

DATE: June 27, 2008

SUBJECT: *MEMORANDUM OF UNDERSTANDING*

TO: Mr. Dennis V. Hulings, Executive Director
The Student Cooperative Association, Inc.

FROM : Dr. Tony Atwater
President

The purpose of this Memorandum of Understanding is to inform you of the type of support the Student Cooperative Association, Inc. (*Association*) can expect from the University.

The Association, founded in 1933 and incorporated in 1960 as a Pennsylvania not-for-profit corporation, plays a key role in the education and extracurricular life of the University community. The mission of the Association is to develop and fund, where appropriate, programs, facilities, and services that contribute to the quality of the University community. The primary emphasis of the Association is to help meet the social, cultural, and recreational needs of the University.

In view of the dedicated services that the Association has provided to the University and in the spirit of the State System of Higher Education Board of Governors' resolution of April 16, 1985 regarding affiliated organizations, it is the University's desire to enhance the ability of the Association to function by providing to the Association, free of charge or obligation whatsoever, facilities and services as described below. At the start of each fiscal year, a determination will be made and a budget allocation issued by the University which will specify the extent of services and materials to be provided by the University. These services and materials that are provided may or may not cover the full cost. The Association will be subject to the University's regulations and procedures in regard to the furnishing of these services and facilities. This support will be provided by the University through June 30, 2009 and reviewed on an annual basis. University support will be provided in the following form:

SERVICES:

Due to the fact that both the University and the Student Cooperative Association, Inc. continue to experience the need to adapt to change and whereas the Student Cooperative Association has completed a major expansion of the Hadley Union Building and whereas the University has need of additional funding for Scholarships and other related University initiatives, both entities agree to do the following:

The Student Cooperative Association, Inc. will transfer \$244,500 for 2008-2009 to the appropriate University Account to go towards Scholarships and other University initiatives.

The University will provide steam heat through the University steam distribution and electricity through the University's electrical grid system to the Hadley Union Building at no cost.

Student employees to assist the Association in conducting its mission, program and activities. Communication services to include telecommunications, mail service, printing, and similar services.

Collection of the Student Activity Fees through the University Treasurer's Office.

Operational supplies and services to include but not limited to, office supplies, University services, internal stores, inclusion of the Association as a party to copyright and license agreements for music and performances entered into by the University, and maintenance agreements to which the University is party.

From time to time, the University will lend to the Association equipment to carry out maintenance and other functions of the Association in support of the University community.

Provide University staff support for cultural and recreational activities sponsored jointly by the Association and the University. The campus police and other IUP personnel will have access to the Hadley Union Building, the same as all other members of the University community, and, to the extent they are authorized to do so, they will enforce IUP rules in the Hadley Union Building and on its grounds; but none of them, except as they may be authorized by law to do so, will exercise any powers of arrest, search and seizure, or any other police power.

Provide Information Technology Services through the Technology Services Center.

FACILITIES:

To include, but not limited to, University facilities for conducting Association functions and activities, as requested and on a space-available basis.

The Student Cooperative Association, Inc., in compliance with the Board of Governor's Policy 1985-04, will submit to IUP the following documentation annually:

1. Memorandum of Understanding
2. Annual Audited Financial Statements and Reports.
3. Summarization of contributions made by The Student Cooperative Association, Inc. to IUP
4. Any changes in: Fiduciary Agreements (*if applicable*), Article of Incorporation and By-Laws, and the List of our Board of Directors.

The Student Cooperative Association, Inc. shall hold the University from and indemnify the University against any and all claims, demands and actions based upon and arising out of any activities performed by the Association.

The Student Cooperative Association, Inc. shall purchase and maintain, at its expense, Comprehensive Commercial General Liability Insurance issued by companies deemed to be financially sound by the University. The insurance coverage would be \$1,000,000 each occurrence for bodily injury and property damage. Policy/policies shall be on the occurrence basis only. The Student Cooperative Association, Inc. shall name the University as an additional insured.

The Student Cooperative Association, Inc. agrees to indemnify and hold the University harmless from any and all claims or causes of action, of any nature or kind, where it is alleged that the Student Cooperative Association, Inc.'s agents, servants, or employees action or inaction is the basis for any claim against the University. Notwithstanding the aforementioned, there shall be no right of indemnification in the event that it is alleged that the University, its agents, or servants, through their action or inaction were grossly negligent or guilty of intentional or willful misconduct. The University may, but it is not obligated to, participate at its own expense in litigation with counsel of its own choosing. The Student Cooperative Association, Inc. shall control any such litigation. If it is ultimately determined that the Student Cooperative Association, Inc., its agents, servants, or employees, were not liable for negligence, willful misconduct, or intentional conduct, the University shall reimburse the Student Cooperative Association, Inc. for all costs and expenses.

Upon receipt of written notice of any matter for which indemnification might be claimed by the University, the Student Cooperative Association, Inc. shall promptly defend, contest or otherwise protect against any such suit, action, investigation, claim or proceeding at its own cost and expense. The University may, but will not be obligated to, participate at its own expense in the proceeding, with counsel of its own choosing, but the Student Cooperative Association, Inc. shall be entitled to control any such proceeding.

This Memorandum of Understanding will be reviewed on an annual basis. This Memorandum will expire on June 30, 2009.

I want to express the deep appreciation of the University for the services rendered to it by the Association. Should the Association find that it needs additional services or facilities to function effectively, such requests should be forwarded to me and will be given full consideration and every attempt will be made to meet such needs.

I look forward to the continuation of what has been a valuable relationship between the Association and the University.