

## Clarion University e-Center

This e-Center Agreement (this "Agreement") is entered into as of the 11 day of August, 2008, between the Clarion University Foundation, Inc., ("Foundation") and the Pennsylvania State Employees Credit Union ("Credit Union" or "PSECU"). PSECU hereby acts, in part, in reliance upon the statements made by FOUNDATION and by Clarion University of Pennsylvania in the Memorandum of Understanding which was executed by the FOUNDATION and Clarion University on 7-1, 2008. For the consideration set forth below, the parties agree as follows:

### 1. Use of Space

The FOUNDATION agrees to lease to Credit Union certain interior wall and floor space for use by the Credit Union as an e-Center and for branch operations, at the location listed on Attachment A for a period of time up to and including June 30, 2009. Thereafter, the FOUNDATION agrees to lease to Credit Union certain interior wall and floor space, the location of which is listed on Attachment B. Attachment B may be revised from time-to-time by mutual agreement of the parties hereto. The term "e-Center", as used herein, includes any financial service facility, computer terminal or staffed presence within the facility. The parties shall mutually agree on the exact placement of the e-Center. Each e-Center established on FOUNDATION OR UNIVERSITY property shall be subject to this Agreement.

### 2. Scope of Agreement

The parties agree that the initial e-Center shall be located for one year, through June 30, 2009, on the main campus at 152 Gemmell Complex in Clarion, in a portion of the space currently being operated as a credit union branch. The branch operations shall continue until June 30, 2009, along with the e-Center operations within that branch. Prior to July 1, 2008, this branch was named the Clarion University Federal Credit Union ("CUFCU"). PSECU acquired all of the assets of CUFCU as of July 1, 2008, and properly assumed the space rental for the 1200 square feet of credit union branch space, the rental amount for which has already been paid in full through June 30, 2009, by CUFCU.

For the remaining four years of this Agreement – July 1, 2009, through June 30, 2013 - the e-Center shall be located in a space of no less than **256** square feet (preferably 16 feet in width by 16 feet in length) in the Student Lounge across from the University Bookstore in the Gemmell Complex. This space shall be mutually agreed upon by the parties prior to **June 1, 2009**, and Credit Union shall be permitted to construct the e-Center on the space agreed upon and in a manner that does not decrease the value of the space.

*MS 8-11-08*

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*GS 8-12-08*

As to any e-Center contemplated in the future, the FOUNDATION shall have the right to offer such an arrangement to any third party provided the FOUNDATION first provides 30 days notice to Credit Union, during which time Credit Union shall have the option to provide an e-Center under the terms and conditions hereof. If Credit Union fails to exercise the option within said 30-day period, Credit Union's rights with regard to that e-Center shall cease.

3. **Term**

- (a) The term of this Agreement shall be five (5) years, commencing retroactively on July 01, 2008 (the "Commencement Date") and terminating on June 30, 2013 (the "Initial Term"). The initial year of this term, from July 1, 2008, through June 30, 2009, expressly includes the operation of an existing Credit Union branch and an e-Center within that branch. Terms years from July 1, 2009, through June 30, 2013, shall include just an e-Center. Credit Union intends to close the branch operations not later than June 30, 2009, and FOUNDATION agrees to this branch closing.
- (b) Upon the expiration of the Initial Term, the parties will mutually renegotiate the terms of agreement for an additional term of one (1) year. In the absence of an agreement Credit Union shall have the option to continue this agreement from month-to-month for a period not to exceed six (6) months and shall have the option to renew upon any other terms which the FOUNDATION indicates in writing to Credit Union it intends to accept from a third party.
- (c) Notwithstanding anything contained in this Agreement to the contrary, either party (the "Terminating Party") may terminate this Agreement as to any or all e-Centers (the "Terminated e-Centers") at any time for any or no reason as follows:
  - 1) The Terminating Party shall send not less than 90 days written notification ("Termination Notice") to the other party indicating the intent to terminate the Agreement as to the e-Centers specified in the Termination Notice and specifying the effective date of such termination ("Closing Date").
  - 2) Credit Union shall continue to operate the Terminated e-Centers until the Closing Date.
  - 3) Termination of this Agreement as to any e-Center shall be effective on the date that the Terminated e-Center is closed by Credit Union, and Credit Union shall operate the Terminated e-

Center until the date of such closure. Credit Union shall not be obligated nor have the right to operate such e-Center after the Closing Date. Until the Closing Date of the Terminated e-Center, all terms of this Agreement shall remain in full force and effect with respect to such Terminated e-Centers.

4. **Rent, Other Compensation, Expenses & Terms of Operation**

- (a) Credit Union shall pay, no later than 30 days after the end of each month for the preceding month, the following rent ("Rent") so long as this Agreement is in full force and effect:
- Year 1 of this Agreement- The Rent payment for the Branch Operations and e-Center has been paid in full for the period from July 1, 2008 through June 30, 2009.
  - Year 2- Ten dollars (\$10.00) per square foot for each calendar month (or partial month to be prorated).
  - Year 3- Ten dollars (\$10.00) per square foot for each calendar month (or partial month to be prorated).
  - Year 4- Ten dollars (\$10.00) per square foot for each calendar month (or partial month to be prorated).
  - Year 5- Ten dollars (\$10.00) per square foot for each calendar month (or partial month to be prorated).

Credit Union agrees to pay a late payment penalty of five (5) percent per annum for each payment of Rent that is not paid when due.

- (b) All employees described in Exhibit I shall be employees of the Credit Union and shall not be employees of the FOUNDATION.
- (c) Credit Union agrees to pay additional compensation as specified in Exhibit I. Monthly production reports of services for which incentive are paid will be provided to the FOUNDATION.
- (d) Credit Union agrees to other specific terms of operation (dates, hours, work parameters & staffing details) as specified in Exhibit I. The terms of Exhibit I may be reviewed on an annual basis. The FOUNDATION and Credit Union will mutually agree to any revisions made therein.
- (e) Credit Union further agrees to payment of e-Center expenses, other than employee, custodial and electrical expenses as specified in Exhibit I.

5. **Credit Union Obligations**

- (a) Credit Union shall construct and install the e-Center listed in Attachments A and B, and shall maintain each e-Center in accordance with its best practices and procedures. Credit Union's operation of each e-Center shall comply with all applicable federal, state, and local laws, ordinances, rules and regulations. Credit Union shall bear all costs of such construction, installation and operation.
- (b) Credit Union shall be the sole owner of all e-Center equipment, furniture and supplies, and shall be in sole control of the nature and scope of the operation of each e-Center. At Credit Union's expense, Credit Union shall be solely responsible for the maintenance of each e-Center, and the costs of all data communications necessary for the operation of each e-Center.
- (c) Credit Union shall use its customary practices and procedures to ensure that each e-Center is operational during normal business hours of the e-Center, which efforts shall include dispatching service personnel, making repairs and replacements, and monitoring data line problems.
- (d) Credit Union's obligations under this Agreement may be performed by Credit Union or any wholly owned subsidiary or agent of Credit Union.
- (e) Credit Union and the FOUNDATION shall mutually agree to the exact date on which construction and installation will begin. Credit Union and the FOUNDATION shall mutually agree to the exact date on which any e-Center will be operational and open to students and staff of Clarion University, which date shall not be later than July 1, 2009 for the e-Center listed in Exhibit I.
- (f) Credit Union agrees to provide and to install and maintain, at no expense to the FOUNDATION, the conduit and electrical, computer, telephone and other lines which serve any e-Center, as well as any and all other facilities or equipment which may be necessary or appropriate for the installation, operation and maintenance of the e-Center. The appearance, location and all other features and characteristics of the lines, facilities and equipment serving any e-Center will be mutually agreed upon by the FOUNDATION and Credit Union.

6. **FOUNDATION Obligations**

- (a) The FOUNDATION agrees that Credit Union retains the sole right to control the management of each e-Center; provided, however,

that under no circumstance shall Credit Union, its employees or representatives, tamper with or have any access (other than commercial use) to any other FOUNDATION equipment or facilities without the prior written consent of the FOUNDATION.

- (b) FOUNDATION shall provide custodial services and electricity to the Credit Union for the operation of each e-Center. Credit Union shall be responsible for all other utilities.
- (c) Credit Union, its employees and agents shall have access to each e-Center at all times for installing, maintaining, servicing, operating and removing equipment of the e-Center. In doing so, Credit Union shall not interfere with the normal operations of the business of the FOUNDATION.
- (d) The FOUNDATION shall have no responsibility for the security of any e-Center, other than to act in accordance with its customary practices and procedures with respect to each e-Center and its property contained therein, and shall not be responsible for the operation of any e-Center. However, the FOUNDATION agrees to contact Credit Union if security is breached during hours when e-Center is not open. Credit Union will provide a list of contact names & telephone numbers for this purpose.
- (e) The FOUNDATION may permit reasonable signage relating to each e-Center. Exact placement of signage shall be mutually agreed upon by the FOUNDATION and Credit Union. All signage shall be provided and installed at Credit Union's expense.
- (f) After installation of an e-Center, the FOUNDATION shall take no action to cause it to fail to comply with any applicable federal, state or local law, ordinance, rule and regulation, including, without limitation, the Americans with Disabilities Act.
- (g) Subject to the terms of Section 7, the FOUNDATION and may promote to Clarion University students and staff the existence of each e-Center in such manner and time as the FOUNDATION may in its sole discretion determine. The FOUNDATION is specifically authorized and encouraged to do the following: (i) distribute brochures (prepared and provided by Credit Union at its sole cost and expense) to Clarion University students and staff, (ii) make e-Center-specific advertisements, and (iii) conduct similar promotions.
- (h) If Clarion University mails orientation material to incoming students prior to their arrival on campus for orientation, FOUNDATION will

work with the Credit Union to facilitate the insertion of marketing brochures and application materials in the orientation package that is mailed to each incoming student. These materials will be prepared and provided by Credit Union at its sole cost and expense. The FOUNDATION agrees that Credit Union will have an active role in the orientation process that occurs on campus, and will be afforded ample opportunity for such.

An Active role is defined and can include, but is neither guaranteed nor limited to the following:

- The opportunity to address the students and students' families during the orientation process;
  - The opportunity to work with the student orientation leaders to include the Credit Union and e-center in the tour and educational presentation to the students; and
  - Marketing material to promote the Credit Union and e-center in any package the student receives upon arriving at orientation.
- (i) FOUNDATION will permit Credit Union to conduct membership drives for students and their families. Strategies used by Credit Union for membership drives can include but are not limited to the following:
- Promotional items such as Gas cards or bookstore certificates given in exchange for opening an account;
  - Drawings for an MP3 player for students or staff who open an account during a membership drive;
  - Presentations to campus clubs and organizations which may include a monetary reward to said club or organization for account sign ups; and
  - Mailings to students and faculty. In order to comply with all FERPA laws and regulations. The Credit Union will compile such mailings to be delivered and mail them through the university mail room.

All membership drives will be presented to a campus contact person designated by FOUNDATION for approval prior to the Credit Union conducting such a drive. Such requested approval shall not unreasonably be denied.

7. **Advertising**

- (a) Either party may refer to the other party in advertising; use the other party's logos, trademarks, or service marks only with prior written consent of the other party. Each party acknowledges that the other party's logos, trademarks, and service marks are the sole property of the other party.
- (b) However, Credit Union shall be permitted, without obtaining the consent of the FOUNDATION, to include the address of any ATM in a directory of ATMs and/or other banking facilities. Credit Union may refer to the FOUNDATION in any listing of groups eligible to join the Credit Union.

8. **Mutual Indemnification**

- (a) Credit Union shall defend, indemnify and hold the FOUNDATION harmless from and against all costs, expenses, damages and liabilities of any nature whatsoever (including, without limitation, reasonable attorneys' fees and actual expenses) which may be suffered, incurred or threatened against the FOUNDATION on account of or resulting from this Agreement, the existence or operation of any e-Center, or any action or omission of Credit Union, its employees or agents under this Agreement, provided that Credit Union shall not be required to defend, indemnify or hold the FOUNDATION harmless from the FOUNDATION's own negligence or wrongful conduct or that of the FOUNDATION's agents, employees or independent contractors.
- (b) The FOUNDATION shall defend, indemnify and hold Credit Union harmless from and against all costs, expenses, damages and liabilities of any nature whatsoever (including, without limitation, reasonable attorneys' fees and actual expenses) which may be suffered, incurred, or threatened against Credit Union on account of or resulting from any actions or omissions of the FOUNDATION, its employees or agents; provided, however, that this indemnity shall not apply to acts of the FOUNDATION's invitees which involve member account related misconduct.
- (c) Notwithstanding anything contained herein to the contrary, if any e-Center is damaged or destroyed as a result of an insured peril, or a peril that ordinarily would be insured if the party is self-insured, or if an insured liability for bodily injury, death, or property damage arises in the e-Center, or a liability that ordinarily would be insured if the party is self-insured, then, whether or not the damage, destruction, bodily injury, death, or property damage was caused by

the negligence of the other party, neither the FOUNDATION nor Credit Union shall be liable to the other or any insurer of the other with respect to the insured portion of such damage, destruction, bodily injury, death or property damage or, if the party is self-insured, the portion of such damage, destruction, injury, death or damage that ordinarily would be insured. All policies of insurance shall contain a provision providing: (1) that the insurer waives its right of subrogation against the other party hereto with respect to the insured damage, destruction, bodily injury, death or property damage, except as to any self-insured or uninsured deductible amount, and (2) that the waiver by the insurer of its right of subrogation shall not affect the right of the insured to recover under any insurance policies; provided, however that if such waiver is not available or is only available at an additional premium, the insured party shall give notice to the other party and, in the case of the latter, the other party shall be given the opportunity to pay the additional premium and obtain the benefit of the waiver.

9. **Insurance**

Credit Union shall maintain insurance on the e-Center, including, without limitation, bodily injury, property damage, personal injury, and advertising injury, in an amount no less than \$5,000,000 per occurrence.

10. **Personal Property**

The contents of each e-Center shall remain the property of Credit Union at all times and shall not be construed as fixtures.

11. **Regulatory Approval**

The Credit Union's obligation under this Agreement is contingent upon and expressly subject to the receipt by the Credit Union, in form and substance satisfactory to Credit Union, of any required approval by any regulatory authority over the Credit Union, its subsidiaries, or their operations. Credit Union agrees to make related applications upon execution of this Agreement.

12. **No Joint Venture: The FOUNDATION not a Bank**

The parties acknowledge and agree that nothing contained in this Agreement is intended or shall be construed to establish the FOUNDATION and Credit Union as joint ventures or partners. In addition, the parties acknowledge and agree that the FOUNDATION, by entering into this Agreement, is not in any manner representing itself to be a bank or otherwise involved in the banking business.

13. **Credit Union Bankruptcy**

In the event Credit Union is closed or taken over by any bank authority, the FOUNDATION may terminate the Agreement only with the concurrence of such bank regulatory authority, except for default on part of the Credit Union or a successor, and any such regulatory authority shall in any event, except for such default, have the election either to continue, to assign, or to terminate the Agreement; provided, however, that in the event this Agreement is terminated, the maximum claim of the FOUNDATION for damages or indemnity for injury resulting from the rejection or abandonment of the unexpired term of the Agreement shall in no event be in an amount exceeding the rent paid or due for the 30 days preceding the FOUNDATION's request to terminate this Agreement.

14. **Representations and Warranties of the FOUNDATION and Credit Union**

- (a) FOUNDATION represents and warrants to Credit Union that, as of the date of this Agreement:
- 1) FOUNDATION is a non-profit organization, existing and in good standing under the laws of the Commonwealth of Pennsylvania. The FOUNDATION is authorized to conduct its business in the Commonwealth of Pennsylvania and has all licenses and permits required to conduct business. The FOUNDATION is in compliance with all legislative and regulatory requirements imposed upon similar institutions in Pennsylvania.
  - 2) FOUNDATION and the officers or representatives acting on behalf of the FOUNDATION have full power and authority to enter into, execute, deliver and perform its obligations under this Agreement, and when executed, this Agreement shall constitute a valid and binding obligation of the FOUNDATION. FOUNDATION further states that is not acting in contravention to any rights or authority of the Clarion University by entering into this agreement, nor is it the information or belief of FOUNDATION that any permission is needed from said University prior to entering into this Agreement. Whereas, FOUNDATION agrees to indemnify and hold harmless Credit Union from any and all actions taken by said Clarion University, which are directly related to performing under this Agreement.
  - 3) FOUNDATION is not in violation of nor will the execution of this document constitute a violation with respect to any order of any court or any regulation of any federal, state or other

governmental agency which would materially and adversely affect the financial condition or operations of the FOUNDATION or adversely affect its ability to perform under this Agreement.

- 4) No judicial or administrative proceeding of any kind is pending or threatened against the FOUNDATION which would adversely affect its ability to perform under the terms of this Agreement.
- 5) No information conveyed in any written statement from the FOUNDATION to Credit Union will, to the knowledge of the FOUNDATION, contain any misstatement of material fact in connection with this Agreement and the obligations of the FOUNDATION under this Agreement.
- 6) FOUNDATION will advise Credit Union if there are any changes in these representations during the term of this Agreement.

(b) Credit Union represents and warrants to the FOUNDATION that, as of the date of this Agreement:

- 1) Credit Union is a corporation organized, existing and in good standing under the laws of the Commonwealth of Pennsylvania. Credit Union is authorized to conduct its business in the Commonwealth of Pennsylvania and has all licenses and permits required to conduct business. The Credit Union is in compliance with all legislative and regulatory requirements imposed upon credit unions in Pennsylvania.
- 2) Credit Union and the officers or representatives acting on behalf of Credit Union, have full power and authority to enter into, execute, deliver and perform its obligations under this Agreement, and when executed, this Agreement shall constitute a valid and binding obligation of Credit Union.
- 3) Credit Union is not in violation of nor will the execution of this document constitute a violation with respect to any order of any court or any regulation of any federal, state or other governmental agency which would materially and adversely affect the financial condition or operations of Credit Union or adversely affect its ability to perform under this Agreement.
- 4) No judicial or administrative proceeding of any kind is pending or threatened against Credit Union which would adversely affect its ability to perform under the terms of this Agreement.

- 5) No information conveyed in any written statement from Credit Union to the FOUNDATION will, to the knowledge of Credit Union, contain any misstatement of material fact in connection with this Agreement and the obligations of Credit Union under this Agreement.
- 6) Credit Union will advise the FOUNDATION if there are any changes in these representations during the term of this Agreement.

15. **Notices**

All notices, consents, requests and demands to or upon the parties which are required or permitted hereunder shall be in writing, shall be deemed to have been given or made when delivered in person, or five (5) days after deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or in the case of overnight courier services, one business day after delivery to the overnight courier service with payment provided for, or in the case of facsimile, upon written confirmation of receipt from the receiving party. Either party may from time-to-time change its address as set forth above by notifying the other party of its new address in writing.

16. **Assignment**

Credit Union shall not assign this Agreement other than as permitted in this Section without the prior written consent of the FOUNDATION; provided, however, that nothing in this Agreement shall be construed to prevent Credit Union, without the FOUNDATION's consent, from assigning any of Credit Union rights under this Agreement to any wholly owned subsidiary of Credit Union, or the surviving entity of any merger or consolidation of Credit Union or any wholly owned subsidiary. The FOUNDATION shall not assign this Agreement without the prior written consent of Credit Union under this Agreement, such consent not to be unreasonably withheld.

17. **Right to Audit**

At no expense to FOUNDATION, Credit Union shall have the right to examine and copy all writings related to any aspect of this Agreement. Upon notice, FOUNDATION agrees to make these materials available to Credit Union's designated representative during reasonable business hours. PSECU's right to audit shall extend for a period of one year after termination of this Agreement. FOUNDATION shall include in all subcontracts specifically related to this Agreement a like provision under which the Credit Union shall have the above referenced rights.

18. **Security Breach Notice**

Notwithstanding anything in this Agreement to the contrary, FOUNDATION agrees to fully disclose any breach in its security resulting in or from unauthorized intrusions that may materially affect Credit Union or its members. FOUNDATION agrees to report the date, time, and manner of any such material breach, the effect of the breach on Credit Union, and any specific corrective action FOUNDATION will be taking in response to such intrusion.

19. **Confidentiality Clause**

FOUNDATION agrees, acknowledges, and recognizes that Credit Union is a highly regulated financial institution under a strict duty of confidentiality with regard to its operations and its member records, specifically any "confidential member information". Confidential member information shall specifically include all non-public member data, account or personal information, such as account numbers, access codes, account ownership and names of account owners, demographic information, and financial transactions conducted within those accounts. FOUNDATION will not sell, transfer or share with any third parties any confidential member information which it receives during the ordinary course of conducting business unless it receives prior written consent from the Credit Union following notice given to Credit Union by FOUNDATION specifying exactly what information is to be shared and with whom it will be shared and the reason permission to disclose is being requested. Any confidential member information received by FOUNDATION, or any Credit Union-approved recipients, may be used only as is necessary to complete the stated purpose of this Agreement. Notwithstanding anything in this Agreement to the contrary, the rights and responsibilities regarding confidential member information as herein stated shall survive indefinitely the termination of this Agreement

20. **Counterparts**

This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

21. **Entire Agreement**

21. **Entire Agreement**

This Agreement, together with all Attachments attached hereto, contains the entire agreement between parties with respect to the subject matter hereof and supersedes all prior arrangements, agreements or understandings with respect thereto. Section headings contained in this Agreement are for the convenience of the parties, and are without meaning.

22. **Changes**

The terms and provisions of this Agreement may not be modified or amended except as agreed in writing by the parties.

23. **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania. The parties mutually consent and submit to the jurisdiction of the federal and state courts for CLARION County, Pennsylvania, and agree that any action, suit or proceeding concerning this Agreement shall be brought only in the federal or state courts for CLARION County, Pennsylvania. The parties mutually acknowledge and agree that they will not raise, in connection with any such suit, action or proceeding brought in any federal or state court for CLARION County, Pennsylvania, any defense or objection based upon lack of personal jurisdiction, improper venue, inconvenience of forum or the like.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

**Clarion University Foundation, Inc.**

By: Michael R. Keefe  
Administrative Director

NOTICES (other than Rent):

Clarion University Foundation, Inc.  
840 Wood Street  
Clarion, PA 16214  
Attention: Michael Keefe

RENT SENT TO:

Clarion University Foundation, Inc.  
840 Wood Street  
Clarion, PA 16214  
Attention: Michael Keefe

**Credit Union**

By: [Signature]  
President

NOTICES:

PSECU  
1 Credit Union Place  
Harrisburg Pa. 17110  
Attention: Dave Warwavesyn

The Location of the PSECU Branch and E-center effective 07/01/2008 through 06/30/2009 will be on the main campus of Clarion University at 152 Gemmell Center.

Attachment B

The location of the PSECU e-center from 07/01/2009 through 06/30/2013 will be in the space currently occupied by the student lounge across from the bookstore in the Gemmell Center

*Proposal for*

**PSECU e-CENTER**

**TO**

**CLARION UNIVERSITY  
FOUNDATION INCORPORATED**

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David Warwavesyn  
Vice President  
Member Services  
PSECU

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Earl Lloyd  
Administrator  
University Development  
PSECU

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## PROPOSAL OVERVIEW

SECU and Clarion University Federal Credit Union have agreed to merge on July 1, 2008. After continuing the current branch/counter operations for a period of twelve months, PSECU is proposing to work with Clarion University Foundation Incorporated (CUF INC) in the creation and operation of an on-campus, student-staffed credit union service facility (e-Center) to replace the branch /counter operations over a period of four (4) years. The establishment of this e-Center will mutually benefit the student body and Clarion University in both an educational and economic way. We view this concept as a continuation of the educational process that can include the involvement of various departments and offer a means to enhance the educational experience while at the same time serving the financial needs of all Clarion University students, faculty, and staff.

We present this proposal for consideration offering opportunities to improve the lives of the Clarion University students, providing financial benefit to the students and CUF INC, and enabling PSECU and CUF INC to participate in a growing, on-going relationship.

After months of research, including numerous visits to existing campus credit union branches (Attachment A), we opened our first e-Center at Harrisburg Area Community College (HACC) on August 14, 2000. This e-Center was modeled after the student-staffed branch at Mary Washington College in Fredericksburg, Virginia (Attachment B). Using the HACC e-Center (Attachments C, C1, and C2) as our foundation, we successfully opened e-Centers at four other universities: Millersville (Attachments C3 and C4), East Stroudsburg (Attachments C5 and C6), Lock Haven (Attachments C7 and C8), and Kutztown (Attachments C9 and C10) in the year 2001. In 2002 we added Bloomsburg, California and Cheyney Universities, in 2004 we added Mansfield University, and in 2005 we added Elizabethtown College and Shippensburg University. All have met with outstanding success in serving the financial needs of each university. A testament to that success is the renewal of five year agreements at HACC, Millersville, East Stroudsburg, Lock Haven, Kutztown, Bloomsburg, and California. Based upon the experiences and knowledge gained, we recommend the facility at Clarion University be mirrored after our existing e-Centers. We advocate the e-Center be known as the PSECU e-Center at Clarion University, operating 20 to 30 hours per week (Monday through Friday), staffed by Clarion University student interns and managed by a PSECU Business Advisor.

To firmly establish our commitment to the success of this relationship, PSECU is offering Clarion University Foundation Incorporated a financial package from the e-Center that could total between \$267,598 and \$384,466 over the 5-year agreement (page 11). In addition, for each ATM withdrawal made at the three PSECU ATMs we plan to install, \$0.15 per withdrawal transaction will be paid to the university as rent for the space they occupy. This could add an additional \$10,000 to \$20,000 to the above mentioned revenue stream based on estimates from other like sized SSHE campuses where this agreement is in place (Attachment H). Note: Since these figures vary by campus and have a direct relation to the time we have managed this program on campus, we will not add this figure to the estimated revenue stream from this part of our proposal.

No less important than the financial aspect are the added educational benefits that this program brings to Clarion University. Students will gain the real world experience of working for a \$3.1 billion financial institution right on campus. Although the e-Center will open in 2009, the financial benefit to the University, the students and employees will begin the day of the merger. Any accounts opened during the one year operation as a branch will be eligible for the incentives PSECU includes in this proposal. Any accounts opened during the orientation of 2008 will also be retroactively eligible for the incentives PSECU includes in this proposal. In addition, the five dollar required deposit into savings and one dollar account opening fee will be funded by PSECU effective immediately and will continue for the duration of this agreement.

In addition, PSECU may offer in the future a program with similar benefits for alumni which could increase the revenue returned to Clarion University.

PSECU is looking forward to sharing the success of this project with CUF INC, both financially and educationally, for many years to come.

## SCOPE OF e-CENTER OPERATIONS

PSECU will use the following guidelines when operating the PSECU e-Center at Clarion University:

- Starting in July 2009, the facility will operate as a "marketing e-Center" that promotes our automated systems and services. Interns will demonstrate the use of online banking for new and existing members. Online loan applications are also available. These requests will be accommodated with PC booths. The Self-Service Telephone and Interactive Voice Response Unit will be available through a telephone bank. A PSECU ATM, located in close proximity to the e-Center, will be available for deposits, withdrawals and marketing promotions.
- Starting in July 2009, the facility will have limited counter functions. New member applications will be accepted at the e-Center and the \$6 fee (\$1 entrance fee and \$5 initial share purchase or deposit) for a new account will be waived. No cash or checks will be handled at the e-Center; all deposits will be directed to the ATM. All brochures, applications, and literature available in our other lobbies will be available in the e-Center. Interns will not have access to member account information. Prior to July 1, 2009, the operation will continue to offer most of the counter functions currently in place.
- Share and loan applications will be reviewed for completeness and forwarded to the appropriate department for further processing. Special handling for applications will be provided by PSECU.
- The operation will be open 20 to 30 hours a week. The e-Center will not operate during hours when the University is closed. Saturday or summer hours will be considered based on future operational needs.
- e-Center staff will consist of one Business Advisor, two e-Center Management Interns, and three to five e-Center Interns.
- During operational hours, the e-Center will be staffed with one Business Advisor or one e-Center Management Intern, and at least one e-Center Intern.
- During downtime, e-Center Interns will cross-sell membership and new services/products to Clarion University enrollees.
- When Clarion University is closed, the e-Center will be closed.
- Specific staff responsibilities and duties are listed in the job descriptions.
- A PSECU Administrator of e-Center Operations will oversee the recruitment, selection, training, and scheduling of student interns. Input from Clarion University on candidates for these positions would be appreciated.

### PSECU e-Center at Clarion University Location

- Since PSECU will be retaining the branch operations currently in place at the Clarion University Federal Credit Union for 12 months after the July 1, 2008 merger date, the recommended location of the PSECU e-Center at Clarion University would be in the existing location of the University Credit Union. In the future, PSECU would like to work with the University in finding an alternative location in an area identified for such a facility by CUF INC. Floor plans of the e-Centers PSECU constructed at HACC, Millersville, East Stroudsburg, Lock Haven, and Kutztown are included in this proposal (Attachments C/C3/C5/C7/C9).

# INTERNSHIP PROPOSAL

## **e-Center Management**

### Business Advisor (1)

Salary \$20 per hour plus incentives

Total hours per week – 20 to 30

- Will oversee the operation of the e-Center and report to the Administrator of e-Centers Operations (position description - Attachment D).
- Eligible to earn performance incentives.

### e-Center Management Intern (2)

Position will be for up to two academic years (four 15-week terms)

Salary \$9 per hour plus incentives

Total hours per week – 10

- Will oversee the operation of the e-Center and report to the Business Advisor.
- Duties include taking loan applications, assisting in filling out new account forms, supervising e-Center Interns, and providing input into the development of marketing strategies and plans (position description - Attachment E).
- Eligible to earn performance incentives for accounts opened and selected services sold (page 8).
- Eligible to earn academic credits (to be determined by Clarion University).

## **e-Center Interns**

### e-Center Intern (3 to 5)

Position will be for up to two academic years (four 15-week terms)

Salary \$8 per hour plus incentives

Total hours per week – 10

- Duties will include assisting in filling out new account forms, taking loan applications, cross-selling credit union services, handling member problems, and demonstrating home banking (position description - Attachment F).
- Along with e-Center responsibilities, students will be required to work on projects assigned by PSECU pertaining to membership drives and service referral programs.
- Eligible to earn performance incentives for accounts opened and selected services sold (page 8).
- Eligible to earn academic credits (to be determined by Clarion University).

## Hiring and Training of Interns

- PSECU will be responsible for the recruiting and hiring of interns. PSECU will seek input from Clarion University on the best candidates.
- PSECU will provide paid training for e-Center interns. The training will be held at Clarion University.
- e-Center Management and e-Center Intern training will be conducted by a PSECU representative.
- Evaluations for the student interns will be conducted at the end of each two 15-week terms. They will be forwarded to Clarion University for use in the grading process if applicable.

July 22, 2008

Submitted by:

Jave Warwavesyn, Vice President of Member Services  
Earl Lloyd, Administrator of University Development  
Pennsylvania State Employees Credit Union (PSECU)  
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**Salary Projections**

**Yearly Salary (based on an academic year)**

**e-Center Management Business Advisor (1)**

(20 hours per week @ \$20.00 per hour x 30 weeks)	\$ 12,000.00	
1 week training @ 37.5 hours x \$20.00 per hour	\$ 750.00	
1 week campus orientation @ 37.5 hours x \$20.00 per hour	\$ 750.00	
Vacation/Holiday benefit	\$ -	
Medical/Pension benefit	\$ -	
<b>TOTAL</b>	<b>\$ 13,500.00</b>	<b>\$ 13,500.00</b>

**Yearly Salary (based on an academic year)**

**e-Center Management Intern (2)**

	<b>(each)</b>	<b>(2)</b>
(10 hours per week @ \$9.00 per hour x 30 weeks)	\$ 2,700.00	\$ 5,400.00
1 week training @ 37.5 hours x \$9.00 per hour	\$ 337.50	\$ 675.00
1 week campus orientation @ 37.5 hours x \$9.00 per hour	\$ 337.50	\$ 675.00
Vacation/Holiday benefit	\$ -	
Medical/Pension benefit	\$ -	
<b>TOTAL</b>	<b>\$ 3,375.00</b>	<b>\$ 6,750.00</b>

**Yearly Salary (based on an academic year)**

**e-Center Intern (3 to 5)**

	<b>(each)</b>	<b>(3)</b>
(10 hours per week @ \$8.00 per hour x 30 weeks)	\$ 2,400.00	\$ 7,200.00
1 week training @ 37.5 hours x \$8.00 per hour	\$ 300.00	\$ 900.00
1 week campus orientation @ 37.5 hours x \$8.00 per hour	\$ 300.00	\$ 900.00
Vacation/Holiday benefit	\$ -	\$ -
Medical/Pension benefit	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 3,000.00</b>	<b>\$ 9,000.00</b>

**SALARY TOTALS**

**\$ 29,250.00**

PSECU is basing Salary Projections on three (3) non-management interns.

Our proposal calls for 3 to 5 non-management interns hired per semester to provide operational flexibility.

## BENEFIT REVIEW

### Student

The opportunities available in a student-staffed e-Center will be a unique internship program for the University to offer.

### Educational

The project offers educational, hands-on experience and challenges associated with marketing the products and services of a financial institution as related to the various intern positions. They include developing marketing strategies and plans, assisting in loan processing, and dealing with member problems. All experience gained would enhance the student's resume.

### Financial

Financial considerations for the student will include paid salary and incentive earnings.

### CUF INC

A student-staffed e-Center is a strong addition to any university community. The prospect of joining a handful of university and college campuses with student credit unions such as several of the SSHE schools as well as Georgetown University, University of Pennsylvania, and Elizabethtown College, while at the same time providing additional educational opportunities and services for the students, is an appealing one. The e-Center would certainly help in the competitive arena of obtaining grants.

### Financial

In exchange for the on-campus space provided by CUF INC for the e-Center, PSECU will provide the following financial support.

- A monthly rent of \$215 be paid to CUF INC in the form of a five year renewable lease for the student center space (the market rate is currently \$10 per square foot with this space approx.  $16 \times 16 = 256$  sq. feet  $\times$  \$10 = \$2,560/12 = \$213.33 monthly fair market value).
- A ten thousand dollar per year unrestricted donation, to be used at the University's discretion.
- Cash donations will be made for each new account and selected services opened to be used at CUF INC's discretion (page 9).
- The Business Advisor and Intern salaries will be paid by PSECU.
- Start-up costs for the equipment and furnishings will be paid by PSECU. (The contents of the e-Center shall remain the property of PSECU at all times and shall not be construed as fixtures.)

### PSECU

By gaining access to the inexhaustible student market at the university entry level, PSECU will be in a position to market our low-cost services when they are needed most while also introducing the future income generators to our cutting edge technology.

### Marketing:

In order to ensure the success of the project, it is important to direct incoming students to the e-Center and attract existing students to the services available there. In exchange for PSECU providing financial and operational support, PSECU is proposing the following considerations from CUF INC:

- A mailing list or computer file of the new and returning students three months prior to the start of classes each semester.
- A marketing brochure and application in the orientation package mailed to each incoming student.
- Permission to promote the e-Center in the print and televised media.
- Permission to conduct membership drives for the students and their families, as well as Clarion University faculty and staff.
- Allow PSECU an active role in the orientation process on campus.

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Submitted by:

Dave Warwavesyn, Vice President of Member Services  
Earl Lloyd, Administrator of University Development  
Pennsylvania State Employees Credit Union (PSECU)  
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July 22, 2008

## CUF INC AND INTERN INCENTIVE SCHEDULE

Incentives are payable for any of the following services set up within one year of the member joining PSECU:

<u>PSECU SERVICE</u>	<u>CUF INC INCENTIVE</u>	<u>INTERN INCENTIVE</u>
New Account (Student/Family)	\$ 5.00	\$ 2.00
New Account (Faculty/Staff)	\$ 15.00	\$ 2.00
Real Estate Equity Loan	\$ 20.00	\$ 10.00
Auto Loan	\$ 10.00	\$ 5.00
Check Card	\$ 5.00	\$ 2.00
Checking	\$ 5.00	\$ 2.00
Visa ®	\$ 5.00	\$ 2.00

**PSECU e-CENTER / CLARION UNIVERSITY FOUNDATION INCOPERATED**  
**FINANCIAL SUMMARY-YEAR ONE**

Since the ultimate goal of the e-Center is to offer an educational environment for Clarion University students, PSECU will operate the facility in that manner. To foster the concept of a real world job experience, we will pay the salaries and establish an incentive program. Interns may also earn credits for the time worked. New account incentives are offered for utilization at the discretion of the University.

CUF INC will realize the following financial benefits from the e-Center project with PSECU:

Market Penetration (6,500 enrolled students, 921 Faculty/Staff)	20%	40%	60%
New Accounts opened (Student)	1,300	2,600	3,900
New Accounts opened (Faculty/Staff)	184	368	553
Total CUF INC Incentives on New Accounts and Services Sold*	\$ 21,260.00	\$ 42,495.00	\$ 63,775.00
Total e-Center Staff Incentives on New Accounts and Services Sold*	\$ 7,964.00	\$ 15,915.00	\$ 23,883.00
Ten Thousand Dollar Unrestricted Donation	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Monthly Payment: Student Center Space - \$215**	\$ 2,580.00	\$ 2,580.00	\$ 2,580.00
Salary for e-Center Staff	\$ 29,250.00	\$ 29,250.00	\$ 29,250.00
<b>FIRST YEAR TOTALS</b>	<b>\$ 71,054.00</b>	<b>\$ 100,240.00</b>	<b>\$ 129,488.00</b>

The incentives estimated for this illustration are for 1,300 new accounts or a 20% market penetration of the enrolled students at Clarion University. Other institutions visited for research purposes on this project with the on-campus presence of a credit union, reported a 50% to 80% market penetration of the freshman class (Attachment A).

Should the e-Center meet a higher market penetration rate, the incentive income would be proportionately higher. Incentives will be paid on any account opened by any Clarion University student, family, faculty or staff member.

**At 40%, the value of our financial package would be \$100,240**

**At 60%, the value of our financial package would be \$129,488**

\* To determine the loan and services incentive projections, we used the existing ratio of new student members at all SSHE schools and our ratio of new faculty/staff members at all SSHE schools as of April 4, 2008 (Attachment G).

\*\*A monthly payment of \$10 per square foot will be paid to CUF INC over the term of the contract for the student center space. For purposes of value a figure of \$215 will be used. The market rate is currently \$10 per square foot with this space approximately 16 x 16 = 256 square feet x \$10 = \$2,560/12 = \$213.33 monthly fair market value. This amount is rounded to \$215.

**PSECU e-CENTER / CLARION UNIVERSITY FOUNDATION INCORPORATED**  
**FINANCIAL SUMMARY-YEARS TWO THROUGH FIVE**

Clarion University Foundation Incorporated will receive the following financial benefits in the second through fifth years of the contract. The incentives are based on marketing to 1,625 incoming freshman each year (6,500 total). PSECU will continue to market to the upper class students and CUF INC is eligible for incentives for those students. They would be in addition to this illustration.

Market Penetration	20%	40%	60%
(1,625 incoming students per year x 4 years = 6,500 total students)			
New Accounts opened	1,300	2,600	3,900
CUF INC Incentives on New Accounts and Services Sold	\$ 21,260.00	\$ 42,495.00	\$ 63,775.00
e-Center Staff Incentives on New Accounts and Services Sold	\$ 7,964.00	\$ 15,915.00	\$ 23,883.00
Ten Thousand Dollar Unrestricted Donation per year x 4 years	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
Monthly Payment: Student Center Space - \$2,580 per year x 4 years	\$ 10,320.00	\$ 10,320.00	\$ 10,320.00
Salary for e-Center Staff - \$29,250 per year x 4 years	\$ 117,000.00	\$ 117,000.00	\$ 117,000.00
<b>YEARS 2-5 TOTALS</b>	<b>\$ 196,544.00</b>	<b>\$ 225,730.00</b>	<b>\$ 254,978.00</b>
<b>FIRST YEAR TOTALS</b>	<b>\$ 71,054.00</b>	<b>\$ 100,240.00</b>	<b>\$ 129,488.00</b>
<b>FIVE YEAR PROJECTED TOTALS</b>	<b>\$ 267,598.00</b>	<b>\$ 325,970.00</b>	<b>\$ 384,466.00</b>

To determine the loan and services incentive projections, we used the existing ratio of new student members at all SSHE schools as of April 4, 2008 and our ratio of new faculty/staff members at all SSHE schools as of April 4, 2008 (Attachment G).

Total *donations* for five years = **\$50,000**  
 First Year \$ 10,000 (page 10)  
 Years 2-5 \$ 40,000 (table above)  
 Total \$ 50,000

Total *staff salaries* for five years = **\$146,250**  
 First Year \$ 29,250 (page 10)  
 Years 2-5 \$117,000 (table above)  
 Total \$146,250

Total *payment for the student center space* for five years = **\$12,900**  
 First Year \$ 2,580 (page 10)  
 Years 2-5 \$ 10,320 (table above)  
 Total \$ 12,900

Total *student incentives* for five years at 20% market penetration = **\$15,928**  
 First Year \$ 7,964 (page 10)  
 Years 2-5 \$ 7,964 (table above)  
 Total \$ 15,928

Total *University incentives* for five years at 20% market penetration = **\$42,520**  
 First Year \$ 21,260 (page 10)  
 Years 2-5 \$ 21,260 (table above)  
 Total \$ 42,520

Revenue to University at 60% market penetration = **\$127,550**

Revenue to students at 60% market penetration = **\$47,766**

**CAMPUS CREDIT UNIONS VISITED**  
**ASSET SIZE AND CAMPUS MARKET PENETRATION**

**Parent Credit Union**

Virginia Credit Union, Inc.  
 Richmond, Virginia  
 Members – 110,367  
 Asset Size – 508 million

Michigan State FCU  
 East Lansing, Michigan  
 Members – 86,137  
 Asset Size – 474 million

Purdue Employees FCU  
 East Lafayette, Indiana  
 Members – 44,750  
 Asset Size – 237 million

Franklin Mint FCU  
 Broomall, PA  
 Members – 38,157  
 Asset Size – 168 million

Notre Dame FCU  
 South Bend, Indiana  
 Members – 36,702  
 Asset Size – 164 million

Roanoke GE Employees FCU  
 Salem, Virginia  
 Members – 48,235  
 Asset Size – 80 million

Georgetown University FCU  
 Washington D.C.  
 Members – 3,219  
 Asset Size – 4 million

**Campus Credit Union Branch**

Mary Washington College CU Branch  
 Market Penetration 1999 class – 60%

Michigan State FCU  
 Market Penetration 1999 class – 70%

Purdue Employees FCU  
 Market Penetration 1999 class – 55%

Swarthmore College C.U. Branch  
 Market Penetration 1999 class – 58%

Notre Dame FCU  
 Market Penetration 1999 class – 65%

Credit Union of VA Tech Branch  
 Market Penetration 1999 class – 70%

Georgetown University Alumni and Student FCU  
 Market Penetration 1999 class – 80%

## THE MARY WASHINGTON COLLEGE CREDIT UNION

**“The backbone of the student credit union movement is volunteerism. Student credit unions are successful because they take advantage of the hard work put forth by energetic students eager to acquire practical business experience.”**

-The National College Student Credit Union Council

### TIME LINE

- Spring 1993: -Senate motion calling for improved financial services for students.  
Fall 1994: -Initial contact with Virginia Credit Union and the National College Student Credit Union Council.  
April 1995: -Credit Union Advisory Board is created as an adjunct committee of student government.  
July 1995: -Board conducts feasibility surveys of incoming students during Preview Days.  
Sept. 1995: -Board conducts surveys of the faculty, staff, and administration at MWC.  
Oct. 1995: -Accompanied by Mr. Richard Miller, the Board presents its market analysis and business plan for a student-run credit union at MWC to senior management at VACU.  
Nov. 1995: -Written approval for the construction of the credit union office in the Woodard Campus Center was granted by President Anderson.  
Jan. 1996: -Board of Directors of Virginia Credit Union accepts the proposal.  
Aug. 1996: -Projected start of branch operations.

### INTERNSHIP PROPOSAL (Mary Washington College)

#### **Member Service Representatives:**

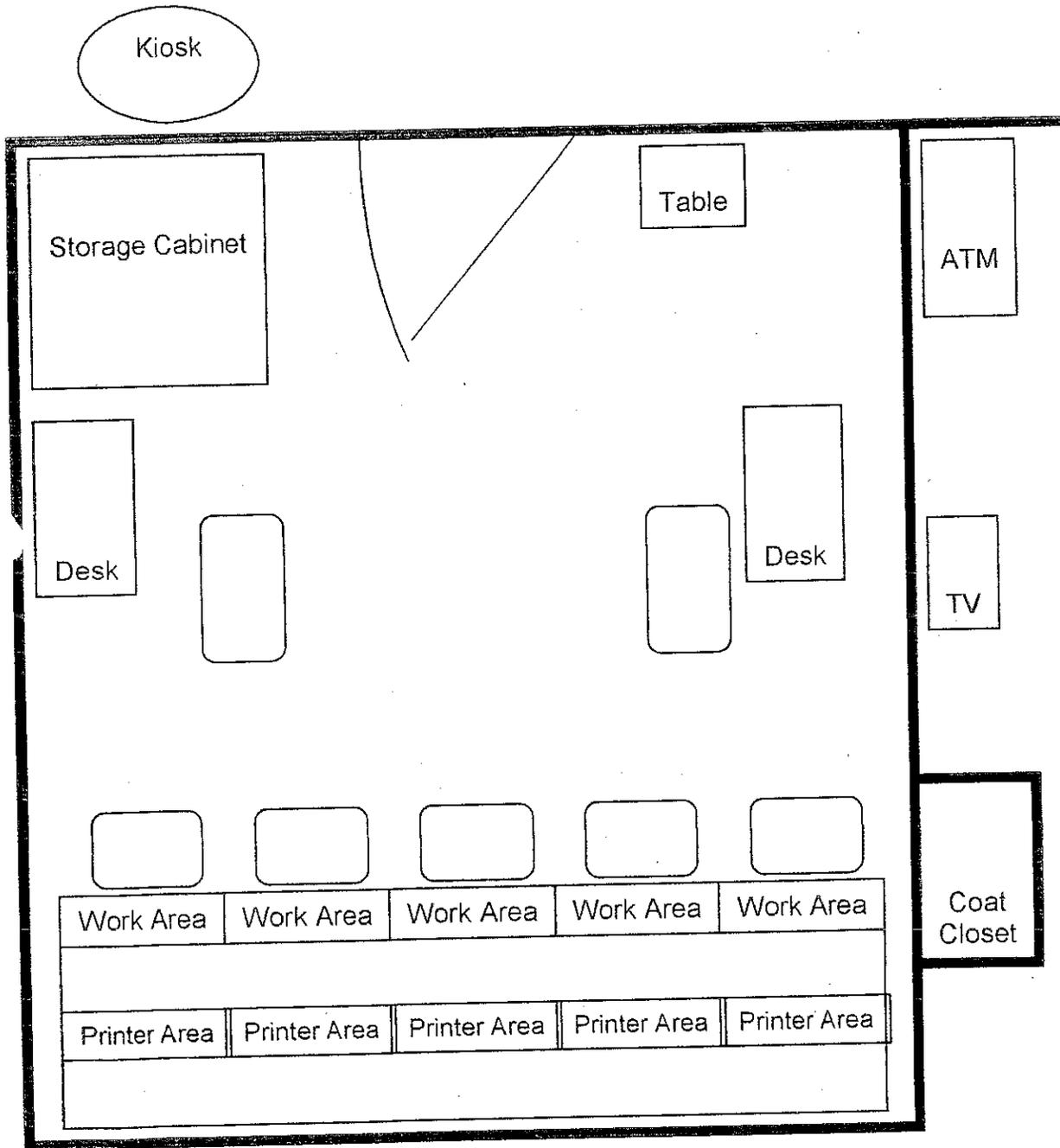
- Five volunteer positions, working twelve hours per week for three academic credits.
- Duties include opening accounts, taking loan applications, financial counseling, and handling member problems.
- Will provide hands on experience in learning about the inner workings of a financial institution.
- In conjunction with working in the branch, each student would be required to participate in sub-committees and work on projects assigned by Virginia Credit Union.

#### **Branch Managers:**

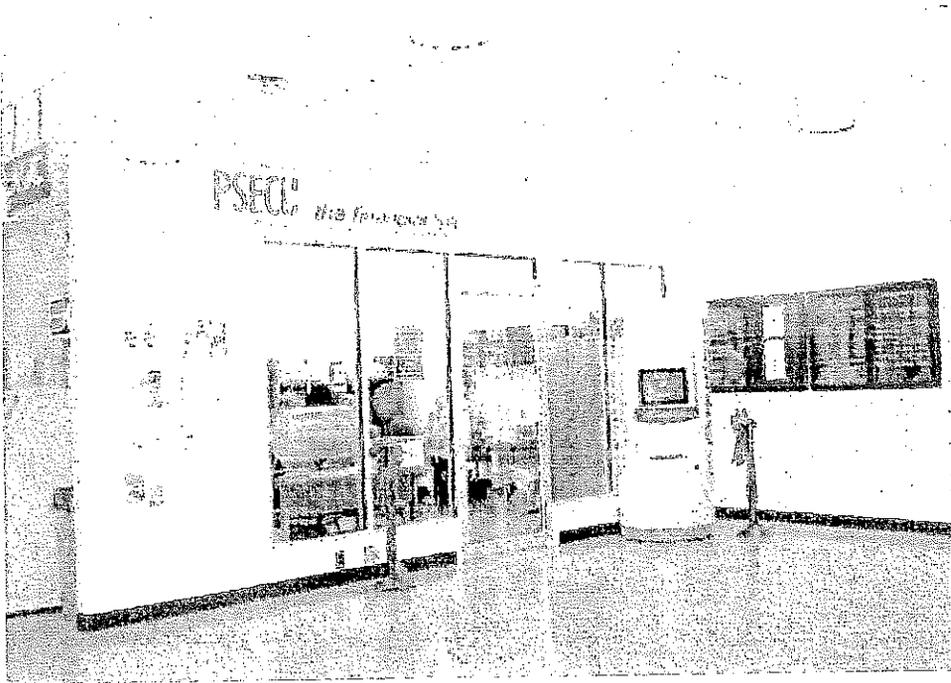
- Two paid VACU positions, working twelve hours per week for three academic credits.
- The Branch managers will oversee the operations of the student credit union.
- Duties include loan processing, opening of accounts, supervising MSR's, and contributing ideas in the development of marketing strategies and plans.
- Branch managers will also gain communication and human resource skills that are vital in today's business environment.
- Will also serve on the Mary Washington College Credit Union Advisory Board.

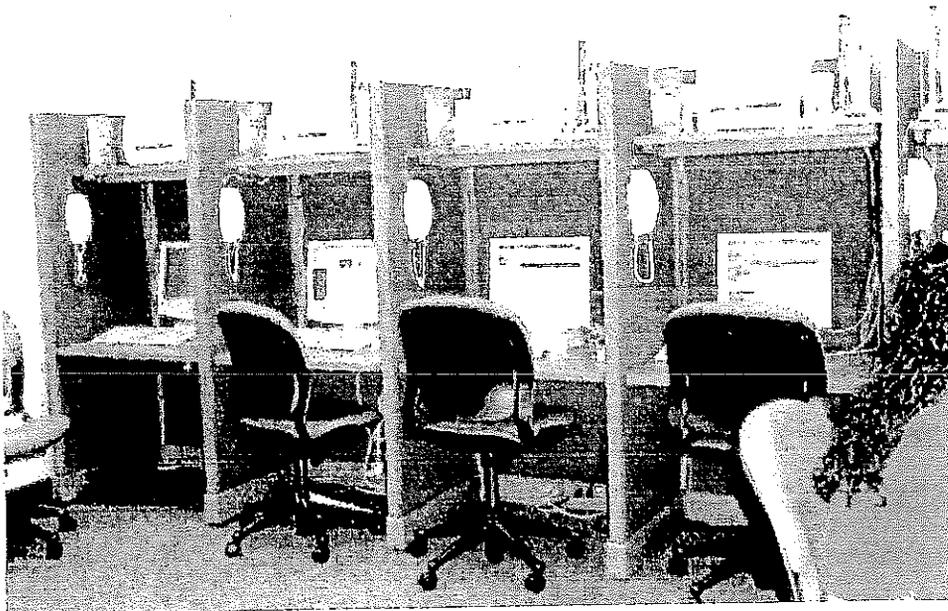
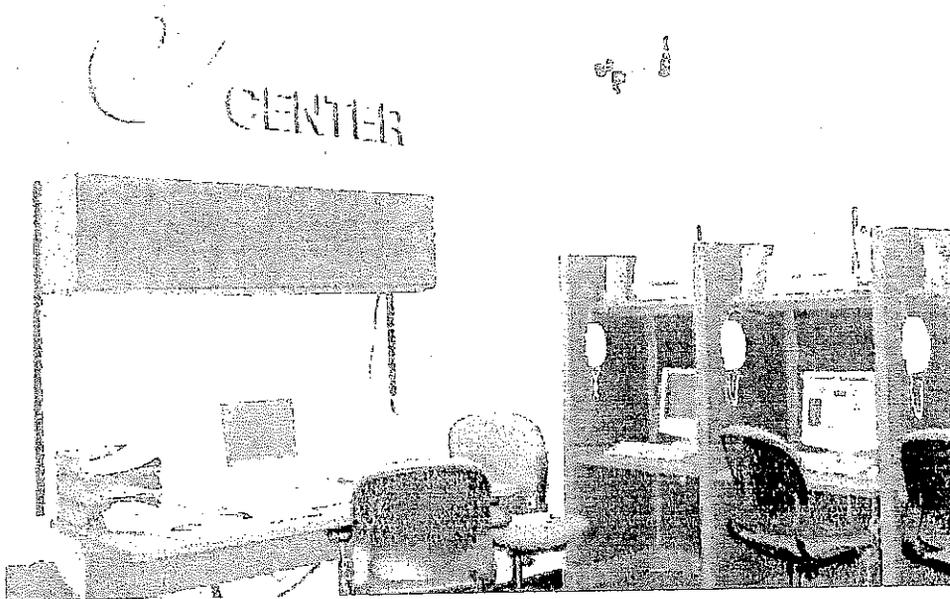
There will also be five student positions on an 11 member Credit Union Advisory Board. These students would not receive academic credit for these positions.

# e-CENTER FLOOR PLAN HARRISBURG AREA COMMUNITY COLLEGE

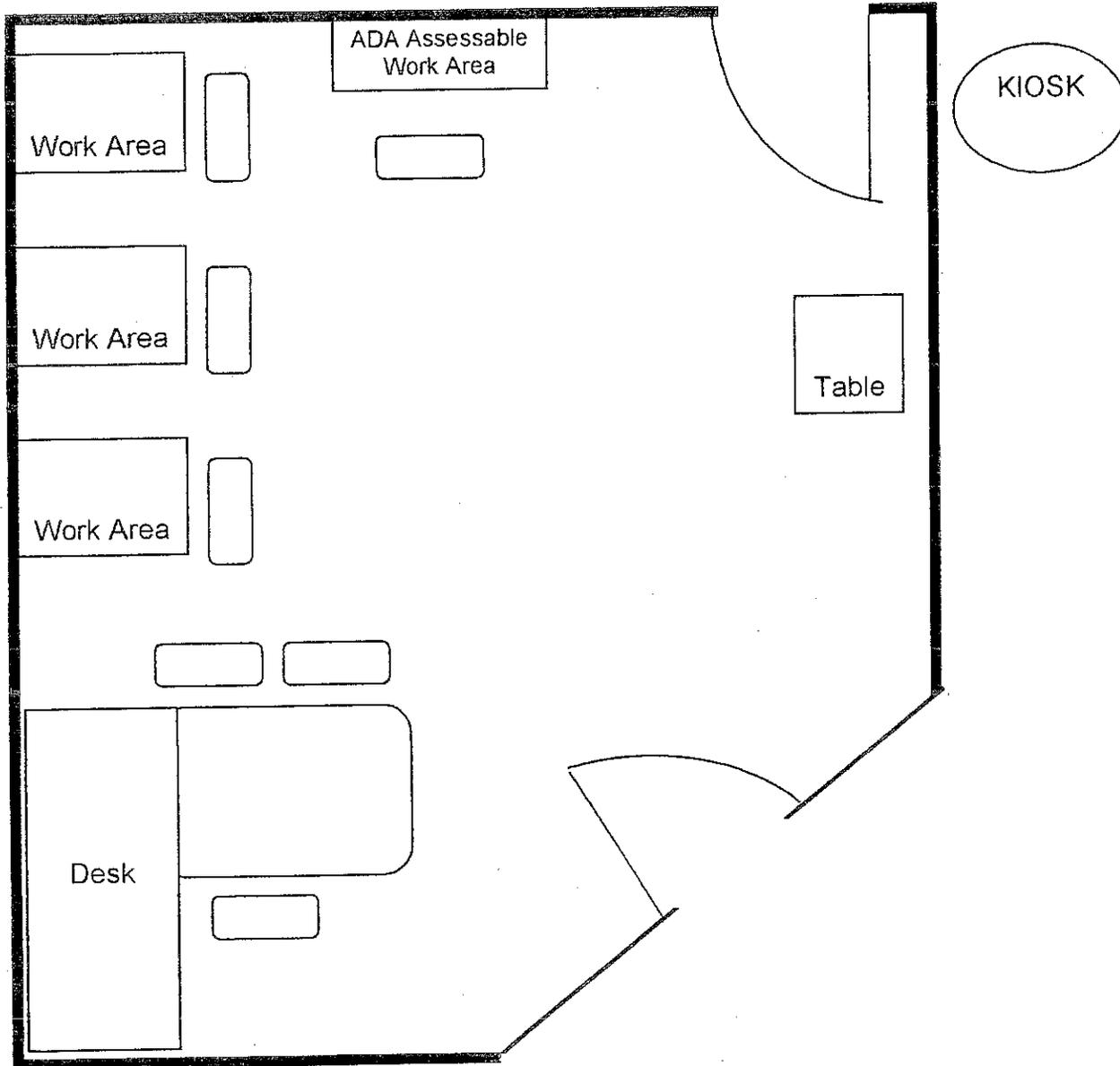


July 22, 2008





# e-CENTER FLOOR PLAN MILLERSVILLE UNIVERSITY



# PSECU e-Center @ Millersville University



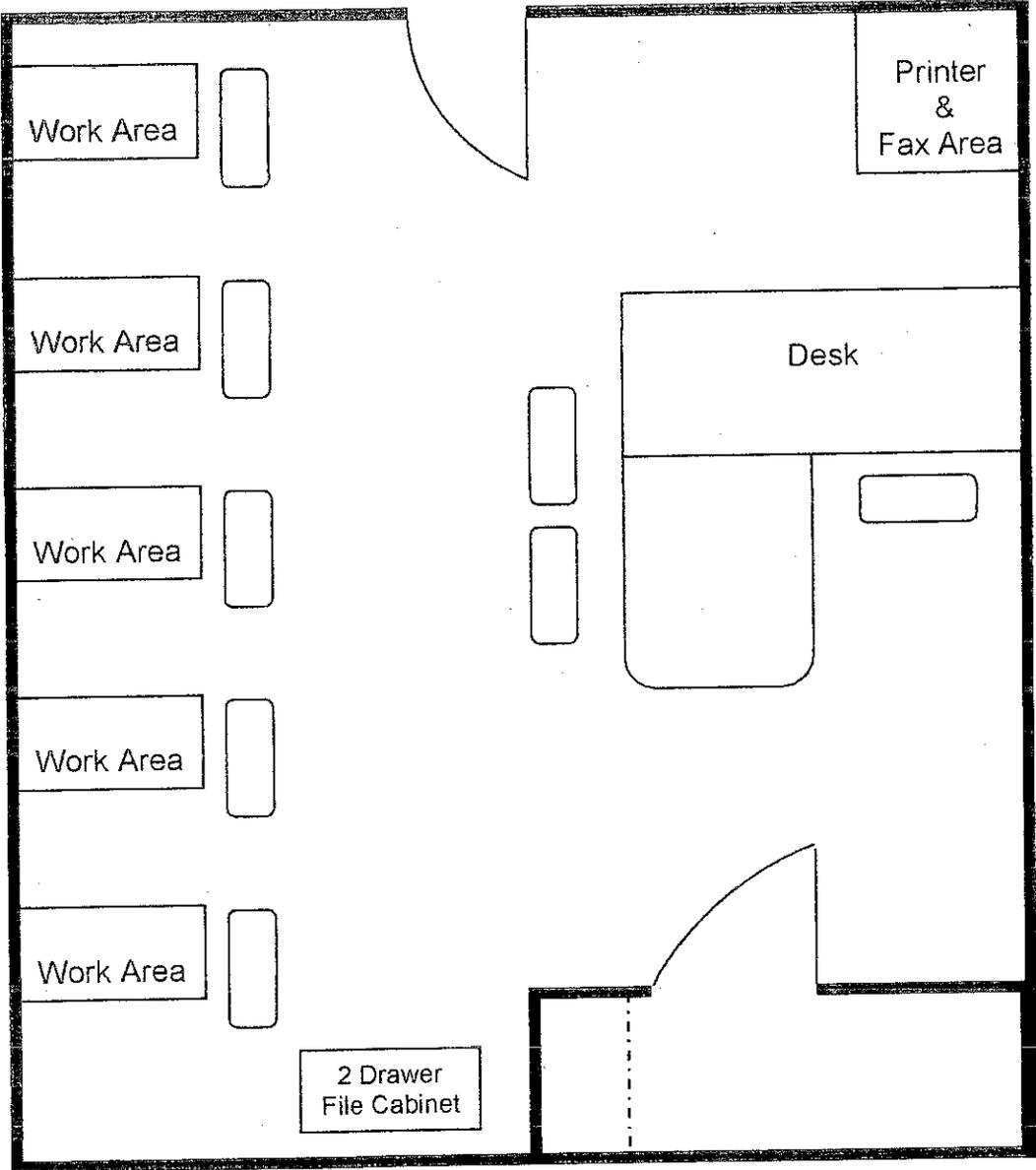
July 22, 2008

Submitted by:  
Dave Warwavesyn, Vice President of Member Services  
Earl Lloyd, Administrator of University Development  
Pennsylvania State Employees Credit Union (PSECU)  
Page 18 of 29

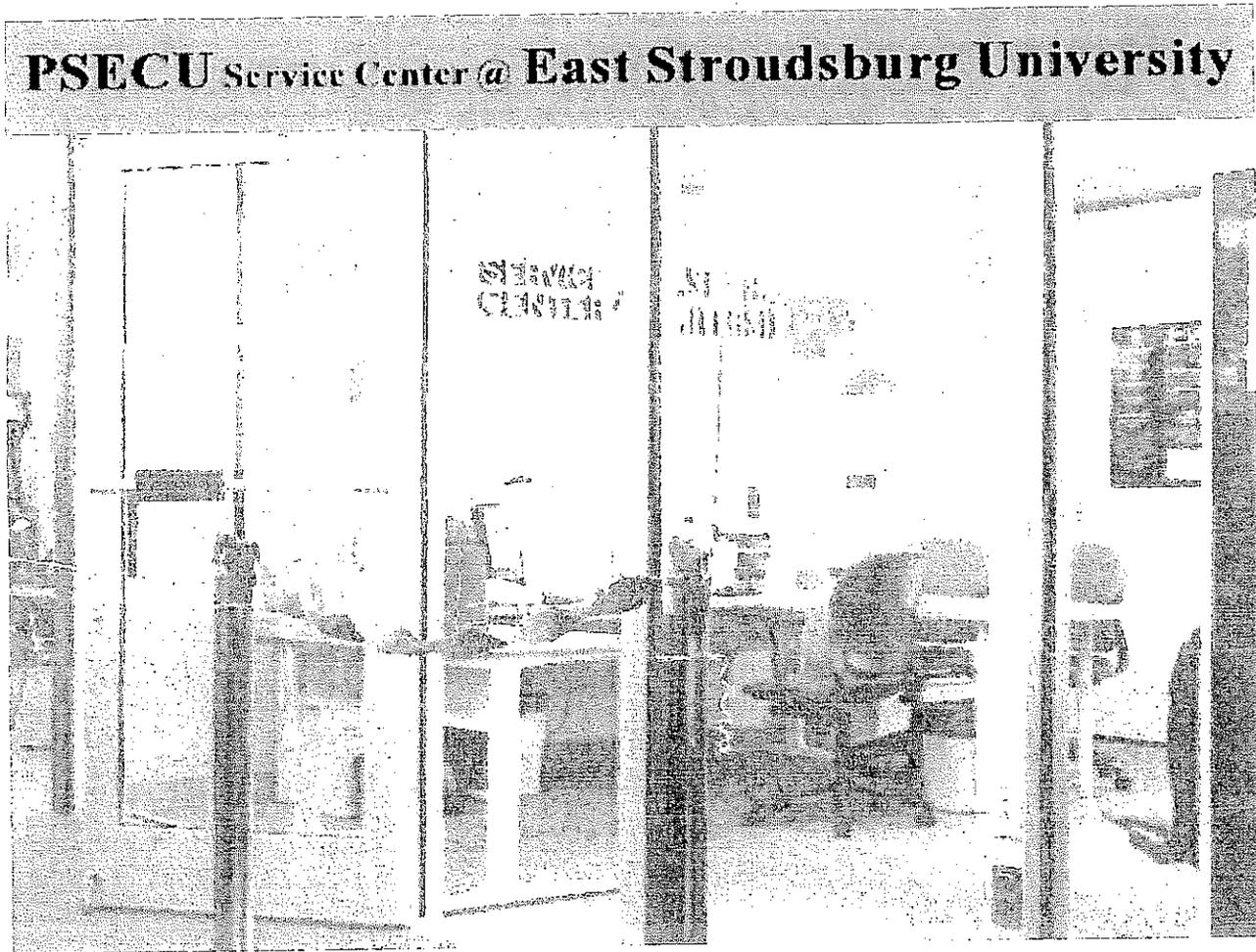




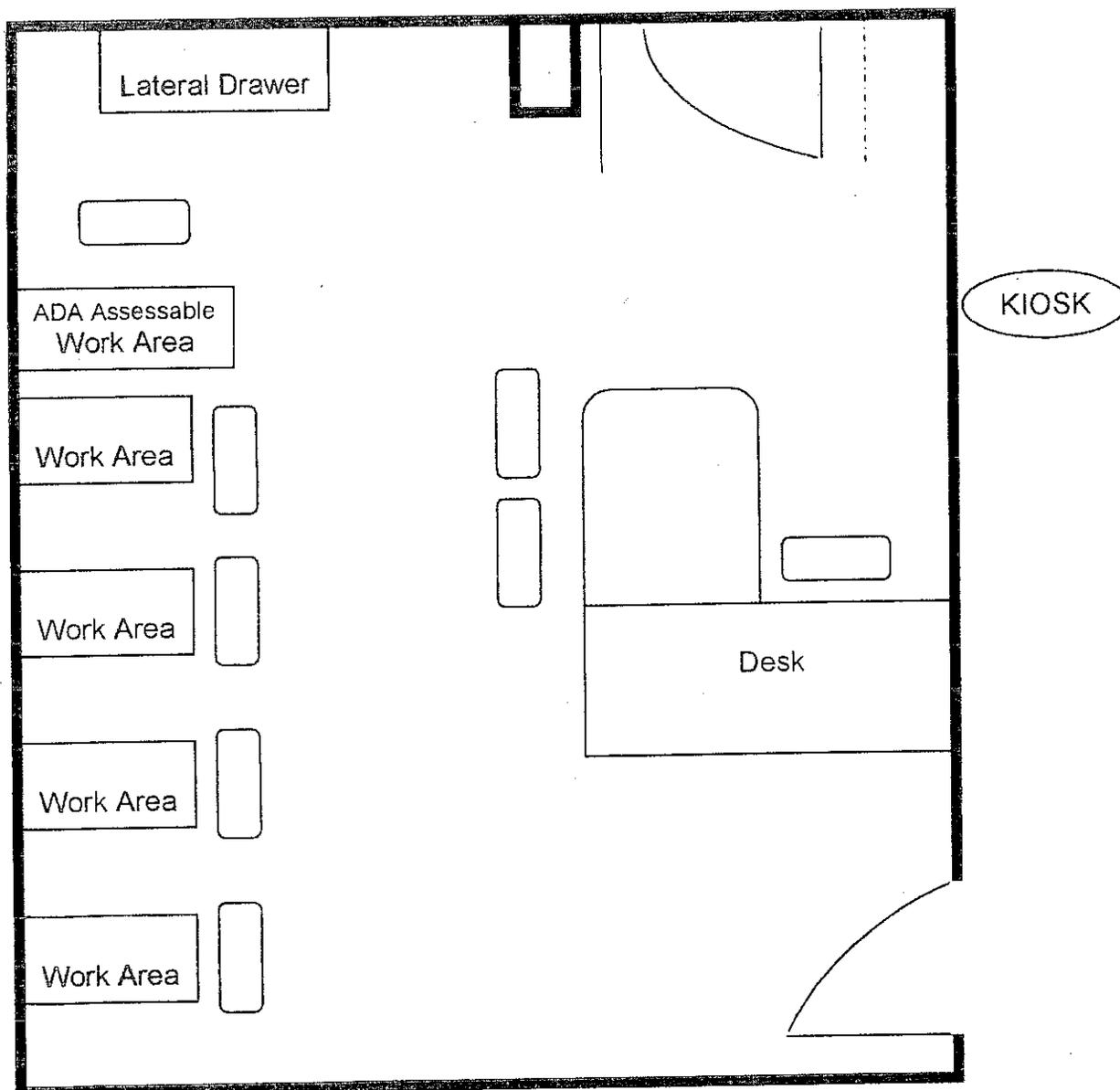
**e-CENTER FLOOR PLAN**  
**EAST STROUDSBURG UNIVERSITY**

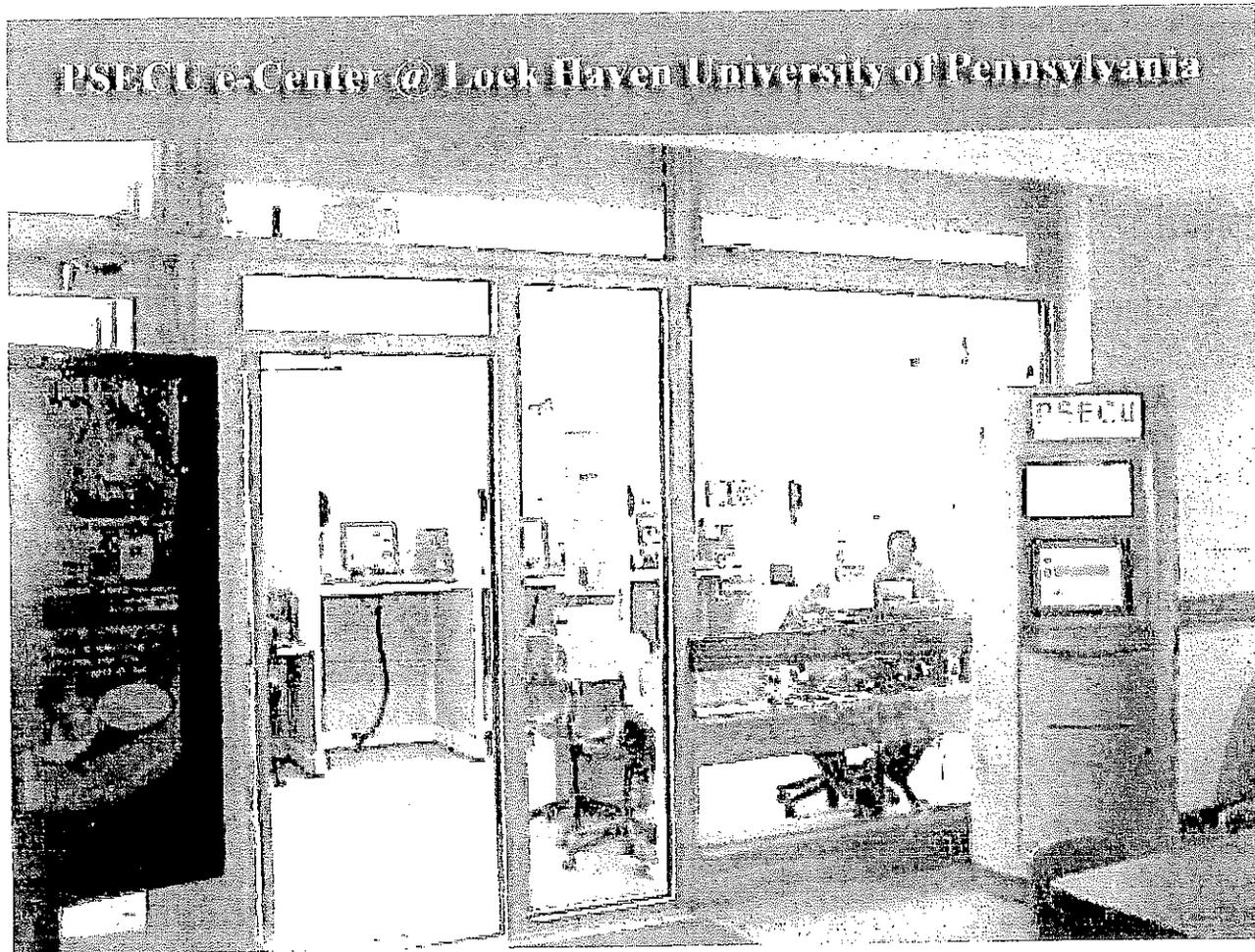


July 22, 2008



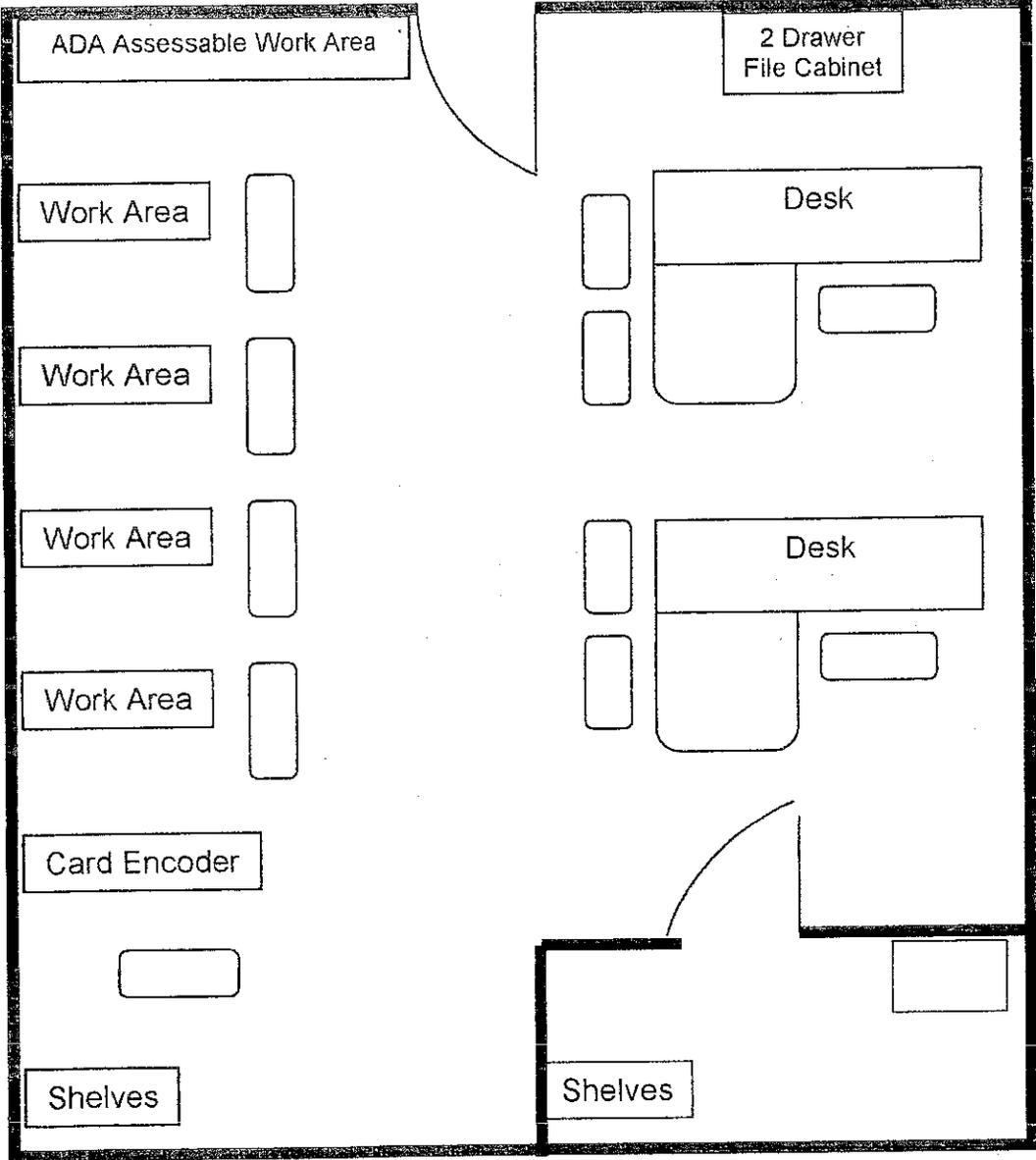
# e-CENTER FLOOR PLAN LOCK HAVEN UNIVERSITY

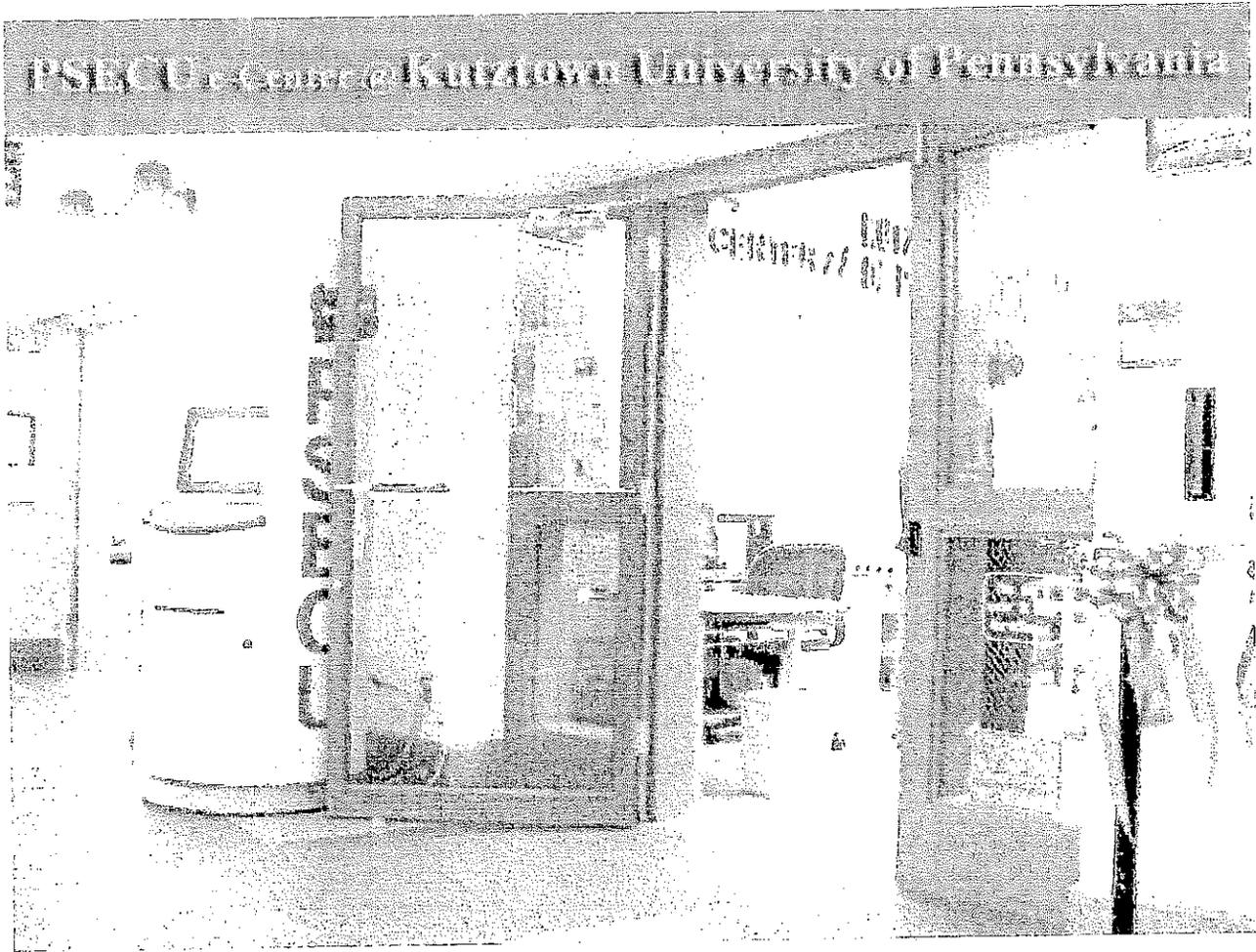




# e-CENTER FLOOR PLAN KUTZTOWN UNIVERSITY

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July 22, 2008

Submitted by:  
Dave Warwasesyn, Vice President of Member Services  
Earl Lloyd, Administrator of University Development  
Pennsylvania State Employees Credit Union (PSECU)  
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## PSECU e-CENTER AT CLARION UNIVERSITY

**POSITION DESCRIPTION:** Business Advisor  
**CLASSIFICATION:** Manager  
**REPORTS TO:** Administrator of e-Centers

**ORIGINAL DESCRIPTION DATE:** 4/2008  
**LAST REVISION DATE:**  
**WORKSTATION COVERED:**

**Mission:** To promote Pennsylvania State Employees Credit Union (PSECU) membership in the e-Center on campus and through telephone contact. To educate Clarion University students and staff about PSECU services; demonstrate how to use automated delivery systems located in the e-Center; and, assist in the application process for PSECU membership or services.

### Primary Duties and Responsibilities:

- Provides leadership, direction and support to e-Center staff.
- Interfaces with PSECU management and all student interns staffing the facility.
- Recruits and hires interns in advance of vacancies, when possible.
- Develops and distributes staffing schedules.
- Ensures e-Center is always adequately staffed.
- Opens and closes e-Center.
- Secures the e-Center under dual control.
- Adheres to PSECU's internal controls established for the PSECU e-Center at Clarion University Foundation Incorporated operation.
- Documents misconduct and inappropriate behavior of student interns who staff the e-Center.
- Recommends discipline to Administrator of e-Center Operations.
- Assists Administrator of e-Center Operations with discipline procedures.
- Monitors the ATM to ensure availability to members.
- Ensures applications, forms, etc., are forwarded to the main office in a timely manner as determined by PSECU.
- Ensures the orderly maintenance of the area assigned to the e-Center, including adequate care of furniture and equipment plus adequate supplies of brochures, forms and applications.
- Ensures equipment is used for credit union business only.
- Promotes credit union services and products.
- Cross-sells credit union membership and services to Clarion University enrollees.
- Educates membership on automated services.
- Directs membership to the website, [www.psecu.com](http://www.psecu.com)
- Directs membership to home banking or phone bank for financial transactions and inquiries, address, and PIN changes.
- Organizes and presents group presentations.
- Performs follow-up phone calls and e-mails to new members to build a relationship.
- Receives sales and product knowledge training.
- Reviews all applications for completeness.
- Assists membership with state and non-state payroll forms and direct deposit forms.
- Refers all unresolved member questions or problems to Administrator of e-Center Operations at PSECU.
- Displays professionalism.
- Business casual attire.
- Performs other duties as assigned.

### Prerequisite for Job:

- Previous customer service experience in banking, retail environment or sales preferred.
- Must be able to handle stressful or difficult situations in a calm manner.
- Must have good listening and oral communication skills.
- Must be Internet literate.
- Must be computer literate.
- Must be bondable.

## PSECU e-CENTER AT CLARION UNIVERSITY

**POSITION DESCRIPTION:** e-Center Management Intern  
**CLASSIFICATION:** Intern  
**REPORTS TO:** Business Advisor

**ORIGINAL DESCRIPTION DATE:** 4/2008  
**LAST REVISION DATE:**  
**WORKSTATION COVERED:**

**Mission:** To promote Pennsylvania State Employees Credit Union (PSECU) membership in the e-Center on campus and through telephone contact. To educate Clarion University students, faculty and staff about PSECU services; demonstrate how to use automated delivery systems located in the e-Center; and, assist in the application process for PSECU membership or services.

### Primary Duties and Responsibilities:

- Acts in the absence of the Business Advisor.
- Assists the Business Advisor with the daily operation.
- Provides direction and support to e-Center staff.
- Opens and closes the e-Center.
- Adheres to the operation of PSECU's internal controls established for the PSECU e-Center at Clarion University.
- Monitors the ATM to ensure availability to members.
- Ensures all applications, forms, etc., are processed and forwarded to the main office in a timely manner as determined by PSECU.
- Informs Business Advisor of misconduct or inappropriate behavior of student interns who staff the e-Center.
- Ensures the orderly maintenance of the area assigned to the e-Center, including adequate care of furniture and equipment plus adequate supplies of brochures, forms and applications.
- Ensures equipment is used for credit union business only.
- Promotes credit union services and products.
- Cross-sells credit union membership and services to Clarion University enrollees.
- Meets established monthly membership and service goals.
- Educates membership on automated services.
- Directs membership to the website, [www.psecu.com](http://www.psecu.com).
- Directs membership to home banking or phone bank for financial transactions and inquiries, address, and PIN changes.
- Organizes and presents group presentations.
- Assists & reviews all applications for completeness.
- Assists membership with state and non-state payroll forms and direct deposit forms.
- Refers all unresolved member questions or problems to Administrator of e-Center Operations at PSECU.
- Displays professionalism.
- Business casual attire.
- Performs other duties as assigned.

### Prerequisites for Job:

- Must be enrolled at Clarion University.
- Previous customer service experience in banking, retail environment and sales preferred.
- Must be able to approach and talk to people.
- Must be able to handle stressful or difficult situations in a calm manner.
- Must have good listening and oral communication skills.
- Must be computer literate.
- Must be Internet literate.
- Must be bondable.

## PSECU e-CENTER AT CLARION UNIVERSITY

**POSITION DESCRIPTION:** e-Center Intern  
**CLASSIFICATION:** Intern  
**REPORTS TO:** Business Advisor

**ORIGINAL DESCRIPTION DATE:** 4/2008  
**LAST REVISION DATE:**  
**WORKSTATION COVERED:**

***Mission:*** To promote Pennsylvania State Employees Credit Union (PSECU) membership in the e-Center on campus and through telephone contact. To educate Clarion University students, faculty and staff about PSECU services; demonstrate how to use automated delivery systems located in the e-Center; and, assist in the application process for PSECU membership or services.

### Duties and Responsibilities:

- Promotes credit union services and products.
- Meets established monthly membership and service goals.
- Educates membership on automated services.
- Cross-sells credit union membership and services to Clarion University enrollees.
- Directs membership to home banking or phone bank for financial transactions and inquiries, address and PIN changes.
- Directs membership to the website, [www.psecu.com](http://www.psecu.com).
- Assists & reviews all applications for completeness.
- All applications are forwarded to the e-Center Management Intern, Business Advisor or Administrator of e-Center Operations.
- Assists membership with state and non-state payroll forms and direct deposit forms.
- Displays professionalism.
- Business casual attire.
- Organizes and presents group presentations.
- Performs other duties as assigned.

### Prerequisites for Job:

- Must be enrolled at Clarion University.
- Previous customer service experience in banking, retail environment and sales preferred.
- Must be able to approach and talk to people.
- Must be able to handle stressful or difficult situations in a calm manner.
- Must have good listening and oral communication skills.
- Must be computer literate.
- Must be Internet literate.
- Must be bondable.

## RATIONALE FOR PERCENTAGES USED IN POTENTIAL LOAN AND SERVICE REVENUES

The rationale for utilizing the percentage for auto loans, Visa ® loans, checking, and check card services is based on current SSHE student members' loan and services ratio to total student membership as of April 4, 2008.

Currently:

- 10% of SSHE student members have auto loans with PSECU
- 29% have Visa ® cards
- 70% have checking services
- 30% have check card services

The rationale for utilizing the percentage for auto loans, Visa ® loans, checking, and check card services is based on current SSHE faculty/staff members' loan and services ratio to total faculty/staff membership as of April 4, 2008.

Currently:

- 15% of SSHE faculty & staff members have auto loans with PSECU
- 17% have Visa ® cards
- 78% have checking services
- 85% have check card services

With Real Estate Equity loans, we are again using the assumption that additional marketing opportunities will present themselves at Clarion University with the students, faculty and staff.

In addition to students becoming members, we feel that marketing to the students' parents will achieve a 20% success rate through a networking program that highlights the benefits of a PSECU membership. These new members will also generate incentives to the University which are not reflected in the financial projections.

**ATM RENT**

<b>12 Month ATM Rent Figure 04/07 - 03/08 SSHE campuses with E-center programs</b>		<b>5 Year Projected (ESTIMATED)</b>
Campus A	\$14,545.40	\$70,000.00
Campus B	\$6,876.05	\$34,000.00
Campus C	\$2,997.15	\$15,000.00
Campus D	\$18,247.05	\$90,000.00
Campus E	\$13,054.80	\$70,000.00
Campus F	\$18,000.00	\$90,000.00
Campus G	\$4,668.50	\$25,000.00
Campus H	\$33,321.45	\$150,000.00
Campus I	\$11,263.25	\$60,000.00

## MEMORANDUM OF UNDERSTANDING

Pursuant to the State System of Higher Education Board of Governors' Policy 1985-04, Section D-2, adopted April 16, 1995 and revised October 9, 1997; which gives the Clarion University of Pennsylvania (hereinafter called the "University") the choice of a Memorandum of Understanding or a contract, the University elects to utilize the Memorandum of Understanding.

This Memorandum of Understanding, made this 1<sup>st</sup> day of July, 2008 by and between Clarion University of Pennsylvania, a Commonwealth-owned educational institution and constituent part of the State System of Higher Education, acting through officials authorized by its president.

AND

Clarion University Foundation, Inc., founded in 1969 acting through the Clarion University Foundation, Inc. Board of Directors (hereinafter called the "Foundation") whereby the University wishes to provide support services, staff, and facilities to the Foundation, an independent, but affiliated 501 (c)(3) nonprofit organization which exists to develop and manage external sources of financial support for the benefit of the University. In addition to this mission, the Foundation is also able to serve the unique needs and desires of donors.

WITNESSETH:

The Foundation, having served and supported the University and its programs, faculty, staff, and students continuously since 1969, ultimately supports the University through:

- 1) activities to promote the educational purposes of the University;
- 2) activities in accordance with its articles of incorporation and bylaws;
- 3) activity as the repository for private financial support to the University, including private gifts and grants;
- 4) activity as the managing organization for private funds; e.g., fund management, investments, and interest earnings;
- 5) activity as the recipient organization for the donation of properties to the University when appropriate;

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- 6) review by the Board of Directors of the Foundation of funding requests and recommendations from the University President, and making of allocations of available unrestricted funds to support University programs and institutional advancement efforts.

**A. The Foundation agrees to the following:**

- 1) The Foundation will provide the University with an annual report Summarizing its contributions, and including the following items:
  - a. A reconciliation of the expenses paid through the Memorandum of Understanding;
  - b. Annual external Financial Audit;
  - c. Certificate of Liability Insurance;
  - d. A listing of the Board of Directors including indication of the officers;
  - e. Certification that the Foundation did not undertake any programs or activities that are properly part of the University's academic mission.
- 2) The Foundation will secure and maintain Directors and Officers liability insurance in, at least the amount of \$1,000,000.
- 3) The Foundation agrees to indemnify and hold harmless the University from any and all damages, awards, judgments, liens, or other remedies or encumbrances incurred as a result of acts or omissions arising from and/or from execution and performance of the instant Memorandum of Understanding.
- 4) The Foundation will forward requests for further assistance or support to the president of the University.

**B. In the spirit of the State System of Higher Education Board of Governors resolution of April 16, 1985, regarding fund raising and affiliated organizations, it is the University's desire to enhance the ability of the Foundation to function by providing to the Foundation; facilities, staff and services as described below.**

- 1) The University will employ a Vice President for Student and University Affairs, who will also, assuming the consent of the Foundation, carry the dual title of Executive Director for Clarion University Foundation, Inc., and will supervise Foundation employees. The Vice President for Student

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and University Affairs will serve as the chief liaison between the Foundation and the University.

- 2) At its discretion the University will provide employees from the Division of Student and University Affairs assist with the management of Foundation activities.
- 3) The University, in lieu of employment and assignment of certain staff to support the conduct of fund raising activities, shall convey to the Foundation an amount sufficient to pay the salary, benefits, and associated direct operational/professional costs of Foundation employees directly involved in the conduct of the fund raising activities. Such involvement shall include, but not be limited to, clerical services, donor research, solicitation, donor stewardship, alumni activities, and campaign administration and management. This amount will be paid upon receipt of monthly documentation of actual effort and compensation cost.
- 4) The University will supply services including, but not limited to, telecommunications, postage, printing, public relations, food service for special events, development of, and ongoing maintenance and support of computer systems, access to University databases, and other services related to development and fund raising. Operation supplies and services will include, but not be limited to, personnel/payroll services, mail and delivery services, and maintenance agreements to which the University is party.
- 5) The University will provide facilities to include, but not be limited to, office space, utilities, maintenance, housekeeping and upkeep for administrative offices and other university facilities for conducting Foundation functions and activities.
- 6) The University provides authorization for the Foundation to enter into licensing agreements or similar arrangements to generate royalty revenues from the use of the University name and logo.
- 7) The University will provide professional services by the President and other executive officers and support staff, as requested.

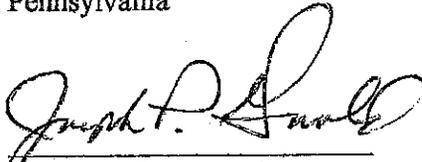
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No University employee who provides support or staff services to the Foundation, may vote, govern, or otherwise risk adverse interest through such service to the Foundation.

This Memorandum of Understanding will be renewed at least every five years. This Memorandum of Understanding will commence on July 1, 2008 and will expire on June 30, 2013; thus, the next review will be completed prior to June 30, 2013.

The University looks forward to the continuation of what has been a valued relationship with the Foundation.

For Clarion University of  
Pennsylvania

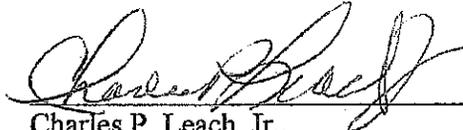


Joseph P. Grunenwald  
President

6/18/08

Date

For Clarion University Foundation, Inc.



Charles P. Leach, Jr.,  
President

6/16/08

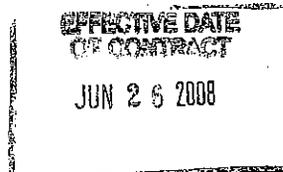
Date



Approved for form and legality  
Michael Ferguson  
University Legal Counsel

6/26/08

Date



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