERCYHURST COLLEGE
25-0965430

Tax Exempt Bond Liabilities

Purpose:	Construction of an academic building and funding of ice rink renovations.	
Issue Date:	11/01/2001	
Original Amount:	$5,500,000.00	
Amount of issue outstanding:	$4,900,000.00	
Unexpended Proceeds:	$0.00	
Facility used by 3rd Party:	Yes	
Percent used by 3rd Party:	2.77	
Obligation is a Mortgage:	No	
Maturity Date:		
Repayment Terms:		
Interest Rate:		
Security Provided by Borrower:		
Contingent Liability:	No	*If 'Yes', this record will not be included in the total returned to the Form 990:*

Purpose:	Various asset acquisitions and renovations and payment of issue costs.	
Issue Date:	07/31/2003	
Original Amount:	$5,475,000.00	
Amount of issue outstanding:	$4,800,000.00	
Unexpended Proceeds:	$0.00	
Facility used by 3rd Party:	Yes	
Percent used by 3rd Party:	0.26	
Obligation is a Mortgage:	No	
Maturity Date:		
Repayment Terms:		
Interest Rate:		
Security Provided by Borrower:		
Contingent Liability:	No	*If 'Yes', this record will not be included in the total returned to the Form 990:*

Purpose:	Various asset purchases and renovations and the payment of issuance costs.	
Issue Date:	11/01/1999	
Original Amount:	$3,500,000.00	
Amount of issue outstanding:	$2,600,000.00	
Unexpended Proceeds:	$0.00	
Facility used by 3rd Party:	No	
Percent used by 3rd Party:		
Obligation is a Mortgage:	No	
Maturity Date:		
Repayment Terms:		
Interest Rate:		
Security Provided by Borrower:		
Contingent Liability:	No	*If 'Yes', this record will not be included in the total returned to the Form 990:*

Purpose:	Refunding of the 1993 bonds and payment of bond issue costs.
Issue Date:	10/01/2004
Original Amount:	$18,365,000.00
Amount of issue outstanding:	$14,485,000.00
Unexpended Proceeds:	$0.00
Facility used by 3rd Party:	Yes

Percent used by 3rd Party:	3.8	
Obligation is a Mortgage:	No	
Maturity Date:		
Repayment Terms:		
Interest Rate:		
Security Provided by Borrower:		
Contingent Liability:	No	*If 'Yes', this record will not be included in the total returned to the Form 990:*

Purpose:	Construction of housing facilities.	
Issue Date:	06/01/2008	
Original Amount:	$21,970,000.00	
Amount of issue outstanding:	$21,970,000.00	
Unexpended Proceeds:	$16,199,095.00	
Facility used by 3rd Party:	No	
Percent used by 3rd Party:		
Obligation is a Mortgage:	No	
Maturity Date:		
Repayment Terms:		
Interest Rate:		
Security Provided by Borrower:		
Contingent Liability:	No	*If 'Yes', this record will not be included in the total returned to the Form 990:*

Total Due:	**$48,755,000.00**

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Form: 990
Page: 4
Part: IV
Question: 64b

MERCYHURST COLLEGE
25-0965430

Mortgages and Other Notes Payable

Type:	Non-Mortgage
Lender's Name:	PNC Bank
Original Amount:	$1,700,000.00
Balance Due:	$829,310.00
Date of Note:	05/16/2008
Maturity Date:	12/31/2009
Repayment Terms:	Line of Credit
Interest Rate:	3.959
Security Provided by Borrower:	Gross revenues of the College
Purpose of Loan:	Capital expenditures
Description of Consideration:	Line of Credit
FMV of Consideration:	$829,310.00
Relationship:	Related party.

Type:	Non-Mortgage
Lender's Name:	MacGray Corporation
Original Amount:	$179,851.00
Balance Due:	$171,066.00
Date of Note:	09/01/2007
Maturity Date:	08/01/2017
Repayment Terms:	Monthly lease payments - 10 years
Interest Rate:	16.11
Security Provided by Borrower:	Equipment
Purpose of Loan:	Equipment acquisition
Description of Consideration:	Capital Lease Obligation
FMV of Consideration:	$171,066.00
Relationship:	Unrelated

Type:	Non-Mortgage
Lender's Name:	National City Bank
Original Amount:	$1,000,000.00
Balance Due:	$698,740.00
Date of Note:	06/23/2008
Maturity Date:	03/22/2010
Repayment Terms:	Line of Credit
Interest Rate:	3.731
Security Provided by Borrower:	Unsecured, general obligation of the College
Purpose of Loan:	Short-term working capital and capital expenditures
Description of Consideration:	Line of Credit
FMV of Consideration:	$698,740.00
Relationship:	Unrelated

Total Due:	**$1,699,116.00**

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Form: 990
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Part: IV
Question: 65

MERCYHURST COLLEGE
25-0965430

Other Liabilities

Liability Description	BOY Amount	EOY Amount
Federal Loan Programs	$2,244,764.00	$2,243,610.00
Trusts Payable	$285,374.00	$291,695.00
Student Deposits & Prepayments	$1,456,905.00	$1,905,270.00
Total:	**$3,987,043.00**	**$4,440,575.00**

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Form: 990
Page: 5
Part: IV-A
Question: b(4)

MERCYHURST COLLEGE
25-0965430

Revenue Audit Line b(4)

Description	Amount
Split Interest Agreement	-$127,499.00
Administrative Cost Recovery	$367,496.00
Total:	**$239,997.00**

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Form: 990
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Part: IV-A
Question: d(2)

MERCYHURST COLLEGE
25-0965430

Revenue Audit Line d(2)

Description	Amount
College Funded Financial Aid and Scholarships	$29,751,357.00
Total:	**$29,751,357.00**

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Form: 990
Page: 5
Part: IV-B
Question: b(4)

MERCYHURST COLLEGE
25-0965430

Expense Audit Line b(4)

Description	Amount
Administrative Cost Recovery	$367,496.00
Total:	**$367,496.00**

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Form: 990
Page: 5
Part: IV-B
Question: d(2)

MERCYHURST COLLEGE
25-0965430

Expense Audit Line d(2)

Description	**Amount**
College Funded Financial Aid and Scholarships	$29,751,357.00
Total:	**$29,751,357.00**

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Part: V
Question:

MERCYHURST COLLEGE
25-0965430

Officers, Directors, Trustees, and Key Employees

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Adovasio Dr James A Title: Provost Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$180,840.00	$20,291.00	$3,575.00
Baldauf Mary Ann Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Behan PhD Barbara A Title: VP Academic Affairs Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$91,731.00	$14,364.00	$0.00
Billingsley Thomas A Title: ExVP Administration Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$115,000.00	$23,366.00	$0.00
Brown Dr Gary M Title: ExVP NE/West Campus Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$110,600.00	$24,339.00	$2,181.00
Coovert Christina Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Courneen RSM JoAnne	2	$8,375.00	$1,320.00	$0.00
Title: Asst Board Secretary Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Dahlkemper Mary Ellen	2	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Dobbs PhD Vernon D	1	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Durkin Esq Rosemary	2	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Duska RSM Mary Felice	1	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Federici PhD Michael	45	$70,133.00	$17,358.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Gamble PhD Thomas J	45	$259,454.00	$31,199.00	$4,968.00
Title: President & Board Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546				

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Country: United States				
Greenleaf Elizabeth	1	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Jones Myron	1	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Kelsey Jane M	45	$115,000.00	$16,615.00	$0.00
Title: VP Finance/Treasurer Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Knight Charles G	2	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Lanzillo Esq Richard A	2	$0.00	$0.00	$0.00
Title: Vice Chair of Board Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Lewis William G	1	$0.00	$0.00	$0.00
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Lieb James F	45	$77,500.00	$9,148.00	$0.00
Title: Assistant Treasurer Addr 1: 501 East 38th Street Addr 2:				

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
CSZ: Erie, PA 16546 Country: United States				
Livingston Dr David J Title: VP Advancement Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$96,823.00	$19,423.00	$780.00
Louis F Brady Title: Board (on Leave) Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$24,917.00	$11,487.00	$0.00
Lyden Dr Michael P Title: VP Enrollment Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$91,305.00	$17,391.00	$0.00
Malpiedi Michael Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Marin Dennis Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
Mazza Robert Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
McCormick Owen J Title: Board of Trustees Addr 1: 501 East 38th Street	2	$0.00	$0.00	$0.00

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Addr 2: CSZ: Erie, PA 16546 Country: United States				
McDonald Desmond J Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Miller Robert S Title: Board Secretary Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
Monslave Marco A Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Mosco Marlene D Title: Chair of the Board Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
Mullen EdD Helen F Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
O'Connor RSM PhD Maria Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Raimy Bruce H Title: Board of Trustees	1	$0.00	$0.00	$0.00

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Renaud Gary W Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Rohm Kathleen C Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
Schimscherner RSM Mary Ann Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Sennett Esq William C Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
Smith RSM EdD Maura Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Snyderwine The Rev Msgr LThomas Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	1	$0.00	$0.00	$0.00
Theuerkauf Jane	1	$0.00	$0.00	$0.00

Name and Address	Ave. Hrs/week	Comp.	Benefits	Expenses
Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States				
Tobin Dr Gerard A Title: VP Student Life Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	45	$80,100.00	$16,539.00	$0.00
Victor Frank B Title: Board of Trustees Addr 1: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546 Country: United States	2	$0.00	$0.00	$0.00
TOTALS		**$1,321,778.00**	**$222,840.00**	**$11,504.00**

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Form: 990
Page: 6
Part: V-B
Question:

MERCYHURST COLLEGE
25-0965430

Former Officers, Directors, Trustees, and Key Employees

Name and Address	Loans and Advances	Comp.	Benefits	Expenses
MQuillen Dr Michael	$0.00	$9,449.00	$0.00	$0.00
Addr: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546-0001 Country: United States Compensation Explanation: Health insurance for former President.				
Bennett Linda	$0.00	$97,233.00	$6,712.00	$780.00
Addr: 501 East 38th Street Addr 2: CSZ: Erie, PA 16546-0001 Country: United States Compensation Explanation: Former VP of Advancement				
TOTALS	**$0.00**	**$106,682.00**	**$6,712.00**	**$780.00**

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Page: 8
Part: VIII
Question:

MERCYHURST COLLEGE
25-0965430

Relationship of Activities

Line No	Relationship of Activities to the Accomplishment of Exempt Purposes
93 a	Funds instructional programs that enable students to meet their educational requirements and goals.
93 b	Funds student housing, foodservice, and bookstore operations and plant facilities.
93 c	Provides students with financial assistance to meet the costs of education.
93 d	Funds student organizations, programs, music, communication and technology.
97 b	Mercyhurst College does not participate in either the management or the profits of these two rental activities, both are the farming of College owned land currently not being used by the College. The fact that the College receives only an annual rental fee for the land excludes it as Unrelated Business Income
98	Miscellaneous revenue derived from various programs for which the revenue benefits the students participating in the programs.
103 a	Other funding that assists in bringing education to students at a reasonable cost.
103 b	Other funding that assists in bringing education to students at a reasonable cost.
103 c	Other funding that assists in bringing education to students at a reasonable cost.
103 d	Other funding that assists in bringing education to students at a reasonable cost.

Statement 21
Form: Schedule A
Page: 2
Part: III
Question: 2

MERCYHURST COLLEGE
25-0965430

Transaction Explanations

Line	Expanation
2b	Senior Management Dr. Thomas J. Gamble, Ph.D., President Dr. Gamble is on the Board of Corporators at Hamot Health Center. This is an advisory board and is not their governing board. The College has leased land to Hamot at its North East campus wherein Hamot has constructed a health center to provide healthcare to the North East community, including the students of Mercyhurst North East. Hamot also hires our graduates, particularly from the allied health programs at North East. Dr. Gamble is also an emeritus board member of Mercyhurst Preparatory School, the high school run by the Sisters of Mercy. Students at Mercyhurst Prep are permitted to take courses at the College at a reduced per course rate. Jane M. Kelsey, Vice President of Finance and Treasurer Ms. Kelsey serves as Vice Chair and a member of the Board of Trustees of Saint Mary's Home of Erie, a local retirement community. She also serves on the Finance Committee and Executive Committee of Saint Mary's Home of Erie. There has been discussion between Saint Mary's and the college about a potential partnership at the college's Mercyhurst West Campus and North East Campuses. Saint Mary's is also an employer of Mercyhurst North East graduates. Ms. Kelsey is also a member of the Board of Corporators at Saint Vincent Health Center. This board is advisory in nature. Saint Vincent's hires nursing and LPN graduates fro m Mercyhurst North East. She is a member of the Advisory Board of the Barber National Institute. The Barber National Institute offers internship and employment opportunities to Mercyhurst graduates, particularly in education and health related fields of study. Phillip J. Belfiore, Ph.D., Interim Vice President for Academic Affairs (7-1-08) Dr. Belfiore currently serves on the school board of the R.B. Wiley Community Charter School. A number of our education majors have student teaching assignments at the school. Mary Breckenridge, Dean of the Hafenmaier School of Education and Behavioral Sciences Dr. Breckenridge's husband, Jim Breckenridge is Dean of The Walker School of Business and Communication. Mr. Breckenridge also serves as Chair of the Intelligence Studies Program. Dr. Gary Brown, Executive Vice President for Mercyhurst North East and Mercyhurst West Dr. Brown is a member of the Board of Trustees for Brevillier Village, a local retirement community. It is likely that Brevillier Village hires nursing and physical therapist assistant graduates from Mercyhurst North East. Dr. Brown serves on the Hamot Board of Corporators, an advisory board. Hamot leases land from the College and has constructed a health center that serves both the North East Community and the North East student body. Dr. Brown is also a member of the Board of Directors of Leadership Erie. He serves on an advisory board for the First National Bank of Pennsylvania, which rents space from the College at the newly acquired building on Rtes. 89 and 90 in North East. Dr. Peter Benekos, Dean The School of Social Sciences Dr. Benekos's wife, Pat Benekos is Director of Information Technology and Libraries. Ms. Benekos reports to Dr. Philip Belfiore, Interim Vice President of Academic Affairs. Dr. Gerard Tobin, Vice President of Student Affairs Dr. Tobin's wife, Michelle Tobin is a staff psychologist in the Counseling Center as well as an adjunct faculty member in the Adult College, specializing in social work and marriage and family issues. Dr. David Livingston, Vice President for Advancement. Dr. Livingston's wife, Joan Livingston is a part-time counselor in the Counseling Center. No other relationships that could create potential conflicts of interest or related party activities are known to exist among the remaining members of Senior Management. Board of Trustees Marlene D. Mosco, Chair of the Board of Trustees, Member of the Executive Committee, Ex Officio Member of all other Trustee Committees, with the exception of the Committee on Audit by virtue of her office as Board Chair. Ms. Mosco is Regional President of PNC Bank in Erie. The College maintains a number of accounts and business relationships with PNC Bank, including a lockbox account for student accounts receivable, a Visa/Mastercard account, a purchasing card account, several managed accounts for the College's Endowment Fund (Endowment account, Walker CRUT, and Sennett CRAT). PNC Capital Markets also serves as underwriter on matters relating to the College's bond issues. PNC Bank in Erie holds the Letter of Credit on the 1999, 2001, and 2003 bond issues. The College also has a $1.7 million dollar line of credit with the bank for capital improvements. Fees for services are competitively priced. Ms. Mosco's husband owns Miller Travel Agency, which is one of the preferred travel agencies for the College. To the best of our knowledge, travel services are competitively priced. Bruce Raimy, Member of the Board of Trustees, Member of the Committee on Budget and Finance, Member of the Subcommittee on Endowments and Investments, Vice Chair of the Committee on Audit, and Member of the Committee on Trustees. Mr. Raimy is Partner of JGB Consulting, and part owner of Welders Supply Co. The College purchases certain

Line	Expanation
	maintenance supplies, oxygen and helium for its science labs from Welders Supply. In all cases, the materials are competitively priced. William C. Sennett, Esq., Immediate Past Chairman of the Board of Trustees, Member of the Executive Committee, Member of the Committee on Budget and Finance, Member of the Committee on Buildings and Grounds, Member of the Committee on Advancement, Member of the Subcommittee on Endowments and Investments, and Member of the Committee on Academic Affairs. Mr. Sennett is a retired senior partner in the Knox, McLaughlin, Gornall & Sennett, PC law firm, which serves as the College's primary legal counsel. Currently, Mr. Sennett is Of Counsel with the firm. Richard A. Lanzillo, a shareholder with the firm who is also a member of the Board of Trustees, serves as College Counsel and Board Counsel. Mr. Sennett's firm serves as bond counsel and college counsel for matters relating to the College's bond issues. Most of the legal services are billed to the College at fair market value. Mr. Sennett and Mr. Lanzillo do perform some legal work for the College on a pro-bono basis. Mary Ann Baldauf, Member of the Board of Trustees, Member of the Committee on Mission, Member of Committee of Academic Affairs. Ms Baldauf is a minority owner of the Times Publishing Company. In the normal course of business, the College often places advertisements in the Erie Times and works with the Erie Times staff on a variety of articles of interest to the Erie community. Advertisements are competitively priced. The newspaper also prints the schools newspaper, the Merciad, and often prints programs which are distributed on campus. Mary Ellen Dahlkemper, Member of the Board of Trustees, Chair of the Committee on Academic Affairs and member of Subcommittee on Development, Mission Ms. Dahlkemper's Company provides employee-assisted programs to the college and mental health services at Mercyhurst College. Also company assists college's counseling center when students with serious mental illness need medication or psychiatric services. Richard A. Lanzillo, Esq., Member of the Board of Trustees, Member of the Executive Committee, Member of the Committee on Academic Affairs, Member of the Committee on Budget and Finance, Member of the Committee on Audit and Member of the Ad Hoc Committee on Sponsorship. College and Board Counsel Mr. Lanzillo is a shareholder with Knox McLaughlin Gornall & Sennett, PC. Please see narrative under William C. Sennett, Immediate Past Chairman of the Board of Trustees for relationship. F. Brady Louis, Member of the Board of Trustees, Chair of the President's Associates, on leave. Mr. Louis holds a part-time administrative position at Mercyhurst West, where he is involved in identifying fundraising opportunities associated with the college's West Campus, among other responsibilities. Michael Malpiedi, Member of the Board of Trustees, President, Mercyhurst Alumni Association, Vice Chair of the Committee on Student Life. Mr. Malpiedi is General Sales Manager Connoisseur Media. The College purchases radio advertising through a third party advertising firm, Engel & O'Neill. Management is not aware of any business conflict with Mr. Malpiedi. Robert Mazza, Member of the Board of Trustees, Member of the Committee on Buildings and Grounds. Mr. Mazza owns Robert Mazza, Inc., which owns grape vineyards and a winery in North East, PA. The College purchases wine from Mr. Mazza's company. On occasion, Mr. Mazza donates wine to the College for certain college sponsored events. Owen J. McCormick, Member of the Board of Trustees, Member of the Executive Committee, Chair of the Committee on Buildings and Grounds, Member of the Committee on Budget and Finance, and Member of the Committee on Trustees. Mr. McCormick is President
2c	Same information as question 2b.

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Form: Schedule A
Page: 2
Part: III
Question: 3c

MERCYHURST COLLEGE
25-0965430

Explanation of organization receiving or holding a conservation easement

Explanation

Mercyhurst College has provided an easement to the PA Fish and Boat Commission to allow access to College property for the purposes of public fishing, boating, and fishery along with riparin buffer management rights.

Statement 23
Form: Schedule A
Page: 2
Part: III
Question: 3a

MERCYHURST COLLEGE
25-0965430

Explanation of Grant Determination

Explanation of grant qualifications

The College provides specific aid to undergraduate and graduate students. This aid is awarded to students in the form of wages, grants, scholarships, assistantships, and loans.
The College provides specific aid to undergraduate and graduate students. This aid is awarded to students in the form of wages, grants, scholarships, assistantships, and loans.

Statement 24
Form: Schedule A
Page: 5
Part: V
Question: 31

MERCYHURST COLLEGE
25-0965430

Publicize Racially Nondiscriminatory Policy

Explanation/Description

The College practice is to print our racial nondiscrimination policy in all publications directed at 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 website.
The College practice is to print our racial nondiscrimination policy in all publications directed at 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 website.

Statement 25
Form: Schedule A
Page: 5
Part: V
Question: 34

MERCYHURST COLLEGE
25-0965430

Financial Assistance

Explanation

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.