



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

October 3, 2013

Michael Coard, Esquire
1650 Market Street, 36th Floor
Philadelphia, PA 19103

Re: Heeding Cheyney's Call

Mr. Coard:

I am writing on behalf of Governor Tom Corbett, Acting Secretary of Education Carolyn Dumaresq, Frank T. Brogan, Chancellor of the Pennsylvania State System of Higher Education (PASSHE), and Guido Pichini, Chairman of the PASSHE Board of Governors, in acknowledgement of your letter dated September 23, 2013, regarding Cheyney University of Pennsylvania.

I want to assure you and all current and former Cheyney students that the Governor, the Acting Secretary of Education, the Chancellor, and the Chairman of the Board of Governors are focused on the success of not only Cheyney University, but also all of the universities that comprise PASSHE.

High school, nontraditional and returning adult students throughout the Commonwealth have a rich menu of choices for their post-high school experience. PASSHE, and the Commonwealth generally, have been clear through performance funding and other standards that a diverse student body is among the top goals of the State System. We will not allow discrimination of any kind to exist in any of the universities and we are confident in our compliance with all federal and state obligations as they relate to Cheyney University.

We are focused on assuring that our public universities, which receive a portion of their funding from the annual state budget, remain fiscally sound and academically rigorous. As a demonstration of our commitment to these goals, the Governor's Advisory Commission on Postsecondary Education issued a report in November 2012 recommending:

- The development and maintenance of a robust and sustainable postsecondary education system which meets workforce needs and provides for educational options for students;
- The importance of accessibility and affordability of postsecondary education for all students;

- Governance and financial structures which would enhance the postsecondary education system in Pennsylvania; and
- Opportunities for increased collaboration among academia, private sector and government.

Given the points outlined in your letter, and the standards to which we hold all universities within PASSHE, we are open to a meaningful dialog about the mission and future of Cheyney University. A forthright discussion about these issues would be more beneficial than lengthy and costly litigation over claims of discrimination, which are clearly not supported by the facts and would not advance higher education in Pennsylvania – at Cheyney or elsewhere. You have referenced a similar process in Maryland that has been going on for more than seven years. We hope you will agree that a delay of that length would not be in best interests of Cheyney or PASSHE as a whole.

Should you choose litigation, we are prepared to provide the court with the following information:

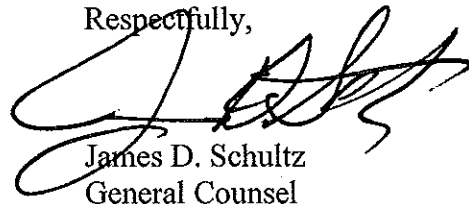
- Cheyney currently receives almost three times as much in state appropriations per student as the other thirteen universities within PASSHE.
- Cheyney is in the midst of several major capital projects, including a new residence hall and state-of-the art science building funded entirely by a \$70 million commitment made by the Governor and PASSHE.
- The Commonwealth's investment of \$118,000 per-pupil in capital projects at Cheyney is more than ten times that of the other PASSHE universities.
- In fiscal years 2007-08 through 2009-10, PASSHE invested nearly \$2.3 million in consulting and staff support in the areas of fiscal management, facilities planning, construction management, human resources and student financial aid for Cheyney. This has not been done for any other PASSHE university. As a result, Cheyney's financial performance changed direction in 2008-09 and achieved a positive operating margin for the fiscal years 2009-10 and 2010-11.
- In 2007, PASSHE provided Cheyney with a \$2.1 million loan which was repaid semiannually, with final payment occurring in June 2012.
- During fiscal years 2010-11 through 2012-13, PASSHE provided nearly \$1.5 million in support of Cheyney's programmatic outreach in Center City Philadelphia. Funds were used for network, classroom and other facilities upgrades in their leased space, as well as seed monies for related support staff. In addition, funds were provided for faculty and staff personnel startup costs for expansion of new academic programs. Financial and

personnel support continues to be provided for Cheyney's efforts in Center City Philadelphia.

This level of assistance has not been provided to any other PASSHE institution. Universities, especially publicly funded institutions, must continually review their academic offerings and operations in order to best serve the needs of students, parents, the community and the Commonwealth as a whole.

We look forward to establishing a process by which concerns regarding Cheyney are reviewed through the prism of these goals, with the hope of developing a strategic plan that will assure continued viability and success into the future for the university and its students.

Respectfully,

A handwritten signature in black ink, appearing to read 'J. Schultz', written over the printed name and title.

James D. Schultz
General Counsel