



Indiana University of Pennsylvania

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December 7, 2009

ParenteBeard, LLC
444 Liberty Avenue
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To Whom It May Concern:

We are providing this letter in connection with your audit of the financial statements of Indiana University of Pennsylvania of the State System of Higher Education (the "University") as of June 30, 2009 and 2008, and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the balance sheet and the statements of revenues, expenses, and changes in net assets and cash flows in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief as of November 17, 2009, the following representations made to you during your audit:

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds of the primary government and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
2. We have made available to you all:
 - a. Financial records and related data,
 - b. Minutes of the meetings of the Council of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
5. There are no uncorrected financial statement misstatements.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

7. We have no knowledge of any fraud or suspected fraud affecting the University involving
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, analysts, regulators, or others.
9. The University has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net assets.
10. The following, if any, have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the University is contingently liable.
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
11. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, or other financial data significant to the audit objectives.
12. There are no:
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting and amending budgets), provisions of contracts, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable for assertion and must be disclosed in accordance with *Financial Accounting Standards Board (FASB) Statement No. 5, Accounting for Contingencies*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.

d. Reservations or designations of net assets that were not properly authorized and approved.

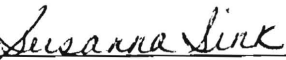
13. We have designated a competent employee to prepare the draft financial statements and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
14. The University has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral except as made known to you and disclosed in the notes to the financial statements.
15. The University has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
16. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
17. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved.
18. Provisions for uncollectible receivables have been properly identified and recorded.
19. Expenses have been appropriately classified in or allocated to functions and programs in the Statement of Revenues, Expenses, and Changes in Net Assets, and allocations have been made on a reasonable basis.
20. Revenues are appropriately classified in the Statement of Revenues, Expenses, and Changes in Net Assets within each category.
21. Deposits and investment securities are properly classified as to risk, and investments are properly valued.
22. Capital assets are properly capitalized, reported, and, if applicable, depreciated.
23. We agree with the findings of specialists in evaluating the post-retirement and workers' compensation liabilities and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
24. We are unable to determine the possibility of a withdrawal liability in a multiple-employer benefit plan.
25. Tax-exempt bonds issued have retained their tax-exempt status.

26. We have evaluated all entities related to the University under the criteria set forth in GASB 39, *Determining Whether Certain Organizations are Component Units*, an amendment to GASB 14, to determine which, if any, entities should be included in the reporting entity. We have determined that the Student Co-Operative Association, Inc., the College Student Union Association, Inc., the Foundation for IUP, Inc., University Acquisitions, Inc., and the IUP Research Institute, Inc. should be included as component units. No other related entities qualify for inclusion with the reporting entity.
27. Required supplementary information (RSI) is measured and presented within prescribed guidelines.

No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: 
Cornelius Wooten

Title: Vice President for
Administration and Finance

Signed: 
Susanna Sink

Title: Associate Vice President for
Finance

Signed: 
Barbara J. Moore

Title: Director, Institutional Research
Planning and Assessment

Signed: 
Richard P. White

Title: Director of Financial Operations