

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2009, or tax year beginning 06/01, 2009, and ending 05/31, 20 10

2009

Department of the Treasury
Internal Revenue Service

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

▶ See instructions on back.

Name of exempt organization

THE PENNSYLVANIA HIGHER EDUCATION

Employer identification number

25-1891805

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

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

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>336,781.</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	

Part II Declaration of Officer

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

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

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2009 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here ▶

T. J. [Signature]
Signature of officer

10/12/10
Date

Treasurer
Title

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

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature ▶ <u>[Signature]</u>	Date <u>10/7/2010</u>	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN <u>P00451522</u>
	Firm's name (or yours if self-employed), address, and ZIP code ▶ <u>KPMG LLP</u>				EIN <u>13-5565207</u>
	<u>1676 INTERNATIONAL DRIVE</u>	<u>VA 22102</u>	Phone no. <u>703-286-8000</u>		

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

Paid Preparer's Use Only	Preparer's signature ▶ _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____	
	Firm's name (or yours if self-employed), address, and ZIP code ▶ _____				EIN _____
					Phone no. _____

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

Form **8453-EO** (2009)

Return of Organization Exempt From Income Tax

2009

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning 06/01, 2009, and ending 05/31, 2010

Form header section containing fields B through K: B Check if applicable, C Name of organization THE PENNSYLVANIA HIGHER EDUCATION, D Employer identification number 25-1891805, E Telephone number (717) 720-3961, F Name and address of principal officer: JAMES PRESTON, G Gross receipts \$ 336,781, H(a) Is this a group return for affiliates?, H(b) Are all affiliates included?, I Tax-exempt status: X 501(c) (3), J Website: WWW.HIGHEREDFOUNDATION.ORG/HOME.SHTML, K Form of organization: X Corporation, L Year of formation: 2001, M State of legal domicile: PA

Part I Summary

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Briefly describe the organization's mission... 2 Check this box [X] if the organization discontinued its operations... 3-7a Activities & Governance metrics... 8-12 Revenue... 13-19 Expenses... 20-22 Net Assets or Fund Balances.

Part II Signature Block

Signature block section containing: Sign Here (Signature of officer, Date, Type or print name and title), Paid Preparer's Use Only (Preparer's signature, Date, Check if self-employed, Preparer's identifying number P00451522, Firm's name KPMG LLP, address 1676 INTERNATIONAL DRIVE MCLEAN, VA 22102, EIN 13-5565207, Phone no. 703-286-8000)

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.*

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

ATTACHMENT 3

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 10,338,952. including grants of \$ 10,302,389.) (Revenue \$)

ATTACHMENT 4

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 10,338,952.

Part IV Checklist of Required Schedules

Table with 3 main columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements. Row 12A includes a sub-table with Yes/No columns.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, and Yes/No checkboxes. Rows include questions 21 through 38 regarding grant reporting, compensation, tax-exempt bonds, and organizational structure.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Form with questions 1a through 12b regarding IRS filings and tax compliance, including sections on backup withholding, employee reporting, foreign accounts, prohibited tax shelter transactions, and contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (8), 1b Enter the number of voting members that are independent (7), 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (X), 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (X), 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (X), 5 Did the organization become aware during the year of a material diversion of the organization's assets? (X), 6 Does the organization have members or stockholders? (X), 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (X), 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (X), 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (X), b Each committee with authority to act on behalf of the governing body? (X), 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (X).

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (X), 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? (X), 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (X), 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990., 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 (X), 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X), 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (X), 13 Does the organization have a written whistleblower policy? (X), 14 Does the organization have a written document retention and destruction policy? (X), 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? a The organization's CEO, Executive Director, or top management official (X), b Other officers or key employees of the organization (X). If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.), 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (X), 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed DC, PA,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: TIMOTHY GUENTHER 1200 NORTH SEVENTH STREET HARRISBURG, PA 17102 717-720-3961

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
SENATOR SEAN LOGAN DIRECTOR	1.00	X						0.	0.	0.
REPRESENTATIVE WILLIAM F ADOLPH JR DIRECTOR	1.00	X						0.	0.	0.
JAMES PRESTON PRESIDENT, CEO, & DIRECTOR	1.00	X		X				0.	314,646	24,372.
THE HONORABLE THOMAS C CORRIGAN DIRECTOR	1.00	X						0.	0.	0.
SENATOR VINCENT J HUGHES DIRECTOR	1.00	X						0.	0.	0.
REPRESENTATIVE SANDRA J MAJOR DIRECTOR	1.00	X						0.	0.	0.
REPRESENTATIVE JAMES R ROEBUCK JR DIRECTOR	1.00	X						0.	0.	0.
TIMOTHY A GUENTHER TREASURER	1.00			X				0.	213,499	20,215.
NATHAN HENCH SECRETARY	1.00			X				0.	113,568	16,108.
MICHAEL H HERSHOCK PRESIDENT, CEO, & DIRECTOR	30.00					X		31,250.	0.	0.
CAROL JOHNSON SECRETARY	40.00					X		0.	141,115	2,226.

Part VIII Statement of Revenue

25-1891805

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	0.			
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f ▶		0.			
Program Service Revenue				Business Code			
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f ▶			0.		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶			325,766.		325,766.
	4	Income from investment of tax-exempt bond proceeds . . . ▶			0.		
	5	Royalties ▶			0.		
			(i) Real	(ii) Personal			
	6a	Gross Rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶			0.		
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory					
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)			11,015.		
	d	Net gain or (loss) ▶			11,015.		11,015.
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 a					
	b	Less: direct expenses b					
c	Net income or (loss) from fundraising events ▶			0.			
9a	Gross income from gaming activities. See Part IV, line 19 a						
b	Less: direct expenses b						
c	Net income or (loss) from gaming activities ▶			0.			
10a	Gross sales of inventory, less returns and allowances a						
b	Less: cost of goods sold b						
c	Net income or (loss) from sales of inventory ▶			0.			
Miscellaneous Revenue			Business Code				
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d ▶			0.			
12	Total Revenue. See instructions ▶			336,781.		336,781.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	10,302,389.	10,302,389.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	0.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	0.	0.	0.	0.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0.			
9 Other employee benefits	275.	117.	141.	17.
10 Payroll taxes	0.			
11 Fees for services (non-employees):				
a Management	25,000.	10,630.	12,793.	1,577.
b Legal	295,981.	1,565.	294,416.	
c Accounting	41,150.		41,150.	
d Lobbying	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	38,933.		38,933.	
g Other	0.			
12 Advertising and promotion	20,234.	20,234.		
13 Office expenses	0.			
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	0.			
17 Travel	22.	9.	11.	2.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	0.			
20 Interest	0.			
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	5,333.	2,268.	2,729.	336.
23 Insurance	3,709.	1,577.	1,898.	234.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>EQUIP RENTAL AND MAINTENANCE</u>	384.	163.	196.	25.
b <u>PAYROLL SERVICES</u>	202.		202.	
c -----				
d -----				
e -----				
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	10,733,612.	10,338,952.	392,469.	2,191.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing	315,415.	1	69,958.
	2 Savings and temporary cash investments	277,123.	2	177,938.
	3 Pledges and grants receivable, net	2,300,000.	3	1,000,000.
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	4,440.	9	0.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 131,207.		
	b Less: accumulated depreciation	10b 90,491.	46,049.	10c 40,716.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	21,382,103.	12	7,529,000.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	24,325,130.	16	8,817,612.	
Liabilities	17 Accounts payable and accrued expenses	312,520.	17	329,596.
	18 Grants payable	5,637,235.	18	601,035.
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	91,563.	25	0.
	26 Total liabilities. Add lines 17 through 25	6,041,318.	26	930,631.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	374,437.	27	400,747.
	28 Temporarily restricted net assets	17,909,375.	28	7,486,234.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	18,283,812.	33	7,886,981.
	34 Total liabilities and net assets/fund balances	24,325,130.	34	8,817,612.

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form **990** (2009)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi) (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc.; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) 90.34%; 15 Public support percentage from 2008 Schedule A, Part II, line 14 91.90%; 16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [X]; 16b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization []; 17a 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization []; 17b 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization []; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions [].

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
GAIN ON SALE OF FIXED ASSET					11,015.	11,015.
TOTALS					<u>11,015.</u>	<u>11,015.</u>

Schedule of Contributors

2009

▶ Attach to Form 990, 990-EZ, or 990-PF.

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION FOUNDATION, INC.	Employer identification number 25-1891805
--	---

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(³) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization THE PENNSYLVANIA HIGHER EDUCATION FOUNDATION, INC.	Employer identification number 25-1891805
--	---

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	INDEPENDENCE BLUE CROSS 1901 MARKET STREET PHILADELPHIA, PA 19103	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	BLUE CROSS OF NORTHEASTERN PA 19 NORTH MAIN STREET WILKES-BARRE, PA 18711	\$ 300,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2009

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION FOUNDATION, INC.

Employer identification number 25-1891805

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include Total number at end of year, Aggregate contributions, Aggregate grants, Aggregate value, and two Yes/No questions regarding donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Year. Rows include Purpose(s) of conservation easements, Total number of easements, Total acreage, and various monitoring and expense details.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include 1a) Works of art, historical treasures, etc.; 1b) Amounts related to these items; 2) Amounts required to be reported under SFAS 116.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g (Balance, Contributions, Net investment earnings, Grants, Expenditures, Administrative expenses, End of year balance).

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
(ii) related organizations

Table with 2 columns: Yes, No. Rows: 3a(i), 3a(ii), 3b.

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 40,716.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

Table with 10 rows for reconciliation of net assets. Line 1: Total revenue (336,781). Line 2: Total expenses (10,733,612). Line 3: Excess or (deficit) for the year (-10,396,831). Lines 4-9: Adjustments. Line 10: Excess or (deficit) per audited statements (-10,396,831).

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for revenue reconciliation. Line 1: Total revenue (516,209). Lines 2-3: Adjustments to line 1. Line 4: Revenue per Form 990. Line 5: Total revenue (336,781).

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for expense reconciliation. Line 1: Total expenses (10,913,040). Lines 2-3: Adjustments to line 1. Line 4: Expenses per Form 990 (10,733,612). Line 5: Total expenses (10,733,612).

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

FIN 48 FOOTNOTE PER AUDIT REPORT

EFFECTIVE JUNE 1, 2009, THE FOUNDATION ADOPTED FORMER FASB INTERPRETATION NO. 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, NOW INCLUDED IN ASC 740, INCOME TAXES. THE ADOPTION OF ASC 740 HAS NOT HAD A MATERIAL IMPACT ON THE FINANCIAL STATEMENTS. THE FOUNDATION'S ACCOUNTING POLICY FOR EVALUATING UNCERTAIN TAX POSITIONS IS TO RECOGNIZE THE EFFECT OF INCOME TAX POSITIONS ONLY IF SUCH POSITIONS ARE PROBABLE OF BEING SUSTAINED.

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
	ABINGTON MEMORIAL HOSPITAL 2500 MARYLAND ROAD, SUITE 200	23-1693362		80,116.				NURSING INITIATIVES NURSING INITIATIVES
	ALVERNIA COLLEGE 400 SAINT BERNARDINE STREET			56,276.				NURSING INITIATIVES NURSING INITIATIVES
	BLOOMSBURG UNIVERSITY 400 E. SECOND STREET			78,726.				NURSING INITIATIVES NURSING INITIATIVES
	BRANDYWINE HOSPITAL SCHOOL OF NURSING 201 REECEVILLE ROAD			30,090.				NURSING INITIATIVES NURSING INITIATIVES
	BUCKS COUNTY COMMUNITY COLLEGE 275 SWAMP ROAD NEWTOWN, PA 18940			107,910.				NURSING INITIATIVES NURSING INITIATIVES
	BUTLER COUNTY COMMUNITY COLLEGE COLLEGE DRIVE, OAK HILLS			40,650.				NURSING INITIATIVES NURSING INITIATIVES
	CALIFORNIA UNIVERSITY OF PA 250 UNIVERSITY AVENUE			58,788.				NURSING INITIATIVES NURSING INITIATIVES
	CAREER TECHNOLOGY CENTER 3201 ROCKWELL AVENUE			101,893.				NURSING INITIATIVES NURSING INITIATIVES
	CARLOW UNIVERSITY 3333 FIFTH AVENUE PITTSBURGH, PA 15213			90,190.				NURSING INITIATIVES NURSING INITIATIVES
	CEDAR CREST COLLEGE 100 COLLEGE DRIVE ALLENTOWN, PA 18104			80,610.				NURSING INITIATIVES NURSING INITIATIVES
	CENTER FOR ARTS & TECHNOLOGY BRANDYWINE CAMPUS COATESVILLE, PA 19320			64,134.				NURSING INITIATIVES NURSING INITIATIVES
	CENTRAL PENNSYLVANIA INSTITUTE 540 N. HARRISON ROAD			22,991.				NURSING INITIATIVES NURSING INITIATIVES

- 2 Enter total number of section 501(c)(3) and government organizations ▶ -----
- 3 Enter total number of other organizations ▶ ----- 130

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2009

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PAGE 25

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CENTRAL SUSQUEHANNA CAREER CENTER 1145 N. FOURTH STREET SUNBURY, PA 17801			52,508.				NURSING INITIATIVES
CHATHAM COLLEGE WOODLAND ROAD PITTSBURGH, PA 15232			22,363.				NURSING INITIATIVES
CITIZENS SCHOOL OF NURSING 651 FOURTH AVENUE NEW KENSINGTON, PA 15068			38,063.				NURSING INITIATIVES
CLARION COUNTY CAREER CENTER 447 CAREER ROAD SHIPPENVILLE, PA 16254-4637			22,363.				NURSING INITIATIVES
CLARION UNIVERSITY 1801 W. FIRST STREET OIL CITY, PA 16301			63,813.				NURSING INITIATIVES
CLEARFIELD COUNTY CAREER & TECH CENTER 1620 RIVER ROAD CLEARFIELD, PA 16830-7431			38,691.				NURSING INITIATIVES
COMMUNITY COLLEGE OF ALLEGHENY COUNTY 800 ALLEGHENY AVENUE PITTSBURGH, PA 15233			251,593.				NURSING INITIATIVES
COMMUNITY COLLEGE OF BEAVER COUNTY 1 CAMPUS DRIVE MONACA, PA 15061			49,996.				NURSING INITIATIVES
COMMUNITY COLLEGE OF PHILADELPHIA 1700 SPRING GARDEN STREET			90,297.				NURSING INITIATIVES
CONEMAUGH VALLEY MEMORIAL HOSPITAL 1086 FRANKLIN STREET JOHNSTOWN, PA 15905			22,991.				NURSING INITIATIVES
CRAWFORD COUNTY AREA VO-TECH 860 THURSTON ROAD MEADVILLE, PA 16335-2152			22,363.				NURSING INITIATIVES
DELAWARE COUNTY COMMUNITY COLLEGE 901 S. MEDIA LINE ROAD MEDIA, PA 19063-1094			194,043.				NURSING INITIATIVES
DELAWARE COUNTY TECHNICAL SCHOOL DELMAR DRIVE & HENDERSON BLVD.			43,984.				NURSING INITIATIVES
DESALES UNIVERSITY 2755 STATION AVENUE			63,025.				NURSING INITIATIVES
DISTRICT 1199C TRAINING & UPGRADING 100 S. BROAD STREET, 10TH FLOOR			8,547.				NURSING INITIATIVES

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Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for
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Name of the organization **THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
DREXEL UNIVERSITY BELLET BUILDING, 7TH FLOOR			582,316.				NURSING INITIATIVES
DUQUESNE UNIVERSITY SCHOOL OF NURSING 600 FORBES AVENUE PITTSBURGH, PA 15282-0299			80,770.				NURSING INITIATIVES
EAST STROUDSBURG UNIVERSITY OF PA 200 PROSPECT STREET			36,015.				NURSING INITIATIVES
EASTERN CENTER FOR ARTS & TECHNOLOGY 3075 TERWOOD ROAD			62,050.				NURSING INITIATIVES
EASTERN UNIVERSITY 1300 EAGLE ROAD SAINT DAVIDS, PA 19087-3696			62,050.				NURSING INITIATIVES
EDINBORO UNIVERSITY OF PA 129 MEADVILLE STREET EDINBORO, PA 16444			34,509.				NURSING INITIATIVES
EPISCOPAL SCHOOL OF NURSING 100 E. LEHIGH AVENUE			28,699.				NURSING INITIATIVES
ERIE BUSINESS CENTER 246 WEST 9TH STREET ERIE, PA 16501			16,711.				NURSING INITIATIVES
FAYETTE COUNTY AREA VO-TECH SCHOOL 175 GEORGES FAIRCHANCE ROAD			45,600.				NURSING INITIATIVES
FRANKFORD HOSPITAL 4918 PENN STREET PHILADELPHIA, PA 19124			66,914.				NURSING INITIATIVES
FRANKLIN COUNTY CAREER & TECH CENTER 1015 PHILADELPHIA AVENUE			39,319.				NURSING INITIATIVES
GANNON UNIVERSITY 109 UNIVERSITY SQUARE ERIE, PA 16541			49,368.				NURSING INITIATIVES
GREATER ALTOONA CAREER & TECH CENTER 1500 FOURTH AVENUE ALTOONA, PA 16602-3616			48,112.				NURSING INITIATIVES
GREATER JOHNSTOWN CAREER & TECH CENTER 445 SCHOOLHOUSE ROAD			55,648.				NURSING INITIATIVES
GREENE COUNTY VO-TECH SCHOOL 60 ZIMMERMAN DRIVE			25,503.				NURSING INITIATIVES

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Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for
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Name of the organization **THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GWYNEDD-MERCY COLLEGE 1325 SUMNEYTOWN PIKE			266,641.				NURSING INITIATIVES
HARRISBURG AREA COMMUNITY COLLEGE 1 HACC DRIVE HARRISBURG, PA 17110-2999			263,526.				NURSING INITIATIVES
HANOVER PUBLIC SCHOOL DISTRICT 403 MOUL AVENUE HANOVER, PA 17331-1541			25,120.				NURSING INITIATIVES
HARCUM COLLEGE 750 MONTGOMERY AVENUE BRYN MAWR, PA 19010			55,101.				NURSING INITIATIVES
HAZLETON AREA CAREER CENTER 1451 W. 23RD STREET HAZLETON, PA 18202			41,990.				NURSING INITIATIVES
HOLY FAMILY UNIVERSITY GRANT & FRANKFORD AVENUES			126,594.				NURSING INITIATIVES
HUNTINGDON CO CAREER & TECH CTR P.O. BOX E MILL CREEK, PA 17060-0905			10,047.				NURSING INITIATIVES
IMMACULATA UNIVERSITY 1145 KING ROAD IMMACULATA, PA 19345			223,883.				NURSING INITIATIVES
INDIANA COUNTY TECHNOLOGY CENTER 441 HAMILL ROAD INDIANA, PA 15701			21,107.				NURSING INITIATIVES
INDIANA UNIVERSITY OF PA 1211 WILMINGTON ROAD INDIANA, PA 15705-1093			102,750.				NURSING INITIATIVES
JAMESON MEMORIAL HOSPITAL 1211 WILMINGTON ROAD			33,667.				NURSING INITIATIVES
JEFFERSON COUNTY DU-BOIS AREA VO-TECH 576 VO-TECH ROAD REYNOLDSVILLE, PA 15851			30,527.				NURSING INITIATIVES
KUTZTOWN UNIVERSITY OF PA 201 B BEEKEY EDUCATION CENTER			42,767.				NURSING INITIATIVES
LA ROCHE COLLEGE 9000 BABCOCK BOULEVARD			26,759.				NURSING INITIATIVES
LA SALLE UNIVERSITY 1900 W. OLNEY AVENUE PHILADELPHIA, PA 19141			326,060.				NURSING INITIATIVES

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Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.**

Name of the organization **THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LANCASTER COUNTY CAREER & TECH CENTER 1730 HANS HERR DRIVE			78,499.				NURSING INITIATIVES
LANCASTER GENERAL COLLEGE OF NURSING 410 N. LIME STREET LANCASTER, PA 17602			105,263.				NURSING INITIATIVES
LAWRENCE COUNTY AREA VO-TECH SCHOOL 750 PHELPS WAY NEW CASTLE, PA 16101-5008			24,247.				NURSING INITIATIVES
LEBANON COUNTY CAREER & TECH CENTER 833 METRO DRIVE LEBANON, PA 17042-9159			28,015.				NURSING INITIATIVES
LEHIGH CARBON COMMUNITY COLLEGE 4525 EDUCATION PARK DRIVE			56,905.				NURSING INITIATIVES
LENAPE AREA VO-TECH SCHOOL 83 GLADE DRIVE KITTANNING, PA 16201-7140			37,681.				NURSING INITIATIVES
LEWISTOWN HOSPITAL SCHOOL OF NURSING 400 HIGHLAND AVENUE LEWISTOWN, PA 17044			19,223.				NURSING INITIATIVES
LOCK HAVEN UNIVERSITY OF PA CLEARFIELD CAMPUS CLEARFIELD, PA 16830-1025			34,923.				NURSING INITIATIVES
LUZERNE COUNTY COMMUNITY COLLEGE 1333 S. PROSPECT STREET			121,384.				NURSING INITIATIVES
MANSFIELD UNIVERSITY OF PA 523 NORTH HALL MANSFIELD, PA 16933			55,507.				NURSING INITIATIVES
MARYWOOD UNIVERSITY 2300 ADAMS AVENUE SCRANTON, PA 18509			143,195.				NURSING INITIATIVES
MERCER COUNTY CAREER CENTER 776 GREENVILLE ROAD MERCER, PA 16137			28,261.				NURSING INITIATIVES
MERCY HOSPITAL SCHOOL OF NURSING 1401 BOULEVARD OF THE ALLIES			44,344.				NURSING INITIATIVES
MERCYHURST COLLEGE NORTH EAST 16 W. DIVISION STREET NORTH EAST, PA 16428			85,166.				NURSING INITIATIVES
MESSIAH COLLEGE P.O. BOX 3031 GRANTHAM, PA 17027			29,271.				NURSING INITIATIVES

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for
Schedule I (Form 990), Part II or Part III.**

Name of the organization **THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MIFFLIN-JUNIATA CAREER & TECH CENTER 700 PITT STREET LEWISTOWN, PA 17044			31,155.				NURSING INITIATIVES
MILLERSVILLE UNIVERSITY OF PA P.O. BOX 1002 MILLERSVILLE, PA 17551			38,122.				NURSING INITIATIVES
MISERICORDIA UNIVERSITY 301 LAKE STREET DALLAS, PA 18612			120,148.				NURSING INITIATIVES
MONTGOMERY COUNTY COMMUNITY COLLEGE 340 DEKALB PIKE BLUE BELL, PA 19422-0796			94,066.				NURSING INITIATIVES
MORAVIAN COLLEGE* 1200 MAIN STREET BETHLEHEM, PA 18018-6650			22,363.				NURSING INITIATIVES
MOUNT ALOYSIUS COLLEGE 7373 ADMIRAL PEARY HIGHWAY			88,306.				NURSING INITIATIVES
NEUMANN COLLEGE 1 NEUMANN DRIVE ASTON, PA 19014-1298			52,962.				NURSING INITIATIVES
NORTHAMPTON COMMUNITY COLLEGE 3835 GREEN POND ROAD BETHLEHEM, PA 18020			82,523.				NURSING INITIATIVES
NORTHEASTERN HOSPITAL 2301 E. ALLEGHENY AVENUE			32,039.				NURSING INITIATIVES
NORTHERN TIER CAREER CENTER 2301 E. ALLEGHENY AVENUE			32,468.				NURSING INITIATIVES
OHIO VALLEY GENERAL HOSPITAL HECKEL ROAD MCKEES ROCKS, PA 15136			56,276.				NURSING INITIATIVES
PENNSYLVANIA COLLEGE OF TECHNOLOGY 1 COLLEGE AVENUE WILLIAMSPORT, PA 17701			111,325.				NURSING INITIATIVES
PENNSYLVANIA COLLEGE OF TECH-NORTH 12880 ROUTE 6 WELLSBORO, PA 16901			23,608.				NURSING INITIATIVES
PENNSYLVANIA INSTITUTE OF TECHNOLOGY 800 MANCHESTER AVENUE MEDIA, PA 19063			86,340.				NURSING INITIATIVES
PENNSYLVANIA STATE UNIVERSITY 201 HEALTH & HUMAN DVLPMT EAST			294,799.				NURSING INITIATIVES

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Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

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Internal Revenue Service

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FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PENNSYLVANIA STATE UNIVERSITY-LEHIGH 201 HEALTH & HUMAN DVLPMT EAST			8,547.				NURSING INITIATIVES
PRISM CAREER INSTITUTE 8040 ROOSEVELT BOULEVARD			42,705.				NURSING INITIATIVES
READING AREA COMMUNITY COLLEGE 10 S. SECOND STREET READING, PA 19603-1706			100,238.				NURSING INITIATIVES
READING HOSPITAL SCHOOL OF NURSING 6TH AVENUE & SPRUCE STREET			93,330.				NURSING INITIATIVES
ROBERT MORRIS UNIVERSITY 6001 UNIVERSITY BOULEVARD			50,624.				NURSING INITIATIVES
ROXBOROUGH MEMORIAL HOSPITAL 5800 RIDGE AVENUE PHILADELPHIA, PA 19128			50,932.				NURSING INITIATIVES
SAINT FRANCIS UNIVERSITY P.O. BOX 600 LORETTO, PA 15940-0600			15,553.				NURSING INITIATIVES
SAINT JOSEPH'S HOSPITAL SON 16TH STREET & GIRARD AVENUE			29,262.				NURSING INITIATIVES
SAINT LUKE'S HOSPITAL 801 OSTRUM STREET BETHLEHEM, PA 18015			41,832.				NURSING INITIATIVES
SAINT MARGARET SCHOOL OF NURSING 5800 RIDGE AVENUE PITTSBURGH, PA 15238			53,764.				NURSING INITIATIVES
SCHUYLKILL HEALTH SCHOOL OF NURSING 420 S. JACKSON STREET POTTSVILLE, PA 17901			22,363.				NURSING INITIATIVES
SCHUYLKILL TECHNOLOGY CENTERS 101 TECHNOLOGY DRIVE FRACKVILLE, PA 17931			43,961.				NURSING INITIATIVES
SEWICKLEY VALLEY HOSPITAL SON 720 BLACKBURN ROAD SEWICKLEY, PA 15143			24,875.				NURSING INITIATIVES
SHARON REGIONAL HEALTH SYSTEM 740 E. STATE STREET SHARON, PA 16146			24,247.				NURSING INITIATIVES
SLIPPERY ROCK UNIVERSITY OF PA 112 BEHAVIORAL SCIENCE BLDG.			43,716.				NURSING INITIATIVES

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

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Department of the Treasury
Internal Revenue Service

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FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SOMERSET CAREER & TECHNOLOGY CENTER 281 TECHNOLOGY ROAD SOMERSET, PA 15501			19,851.				NURSING INITIATIVES
TEMPLE UNIVERSITY 3307 N. BROAD STREET PHILADELPHIA, PA 19140			257,214.				NURSING INITIATIVES
THOMAS JEFFERSON UNIVERSITY 112 BEHAVIORAL SCIENCE BLDG.			452,739.				NURSING INITIATIVES
THOMAS JEFFERSON UNIV-GEISINGER 281 TECHNOLOGY ROAD PHILADELPHIA, PA 19107			8,547.				NURSING INITIATIVES
TRI-STATE BUSINESS INSTITUTE 5757 W. 26TH STREET ERIE, PA 16506			82,653.				NURSING INITIATIVES
UNIVERSITY OF PENNSYLVANIA M-11 CLAIRE FAGIN HALL			411,139.				NURSING INITIATIVES
UNIVERSITY OF PITTSBURGH 350 VICTORIA BUILDING PITTSBURGH, PA 15261			176,229.				NURSING INITIATIVES
UNIVERSITY OF PITTSBURGH-BRADFORD 300 CAMPUS DRIVE BRADFORD, PA 16701			35,551.				NURSING INITIATIVES
UNIVERSITY OF PITTSBURGH-JOHNSTOWN 141 BIDDLE HALL JOHNSTOWN, PA 15904			16,711.				NURSING INITIATIVES
UNIVERSITY OF PITTSBURGH-TITUSVILLE 504 E. MAIN STREET			17,339.				NURSING INITIATIVES
UNIVERSITY OF SCRANTON 800 LINDEN STREET SCRANTON, PA 18510			193,698.				NURSING INITIATIVES
UPMC SHADYSIDE SCHOOL OF NURSING 5230 CENTRE AVENUE PITTSBURGH, PA 15232			121,591.				NURSING INITIATIVES
VENANGO COUNTY AREA VO-TECH SCHOOL 1 VO-TECH DRIVE OIL CITY, PA 16301			24,247.				NURSING INITIATIVES
VILLANOVA UNIVERSITY 800 LANCASTER AVENUE VILLANOVA, PA 19085			270,691.				NURSING INITIATIVES
WASHINGTON HOSPITAL SCHOOL OF NURSING 155 WILSON AVENUE WASHINGTON, PA 15301			39,948.				NURSING INITIATIVES

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

**SCHEDULE I-1
(Form 990)**

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for
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Name of the organization **THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.**

Employer identification number
25-1891805

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WAYNESBURG UNIVERSITY 51 W. COLLEGE STREET WAYNESBURG, PA 15370			117,823.				NURSING INITIATIVES
WEST CHESTER UNIVERSITY OF PA STURZEBECKER HEALTH SCIENCE CENTER			102,880.				NURSING INITIATIVES
WESTERN AREA CAREER & TECH CENTER 688 WESTERN AVENUE			41,204.				NURSING INITIATIVES
WESTERN PENNSYLVANIA HOSPITAL 4900 FRIENDSHIP AVENUE PITTSBURGH, PA 15224			33,912.				NURSING INITIATIVES
WESTMORELAND COUNTY COMMUNITY COLL 145 PAVILION LANE YOUNGWOOD, PA 15697			71,977.				NURSING INITIATIVES
WIDENER UNIVERSITY 1 UNIVERSITY PLACE CHESTER, PA 19013-5792			147,084.				NURSING INITIATIVES
WILKES UNIVERSITY 109 S. FRANKLIN STREET			108,068.				NURSING INITIATIVES
WILKES-BARRE AREA VO-TECH SCHOOL P.O. BOX 1699 WILKES-BARRE, PA 18705-0699			78,541.				NURSING INITIATIVES
YORK COLLEGE OF PENNSYLVANIA COUNTRY CLUB ROAD YORK, PA 17405-7199			106,359.				NURSING INITIATIVES
YORK COUNTY SCHOOL OF TECHNOLOGY 2179 S. QUEEN STREET YORK, PA 17402-4696			34,923.				NURSING INITIATIVES

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2009

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
JAMES PRESTON	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	314,646.	0.	0.	12,932.	11,440.	339,018.	0.
TIMOTHY A GUENTHER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	213,499.	0.	0.	8,775.	11,440.	233,714.	0.
MICHAEL H HERSHOCK	(i)	31,250.	0.	0.	0.	0.	31,250.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
CAROL JOHNSON	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	32,739.	0.	108,376.	1,346.	880.	143,341.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

Part I Liquidation, Termination, or Dissolution (continued)

Note. If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B) should equal -0-.

Table with 3 columns: Question, Yes, No. Rows include questions about asset distribution, IRS letters, state notice, liabilities, and tax-exempt bonds.

Part II Sale, Exchange, Disposition, or Other Transfer of More Than 25% of the Organization's Assets. Complete this part if the organization answered "Yes" to Form 990, Part IV, line 32, or Form 990-EZ, line 36. Use Schedule N-1 if additional space is needed.

Table with 7 columns: (a) Description of asset(s), (b) Date of distribution, (c) Fair market value, (d) Method of determining FMV, (e) EIN of recipient, (f) Name and address of recipient, (g) IRC section of recipients. Includes one row for CASH distribution to educational institutions.

Table with 3 columns: Question, Yes, No. Rows include questions about officer/director status, compensation, and name of person involved.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

**Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.**

OMB No. 1545-0047

2009

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Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

ATTACHMENT 2

POSITION WITH RESPECT TO DONOR ADVISED FUNDS

SCHEDULE D, PART I

THE ORGANIZATION TAKES THE POSITION THAT FACULTY LINE CONTRIBUTIONS RECEIVED FROM CAPITAL BLUE CROSS (CBC) FOR THE PURPOSES OF PROVIDING SCHOLARSHIPS TO GRADUATE NURSING STUDENTS DO NOT MEET THE CRITERIA FOR CLASSIFICATION AS A DONOR ADVISED FUND. THE MATCHING FUNDS ARE NOT PROVIDED BY CBC. RATHER, THEY ARE FUNDS THAT THE ORGANIZATION PROVIDES, IN RECOGNITION OF CBC'S CONTRIBUTION TO ANOTHER PROGRAM (THE FACULTY LINE PROGRAM) AND WITH RESPECT TO WHICH CBC MAY RECOMMEND SCHOOLS TO RECEIVE THE FUNDING.

FORM 990 REVIEW

PART VI, SECTION A, LINE 11

PHEF ENGAGES AN INDEPENDENT ACCOUNTING FIRM TO ASSIST IN THE COMPILATION AND COMPLETION OF THE FORM 990. IN ADDITION THE PHEF TREASURER REVIEWS THE 990 PRIOR TO FILING.

DETERMINING COMPENSATION

PART VI, SECTION B, LINE 15

PHEF PERFORMED A COMPENSATION STUDY FOR THE PRESIDENT / CEO TO DETERMINE SALARY AND BENEFITS. THE COMPENSATION WAS APPROVED BY THE BOARD OF DIRECTORS. THE FOUNDATION HAS NO OTHER EMPLOYEES.

ATTACHMENT 3

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

ATTACHMENT 3 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE CORPORATION IS INCORPORATED UNDER THE NONPROFIT CORPORATION LAW OF 1988 OF THE COMMONWEALTH OF PENNSYLVANIA TO RECEIVE AND ACCEPT DONATIONS TO BE ADMINISTERED PERMANENTLY AND EXCLUSIVELY FOR CHARITABLE PURPOSES, INCLUDING BUT NOT LIMITED TO ACTIVITIES INTENDED TO IMPROVE OR ENHANCE POST-SECONDARY EDUCATIONAL OPPORTUNITIES FOR STUDENTS IN PENNSYLVANIA AND ELSEWHERE.

ATTACHMENT 4

4A PROGRAM SERVICE

NURSING EDUCATION GRANT INITIATIVES

FOR THE 2010-2011 PROGRAM YEAR, THE FOUNDATION HAS RECEIVED APPROXIMATELY 124 APPLICATIONS AND GRANT PROPOSALS THAT WERE APPROVED BY THE BOARD OF DIRECTORS ON JUNE 15, 2010, AND WILL RESULT IN GRANTS RELATED TO THE NURSING EDUCATION GRANT PROGRAM OF APPROXIMATELY \$5,200,000. THE FOUNDATION EXPECTS THAT THESE GRANTS WILL BE PAID BY MAY 31, 2011. IN ADDITION, THE FOUNDATION HAS COMMITTED UP TO \$750,000 IN MATCHING FUNDS FOR THE 2010-2011 ACADEMIC YEAR TO ENCOURAGE OTHER ORGANIZATIONS AND INDIVIDUALS TO PROVIDE SCHOLARSHIP FUNDS FOR NURSING STUDENTS THROUGH OTHER VARIOUS DONOR COMPONENT PROGRAMS WITHIN THE PENNSYLVANIA NURSING ASSISTANCE PROGRAMS.

ATTACHMENT 5

Name of the organization THE PENNSYLVANIA HIGHER EDUCATION
FOUNDATION, INC.

Employer identification number
25-1891805

ATTACHMENT 5 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
STEVENS AND LEE 200 NORTH THIRD STREET SUITE 310 HARRISBURG, PA 17108	LEGAL SERVICES	293,230.
	TOTAL COMPENSATION	<u>293,230.</u>

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36 or 37.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

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Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
PA HIGHER EDUCATION ASSISTANCE AGENCY 23-1693362 1200 NORTH SEVENTH STREET SUIT HARRISBURG, PA 17102	STUDENT FINAN	PA	170(C)(1)		PA STATE LEG
THE HIGHER EDUCATION FOUNDATION INC. 25-1892027 1200 NORTH SEVENTH STREET SUIT HARRISBURG, PA 17102	EXPND HIGH ED	PA	501(C)(3)	11A	PHEF

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2009

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

Table with 10 main columns: (a) Name, address, and EIN of related organization; (b) Primary activity; (c) Legal domicile (state or foreign country); (d) Direct controlling entity; (e) Predominant income (related, unrelated, excluded from tax under sections 512-514); (f) Share of total income; (g) Share of end-of-year assets; (h) Disproportionate allocations? (Yes/No); (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065); (j) General or managing partner? (Yes/No).

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

Table with 8 main columns: (a) Name, address, and EIN of related organization; (b) Primary activity; (c) Legal domicile (state or foreign country); (d) Direct controlling entity; (e) Type of entity (C corp, S corp, or trust); (f) Share of total income; (g) Share of end-of-year assets; (h) Percentage ownership.

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)	X	
m Sharing of facilities, equipment, mailing lists, or other assets	X	
n Sharing of paid employees	X	
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)	X	
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(1) PHEAA DONATED SERVICES	L	179,428.
(2)		
(3)		
(4)		
(5)		
(6)		

