DICKINSON COLLEGE

Financial Statements and Supplemental Schedule

June 30, 2018 and 2017

(With Independent Auditors’ Report Thereon)

DICKINSON COLLEGE

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Independent Auditors' Report

The Board of Trustees
Dickinson College:

We have audited the accompanying financial statements of Dickinson College, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dickinson College as of June 30, 2018 and 2017, and the changes in its net assets its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

Harrisburg, Pennsylvania
October 15, 2018

DICKINSON COLLEGE

Statements of Financial Position

June 30, 2018 and 2017

Assets		2018	2017
Cash and cash equivalents	$	15,074,581	22,973,294
Accounts and other receivables, net		3,236,642	2,979,349
Inventories, prepaid expenses, and other assets		2,621,360	2,273,097
Loans receivable, net		7,017,369	7,138,344
Investments		412,970,925	382,769,215
Funds held in trust by others		46,997,010	45,278,286
Contributions receivable, net		3,995,636	4,871,394
Settlement receivable		20,533,293	18,661,608
Deposits with trustees under debt agreements		4,189,170	20,642,782
Property and equipment, net		201,519,428	184,748,252
Total assets	$	718,155,414	692,335,621
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	11,192,505	9,929,518
Deferred revenue		1,180,494	1,627,824
Student deposits		1,369,549	1,094,832
Funds held in custody for others		2,389,756	2,419,269
Annuities payable		2,589,712	2,801,030
Obligations under capital leases		947,564	938,853
Long-term debt		139,002,252	140,415,047
U.S. government advances refundable		2,483,023	2,478,274
Total liabilities		161,154,855	161,704,647
Net assets:			
Unrestricted		366,110,925	348,101,228
Temporarily restricted		66,866,439	61,826,471
Permanently restricted		124,023,195	120,703,275
Total net assets		557,000,559	530,630,974
Total liabilities and net assets	$	718,155,414	692,335,621

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statement of Activities

Year ended June 30, 2018
(with comparative totals for 2017)

	2018				
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**	**2017 Total**
Revenues:					
Tuition and fees	$ 121,536,416	—	—	121,536,416	119,152,560
Room and board	28,830,649	—	—	28,830,649	27,960,125
Gross student charges	150,367,065	—	—	150,367,065	147,112,685
Student aid	(52,658,257)	—	—	(52,658,257)	(49,364,599)
Net student charges	97,708,808	—	—	97,708,808	97,748,086
Private gifts, grants, and contributions	7,767,408	6,224,313	1,877,005	15,868,726	10,371,165
Government grants and appropriations	1,159,532	—	—	1,159,532	1,078,416
Investment income	16,902,673	14,522,885	3,443,310	34,868,868	47,550,859
Appropriations of investment income	11,134,259	(9,511,565)	(1,622,694)	—	—
Change in split-interest and other agreements	1,900,802	(36,407)	(377,701)	1,486,694	1,242,659
Other revenues	3,777,485	—	—	3,777,485	3,441,132
Sales and services of auxiliary enterprises	7,620,485	—	—	7,620,485	7,513,532
Net assets released from restrictions	6,159,258	(6,159,258)	—	—	—
Total revenues	154,130,710	5,039,968	3,319,920	162,490,598	168,945,849
Expenses:					
Education and general:					
Instructional	46,903,796	—	—	46,903,796	45,619,675
Academic support	15,072,750	—	—	15,072,750	13,753,988
Student services	19,076,153	—	—	19,076,153	17,919,782
Research	3,425,340	—	—	3,425,340	3,048,994
Public service	499,944	—	—	499,944	617,576
Auxiliary enterprises	28,864,835	—	—	28,864,835	28,048,707
Institutional support	22,278,195	—	—	22,278,195	21,733,303
Total expenses	136,121,013	—	—	136,121,013	130,742,025
Change in net assets	18,009,697	5,039,968	3,319,920	26,369,585	38,203,824
Net assets:					
Beginning of year	348,101,228	61,826,471	120,703,275	530,630,974	492,427,150
End of year	$ 366,110,925	66,866,439	124,023,195	557,000,559	530,630,974

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statement of Activities

Year ended June 30, 2017

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues:				
Tuition and fees	$ 119,152,560	—	—	119,152,560
Room and board	27,960,125	—	—	27,960,125
Gross student charges	147,112,685	—	—	147,112,685
Student aid	(49,364,599)	—	—	(49,364,599)
Net student charges	97,748,086	—	—	97,748,086
Private gifts, grants, and contributions	3,920,643	4,062,080	2,388,442	10,371,165
Government grants and appropriations	1,078,416	—	—	1,078,416
Investment income	23,206,819	20,445,829	3,898,211	47,550,859
Appropriations of investment income	10,954,179	(9,393,645)	(1,560,534)	—
Change in split-interest and other agreements	1,166,795	(68,251)	144,115	1,242,659
Other revenues	3,441,132	—	—	3,441,132
Sales and services of auxiliary enterprises	7,513,532	—	—	7,513,532
Net assets released from restrictions	4,610,428	(4,610,428)	—	—
Total revenues	153,640,030	10,435,585	4,870,234	168,945,849
Expenses:				
Education and general:				
Instructional	45,619,675	—	—	45,619,675
Academic support	13,753,988	—	—	13,753,988
Student services	17,919,782	—	—	17,919,782
Research	3,048,994	—	—	3,048,994
Public service	617,576	—	—	617,576
Auxiliary enterprises	28,048,707	—	—	28,048,707
Institutional support	21,733,303	—	—	21,733,303
Total expenses	130,742,025	—	—	130,742,025
Change in net assets	22,898,005	10,435,585	4,870,234	38,203,824
Net assets:				
Beginning of year	325,203,223	51,390,886	115,833,041	492,427,150
End of year	$ 348,101,228	61,826,471	120,703,275	530,630,974

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statements of Cash Flows

Years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Change in net assets	$ 26,369,585	38,203,824
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	10,870,760	10,362,695
Amortization of bond issuance costs	78,325	71,919
Amortization of bond premium	(1,065,456)	(858,805)
(Gain) loss on disposition of fixed assets	(85,903)	1,187,695
Loss on extinguishment of debt	725,668	540,785
Net realized and unrealized gains on investments	(31,875,754)	(44,130,742)
Change in value of funds held in trust by others	(1,718,724)	(2,147,546)
Change in allowance for loan loss	(149,062)	(65,607)
Other changes in annuities payable	62,510	(63,536)
Other changes in capital lease obligations	—	(1,142,799)
Gifts received for permanently restricted net assets and capital projects	(2,794,958)	(2,858,111)
Change in assets and liabilities:		
Accounts and other receivables, net	(257,293)	(499,565)
Contributions and settlement receivables	(995,927)	(2,572,119)
Inventories, prepaid expenses, and other assets	(348,263)	47,825
Accounts payable and accrued expenses	(867,584)	(2,222,796)
Deferred revenue	(447,330)	29,253
Student deposits	274,717	(1,140,902)
Funds held in custody for others	(29,513)	290,874
Total adjustments	(28,623,787)	(45,171,482)
Net cash used in operating activities	(2,254,202)	(6,967,658)
Cash flows from investing activities:		
Proceeds from sales of investments	86,787,341	64,957,664
Purchase of investments	(85,113,297)	(50,746,912)
Purchase of property and equipment	(23,718,684)	(8,106,930)
Proceeds from sale of property and equipment	83,603	52,192
Student loans collected	1,406,726	1,228,116
Student loans advanced	(1,136,689)	(1,128,408)
Net cash (used in) provided by investing activities	(21,691,000)	6,255,722
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	21,683,161	35,125,730
Payments for deferred financing costs	(328,506)	(315,593)
Payments on long-term debt – refinancing	(21,018,158)	(12,632,328)
Payments on long-term debt – scheduled	(2,857,750)	(2,702,500)
Change in deposits with trustees under debt agreements	16,453,612	(20,642,616)
Principal payments under capital lease obligation	(411,749)	(376,574)
Gifts received for permanently restricted net assets and capital projects	2,794,958	2,858,111
Payments to annuity recipients	(273,828)	(229,178)
Increase in U.S. government advances refundable	4,749	44,564
Net cash provided by financing activities	16,046,489	1,129,616
Net (decrease) increase in cash and cash equivalents	(7,898,713)	417,680
Cash and cash equivalents:		
Beginning of year	22,973,294	22,555,614
End of year	$ 15,074,581	22,973,294
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 5,962,314	5,562,939
Supplemental disclosure of noncash activities:		
Assets acquired related to capital leases	$ 420,460	868,815
Assets acquired related to notes payable	1,369,921	—
Purchase of property and equipment included in accounts payable	2,130,571	3,754,497

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

Dickinson College (the College) is a private, not-for-profit institution of higher education in Carlisle, Pennsylvania. The College provides education services at the undergraduate level.

The significant accounting policies followed by the College are described below to enhance the usefulness of the financial statements to the reader.

(a) Basis of Presentation

The financial statements of the College have been prepared on the accrual basis of accounting.

Assets and liabilities are presented in order of liquidity in the statements of financial position.

Expenses are reported as unrestricted net assets.

Net assets and revenues, gains, and losses are classified as unrestricted, temporarily restricted, or permanently restricted based on the existence or absence of donor-imposed restrictions as follows:

(i) Unrestricted

Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited to contractual agreements with outside parties. Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions.

(ii) Temporarily Restricted

Net assets whose use by the College is subject to donor-imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time. Since endowment net realized and unrealized gains may eventually be spent by the College, endowment net realized and unrealized gains are recorded in the financial statements as temporarily restricted net assets until appropriated by the Board for expenditures, at which point they are transferred to unrestricted net assets. Contributions and endowment income with donor-imposed restrictions are reported as temporarily restricted revenues and are reclassified to unrestricted net assets when an expense is incurred that satisfies the donor-imposed restriction, or when the time restriction has elapsed. Contributions restricted for the acquisition of plant and equipment are reported as temporarily restricted revenues and are reclassified to unrestricted net assets when restrictions have been met and the plant and equipment have been placed in service.

(iii) Permanently Restricted

Net assets subject to donor-imposed stipulations that they be maintained permanently by the College. Generally, the donors of these assets permit the College to use all or part of the income earned on these assets. Such assets primarily include the College’s donor endowment funds and funds held in trust by others.

Expirations of donor-imposed stipulations are reported as net assets released from restriction, increasing unrestricted net assets and decreasing temporarily restricted net assets.

(Continued)

The College charges all students a comprehensive fee which includes the cost of tuition and required fees, room and board. Comprehensive fee revenue is reported on the Statement of Activities as Student Charges.

Auxiliary enterprises include the operations of dining services, residence halls, bookstore, children's center, conferences and special events, Devil's Den and other miscellaneous operations. Revenues from auxiliary enterprises, except for room and board, are included in sales and services of auxiliary enterprises in the Statement of Activities.

(b) Cash and Cash Equivalents

The College considers institutional money market funds and other short-term savings instruments with original maturities of 90 days or less to be cash equivalents. Cash equivalents exclude certain qualifying instruments recognized in investments that are held as part of the College's investment strategy. At June 30, 2018 and 2017, the College had cash balances at financial institutions that exceeded federal depository insurance limits. Management believes that credit risk related to these deposits is minimal.

(c) Loans Receivable

Loans receivable consist of loans to students, which are made from the College's restricted loan funds and the Federal Perkins Loan Program. The loans are reported at their estimated net realizable value. The allowance for uncollectible loans was $458,593 and $607,655 at June 30, 2018 and 2017, respectively.

(d) Annuity Agreements and Funds Held in Trust by Others

The College's annuity agreements with donors consist primarily of charitable gift annuities, pooled life income and unitrusts. Assets held in these annuity agreements are included in investments. Contribution revenues are recognized at the date the agreements are established after recording liabilities for the present value of the estimated future payments to be made to the donors and/or other beneficiaries, using a discount rate, which approximates the charitable federal midterm rate of 3.4% and 2.4% as of June 30, 2018 and 2017, respectively. Contributions arising from annuities and life income funds amounted to $28,531 and $82,869 for the years ended June 30, 2018 and 2017, respectively.

Funds held in trust by others represents the College's beneficial interest in various irrevocable trusts. The terms of these perpetual trusts provide that the College is to receive annually a certain percentage or amount of the income earned by the funds. Distributions from the trusts are recorded as investment income, and the carrying value of assets is adjusted for changes in fair value of the trusts.

These funds are neither in the possession nor under the control of the College. Because of the permanent right of the College to its share of the trusts' earnings, the College reports its share of these trusts on its financial statements as funds held in trust by others. The trusts are recorded at fair value based upon market prices for the underlying assets of the trusts, which are provided by the financial institutions that administer the trust funds.

Funds held in trust by others includes a 45% interest in the Sandia Foundation, created in 1975 under the terms of the will of Hugh W. Woodward, of which the College is a beneficiary. Those terms provide that the College is to receive annually and in perpetuity 45% of the net earnings of the Sandia Foundation, the assets of which consist principally of marketable securities and real estate in and around Albuquerque, New Mexico. The value of the College's interest in the Sandia Foundation was $40,461,723 and $38,979,283 at June 30, 2018 and 2017, respectively.

(e) Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, i.e., when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Contributions to be received after one year are discounted at a rate, which approximates the charitable federal midterm rate of 3.4% and 2.4% as of June 30, 2018 and 2017, respectively. Amortization of the discount on the contributions is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of the fund-raising activity.

(f) Settlement Receivable

At June 30, 2018 and 2017, $20,533,293 and $18,661,608, respectively, has been recorded as a receivable related to a settlement agreement between the College; the Baltimore Symphony Orchestra; GBMC Healthcare, Inc.; Whiteford, Taylor & Preston LLP; and the trustees of the Robert A. Waidner Foundation, a charitable remainder trust, established under the will of alumnus Robert A. Waidner, Dickinson Class of 1932. Assets are being held in trust and their payment to the College is pursuant to both a trust under the will of Mr. Waidner and to the settlement agreement of the will. At the later of December 31, 2029 or the year in which the named trustees are no longer serving the trust, the trust shall terminate and the assets then comprising the trust shall be distributed. The receivable represents the present value of future cash flows using an average discount rate of 2.3% for the years ended June 30, 2018 and 2017.

(g) Deposits with Trustees under Debt Agreements

Deposits with trustees under debt agreements consist of funds held for capital projects and earnings from debt service payment funds. The funds are invested in short-term investments in accordance with requirements established by the associated bond agreements. Deposits with trustees under debt agreements are valued with Level 1 inputs in the fair value hierarchy.

(h) Property and Equipment

Property and equipment are stated at cost or at estimated fair value if acquired by gift, less accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 3 years to 15 years for furniture, equipment, and vehicles, 5 years for computers, 10 years for library books, and from 5 years to 40 years for buildings and improvements. Leasehold improvements are amortized over the shorter of their useful lives or the term of the lease using the straight-line method. Assets under capital leases are amortized on the straight-line method over either the lease term or the estimated useful life of the assets.

(Continued)

Capitalized interest is charged to construction in progress or buildings during the period of construction of the capital assets, and is amortized over the useful lives of the associated assets.

Included in property and equipment is the College's rare works collection. The College carries its rare works collection at the fair value of the collection items at the date of gift or purchase and the collection is not depreciated.

(i) Valuation of Long-Lived Assets

Long-lived assets to be held and used by an entity are required to be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Also, in general, any long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. The College periodically evaluates the recoverability of its long-lived assets, including real estate and improvements and deferred costs, using objective methodologies. Such methodologies include evaluations based on cash flows generated by the underlying assets or other determinants of fair value. None of the College's long-lived assets were considered to be impaired as of June 30, 2018 and 2017.

(j) Deferred Financing Costs

Deferred financing costs are amortized over the remaining terms of the associated debt. Such unamortized amounts are presented as a direct reduction of the related long-term debt.

(k) U.S. Government Advances Refundable

Funds provided by the U.S. government under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collections. These funds are ultimately refundable to the government and are included as liabilities in the statements of financial position.

(l) Fund-Raising Expenses

Direct fund-raising expenses for the years ended June 30, 2018 and 2017 were $5,330,715 and $5,447,275, respectively, and are included in institutional support in the Statement of Activities.

(m) Tax Status

The College has been recognized by the Internal Revenue Service as exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code, except for taxes on income from activities unrelated to its exempt purpose. Accordingly, the College is not subject to income taxes except to the extent it has taxable income from activities that are not related to its exempt purpose. No provisions for income taxes have been made in the accompanying financial statements for the years ended June 30, 2018 or 2017.

Accounting principles generally accepted in the United States of America (GAAP) require management to evaluate tax positions taken by the College and recognize a tax liability (or asset) if the College has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the College, and has concluded that as of June 30, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

(n) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(o) Risks and Uncertainties

Investments consist of a wide variety of financial instruments. The related values, as presented in the financial statements, are subject to various market fluctuations, which include changes in equity markets, the interest rate environment, and general economic conditions. These changes cause the net asset position of the College to increase or decrease.

(p) Financial Statement Reclassifications

Certain reclassifications have been made to fiscal year 2017 audited financial statements to conform with classifications in fiscal year 2018.

(q) Recently Issued Accounting Pronouncements

In August 2016, Financial Accounting Standards Board (FASB) issued ASU No. 2016-14, *Not-for-Profit Entities (NFPs)(Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*. The ASU is effective for the College for fiscal year 2019. The ASU reduces the number of net asset classes presented from three to two: with donor restrictions and without donor restrictions; requires all NFPs to present expenses by their functional and natural classifications in one location in the financial statements; and requires NFPs to provide quantitative and qualitative information about management of liquid resources and availability of financial assets to meet cash needs within one year of the balance sheet date. The College is currently evaluating the impact this ASU will have on the financial statements and related disclosures.

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The ASU is effective for fiscal year 2020. The ASU will require lessees to report most leases as assets and liabilities on the balance sheet, while lessor accounting will remain substantially unchanged. The ASU requires a modified retrospective transition approach for existing leases, whereby the new rules will be applied to the earliest year presented. The College is currently evaluating the impact this ASU will have on the financial statements and related disclosures.

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will replace the current revenue recognition requirements in GAAP. The core principle of this ASU is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration it expects to be entitled in exchange. In addition, the ASU requires disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The ASU is effective for fiscal year 2019. The College is currently evaluating the impact this ASU will have on the financial statements and related disclosures.

(2) Fair Value Measurements

Fair value refers to the price the College would receive upon selling an asset or the price paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the reporting date.

A three-tier hierarchical framework has been established that classifies valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants, in the context of an orderly market, would use in pricing the asset or liability. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair value measurements are based on three levels of inputs as follows:

Level 1: Quoted or published prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The College’s valuation methodologies are described below:

(a) Investments

(i) Equity Securities

Securities traded on a national securities exchange are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, they are categorized in Level 1 of the fair value hierarchy.

(ii) Fixed Income Securities

Fixed Income securities are valued at the closing price reported in the active market in which the bond is traded, if available. U.S. Treasuries are classified in Level 1 of the fair value hierarchy as defined in this note because their fair values are based on quoted prices for identical securities and they are actively traded. If such information is not available, debt is valued based on Level 2 inputs including yields currently available on comparable securities for issuers with similar credit ratings.

(iii) Alternative Investments

Valuations for alternative investments including debt and equity funds, real estate funds, private partnership, and other alternative investments are based on net asset values (NAVs) provided by external investment managers or on audited financial statements when available. NAVs provided by external investment managers are based on fair value estimates, appraisals, assumptions, and methods that are reviewed by management. These investments are not categorized in the fair value hierarchy table but are separately disclosed in order to reconcile to the amounts reported on the statements of financial position.

(b) Funds Held in Trust by Others

The College's beneficial interest in trusts held by others is recorded at fair value based on the fair value of the trust's holdings as reported by the trustee. Level 2 funds held in trust by others consist of shares or units of nonregistered investment funds as opposed to direct interests in the funds' underlying securities, all of which are marketable Level 1 and 2 investments. Level 3 funds held in trust by others consist of the College's beneficial interest in assets held by trusts which require significant management judgement in determining their fair value.

(c) Contributions Receivable

The College values contributions receivable at fair value using the present value of future cash flows as described in note 1(e). As a result of unobservable inputs, these are classified as Level 3 in the fair value hierarchy.

(d) Split-Interest and Other Agreements

Depending on the type of agreement, fair value measurements for split-interest and other agreements are performed either at inception or on a recurring basis. Fair value of the residual gift is generally based on the present value of expected future cash flows including payments to beneficiaries and investment return, and Level 3 inputs include the life expectancy of the donor and other beneficiaries as well as financial assumptions.

(e) Settlement Receivable

The College values its settlement receivable at fair value using a discounted cash flows valuation technique as described in note 1(f). As a result of significant unobservable inputs, the settlement receivable is classified as Level 3 in the fair value hierarchy. Significant unobservable inputs include the discount rate used (2.3%), rate of return assumption (5.5%), and duration (matures in 2029).

The following tables summarize the College's investments and other assets that are measured at fair value on a recurring basis by major category in the fair value hierarchy as of June 30.

	June 30, 2018				
	Level 1	**Level 2**	**Level 3**	**Total**	
Investments:					
Cash and cash equivalents	$ 23,275,155	—	—	23,275,155	(1)
Fixed income	13,003,902	—	—	13,003,902	
Equities	16,365,036	—	—	16,365,036	
Real estate	—	5,714,419	—	5,714,419	
Other	—	39,472	—	39,472	(2)
Investments recorded at net asset value (3):					
Hedge funds				239,420,075	
Private equity funds				115,124,682	
Real assets				28,184	
Total investments	52,644,093	5,753,891	—	412,970,925	
Other assets:					
Funds held in trust by others	—	4,547,743	42,449,267	46,997,010	
Contributions receivable	—	—	3,995,636	3,995,636	
Settlement receivable	—	—	20,533,293	20,533,293	
Deposits with trustees under debt agreements	4,189,170	—	—	4,189,170	
Total	$ 56,833,263	10,301,634	66,978,196	488,686,034	

(1) – Cash and cash equivalents include ($65,375) in exchange-traded futures contracts.

(2) – Cash surrender value of life insurance policies.

(3) – Certain investments that are measured at fair value using its net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit a reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

	June 30, 2017				
	Level 1	Level 2	Level 3	Total	
Investments:					
Cash and cash equivalents	$ 14,650,598	—	—	14,650,598	(1)
Fixed income	12,211,763	—	—	12,211,763	
Equities	5,862,753	—	—	5,862,753	
Real estate	—	5,686,339	—	5,686,339	
Other	—	43,666	—	43,666	(2)
Investments recorded at net asset value (3):					
Hedge funds				240,484,429	
Private equity funds				103,797,723	
Real assets				31,944	
Total investments	32,725,114	5,730,005	—	382,769,215	
Other assets:					
Funds held in trust by others	—	4,424,874	40,853,412	45,278,286	
Contributions receivable	—	—	4,871,394	4,871,394	
Settlement receivable	—	—	18,661,608	18,661,608	
Deposits with trustees under debt agreements	20,642,782	—	—	20,642,782	
Total	$ 53,367,896	10,154,879	64,386,414	472,223,285	

(1) – Cash and cash equivalents include $(1,960) in exchange-traded futures contracts.

(2) – Cash surrender value of life insurance policies.

(3) – Certain investments that are measured at fair value using its net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit a reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The following table presents the College's activities for the years ended June 30 for assets classified in Level 3:

Level 3 rollforward		Funds held in trust by others	Contributions receivable	Settlement receivable	Total
Fair value, June 30, 2016	$	38,935,062	3,436,953	17,523,930	59,895,945
Additions		—	3,220,670	—	3,220,670
Net unrealized gains		3,340,700	—	1,137,678	4,478,378
Payments		(1,422,350)	(1,570,638)	—	(2,992,988)
Other changes		—	(215,591)	—	(215,591)
Fair value, June 30, 2017		40,853,412	4,871,394	18,661,608	64,386,414
Additions		—	1,572,111	—	1,572,111
Net unrealized gains		3,120,437	—	1,871,685	4,992,122
Payments		(1,524,582)	(2,389,976)	—	(3,914,558)
Other changes		—	(57,893)	—	(57,893)
Fair value, June 30, 2018	$	42,449,267	3,995,636	20,533,293	66,978,196

Transfers between levels occur when there is a change in the observability of significant inputs. A transfer between Level l and Level 2 generally occurs when the availability of quoted prices changes or when market activity of an investment significantly changes to active or inactive. A transfer between Level 2 and Level 3 generally occurs when the underlying inputs become, or can no longer be, corroborated with market observable data. Transfers between levels are recognized on the date they occur. For the years ended June 30, 2018 and 2017, there were no transfers in or out of Level 1, 2, or 3.

Investments measured at NAV include the following redemption restrictions and redemption terms as of June 30:

		June 30, 2018				
		NAV	Unfunded commitments	Redemption frequency	Redemption notice	Redemption notes
Long-term investment strategies:						
Hedge funds:						
Credit/event driven	$	12,027	292,500	N/A	N/A	Illiquid sidepocket remaining
Fixed income		10,091,028	—	Every 2 years	90 days	36-month rolling lockup
Equity long/short		121,478,716	—	Monthly to quarterly	100–120 days	
Multistrategy		107,838,304	—	Quarterly	90 days	
Private equity funds		115,124,682	96,232,665	N/A	N/A	Illiquid (1)
Real assets		28,184	2,247,323	N/A	N/A	Illiquid (2)
	$	354,572,941	98,772,488			

(1) – Private Equity funds will terminate once all underlying investments are liquidated or the partnership is dissolved, as determined by the investment manager.
(2) – These funds are currently in the liquidation process. $1,700,000 in unfunded commitments represents a new private equity commitment which has not yet been funded.

	June 30, 2017				
	NAV	**Unfunded commitments**	**Redemption frequency**	**Redemption notice**	**Redemption notes**
Long-term investment strategies:					
Hedge funds:					
Credit/event driven	$ 39,984	292,500	N/A	N/A	Illiquid sidepocket remaining
Fixed income	10,071,248	—	Every 2 years	90 days	36-month rolling lockup
Equity long/short	121,751,927	—	Monthly to quarterly	100–120 days	
Multistrategy	108,621,270	—	Quarterly	90 days	
Private equity funds	103,797,723	69,781,687	N/A	N/A	Illiquid (1)
Real assets	31,944	547,323	N/A	N/A	Illiquid (2)
	$ 344,314,096	70,621,510			

(1) – Private Equity funds will terminate once all underlying investments are liquidated or the partnership is dissolved, as determined by the investment manager.
(2) – These funds are currently in the liquidation process.

Private equity fund investments are generally made through limited partnerships. Under the terms of such agreements, the College may be required to provide additional funding when capital or liquidity calls are made by fund managers. These partnerships have a limited existence, and they may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, or other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. The College cannot anticipate such changes because they generally arise from unforeseeable events, but should they occur they could reduce liquidity or originally anticipated investment returns. Accordingly, the timing and amount of future capital or liquidity calls in any particular future year are uncertain.

Investment liquidity as of June 30, 2018 is aggregated below based on redemption or sale period:

Daily	$ 58,397,983
Monthly	83,965,813
Quarterly	145,351,208
Subject to rolling lockups	10,091,028
Illiquid	115,164,893
	$ 412,970,925

(3) Investment Income

The following summarizes investment return components for the years ended June 30:

		2018	2017
Interest and dividend income	$	1,337,021	1,602,463
Net realized and unrealized gains		35,200,634	48,027,023
Investment-related fees		(1,668,787)	(2,078,627)
Total investment income	$	34,868,868	47,550,859

(4) Endowments

The College's endowment consists of approximately 900 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Investments having fair values of $390,530,403 and $367,531,785 at June 30, 2018 and 2017, respectively, are pooled on a fair value basis, with each unitized fund subscribing to or disposing of units on the basis of the fair value per unit at the beginning of the month within which the transaction takes place.

(a) Interpretation of Relevant Law

The College has interpreted relevant law as requiring the donor-restricted endowment fund, absent explicit donor stipulations to the contrary, to be managed with the long-term objective of at least maintaining the real value (after inflation) of the funds. The College classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the College in a manner consistent with the standard of prudence prescribed by relevant law. Pennsylvania law permits the Board of Trustees to make an election to annually appropriate for expenditure a selected percentage between 2% and 7% of the fair value of the assets related to donor-restricted endowment funds averaged over a period of three or more preceding years, provided the board has determined that such percentage is consistent with the long-term preservation of the real value of such assets.

(b) Return Objectives and Risk Parameters

The College has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the College must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the endowment spending rate plus inflation, defined as the Consumer Price Index plus 1%, while assuming a moderate level of investment risk.

(c) Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the College relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The College targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

(d) Spending Policy

The spending policy of the College is set to provide, as closely as possible, equitable benefit from the endowment for current and future generations of students. A formal spending policy has been adopted to meet the legal and programmatic requirements of the endowment. The College appropriates 7% of the endowment and targets a maximum of 5% of the 12-quarter moving average fair market value of the pooled endowment to be utilized, with the remaining distribution moved to board-designated. The approved spending rate formula is designed to provide a relatively predictable and growing stream of revenues to the operating budget. An additional goal of this policy is to minimize the temptation to relieve all budgetary pressures by simply taking additional monies from the endowment.

(e) Net Asset Classifications of Endowment Funds

Net asset classification by type of endowment as of June 30, 2018:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$	—	63,963,371	124,493,126	188,456,497
Board-designated endowment funds		283,930,337	—	—	283,930,337
Total endowment assets		283,930,337	63,963,371	124,493,126	472,386,834
Annuity and agency liabilities		(2,252,207)	(2,119,779)	(469,931)	(4,841,917)
Total endowment net assets	$	281,678,130	61,843,592	124,023,195	467,544,917

Changes in endowment net assets for the year ended June 30, 2018:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$ 263,613,269	57,078,418	120,703,275	441,394,962
Investment return:				
Interest and dividend income	412,398	387,179	31,880	831,457
Net appreciation (realized and unrealized gains and losses)	18,829,508	14,875,799	3,051,561	36,756,868
Investment-related fees	(869,053)	(777,287)	(17,832)	(1,664,172)
Total investment return	18,372,853	14,485,691	3,065,609	35,924,153
Contributions	5,767,768	2,199,978	1,877,005	9,844,751
Other additions/transfers	53,354	(367,026)	—	(313,672)
Appropriation and distribution of endowment assets for expenditure	(6,129,114)	(11,553,469)	(1,622,694)	(19,305,277)
	$ 281,678,130	61,843,592	124,023,195	467,544,917

Net asset classification by type of endowment as of June 30, 2017:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$ —	59,345,913	121,205,934	180,551,847
Board-designated endowment funds	265,934,996	—	—	265,934,996
Total endowment assets	265,934,996	59,345,913	121,205,934	446,486,843
Annuity and agency liabilities	(2,321,727)	(2,267,495)	(502,659)	(5,091,881)
Total endowment net assets	$ 263,613,269	57,078,418	120,703,275	441,394,962

Changes in endowment net assets for the year ended June 30, 2017:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$ 243,996,446	48,126,665	115,833,041	407,956,152
Investment return:				
Interest and dividend income	697,332	634,984	32,666	1,364,982
Net appreciation (realized and unrealized gains and losses)	24,542,329	20,723,292	4,024,385	49,290,006
Investment-related fees	(1,093,935)	(969,287)	(14,725)	(2,077,947)
Total investment return	24,145,726	20,388,989	4,042,326	48,577,041
Contributions	1,374,940	70,556	2,388,442	3,833,938
Other additions/transfers	104,659	—	—	104,659
Appropriation and distribution of endowment assets for expenditure	(6,008,502)	(11,507,792)	(1,560,534)	(19,076,828)
	$ 263,613,269	57,078,418	120,703,275	441,394,962

Endowment assets are categorized on the statements of financial position at June 30 as follows:

	2018	2017
Investments:		
Pooled endowment investments	$ 390,530,403	367,531,785
Life income funds	5,229,009	5,470,778
Real assets	3,020,140	2,992,060
Funds invested separately	39,472	43,666
	398,819,024	376,038,289
Funds held in trust by others	46,997,010	45,278,286
Contributions receivable, net	1,996,634	2,663,787
Settlement receivable	20,533,293	18,661,608
Property and equipment, net	4,040,873	3,844,873
	$ 472,386,834	446,486,843

(Continued)

(5) Property and Equipment

As of June 30, property and equipment at cost and accumulated depreciation are summarized as follows:

		2018	2017
Land	$	11,441,495	11,441,495
Buildings and improvements		280,079,758	269,718,366
Capital leases and leasehold improvements		2,157,193	1,736,734
Furniture, equipment, and vehicles		14,559,336	14,039,748
Computers		8,818,369	8,747,490
Library books		11,453,084	11,294,778
Rare works		2,744,853	2,548,853
Construction in progress		21,505,305	6,720,463
		352,759,393	326,247,927
Less accumulated depreciation		151,239,965	141,499,675
	$	201,519,428	184,748,252

Depreciation expense totaled $10,870,760 and $10,362,695 for the years ended June 30, 2018 and 2017, respectively.

(6) Contributions Receivable

Contributions receivable, net are summarized as follows as of June 30:

		2018	2017
Contributions receivable expected to be collected in:			
Less than one year	$	1,244,089	1,991,153
One year to five years		3,273,356	2,805,285
Over five years		54,890	622,880
		4,572,335	5,419,318
Less discount		(406,913)	(375,502)
Allowance for uncollectible contributions receivable		(169,786)	(172,422)
	$	3,995,636	4,871,394

(Continued)

(7) Long-Term Debt and Lines of Credit

Long-term debt as of June 30 consists of the following:

		2018	2017
2008 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2008, maturing annually to 2026, in principal amounts ranging from $260,000 to $1,335,000, with interest rates ranging from 3.0% to 5.0%	$	—	11,535,000
2009 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2009 HH1, maturing annually from 2037 to 2039, in principal amounts ranging from $3,170,000 to $3,500,000, with interest rates of 5.0%		—	10,000,000
2012 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2012, maturing annually to 2042, in principal amounts ranging from $415,000 to $2,835,000, with interest rates ranging from 3.0% to 5.0%		33,800,000	34,315,000
2016 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2016, maturing annually to 2034 in principal amounts ranging from $950,000 to $3,455,000, with interest rates ranging from 2.0% to 5.0%		39,095,000	39,095,000
2017 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2017, maturing annually to 2047 in principal amounts ranging from $310,000 to $4,700,000 with interest rates ranging from 3.0% to 5.0%		30,475,000	30,785,000
2017 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Second Series 2017A, maturing annually from 2037 to 2039 in principal amounts ranging from $2,930,000 to $3,230,000 with interest rates of 5.0%		9,235,000	—
2018 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2018A, maturing annually to 2026 in principal amounts ranging from $970,000 to $1,240,000 with interest rates ranging from 3.0% to 5.0%		9,605,000	—
Unamortized bond premiums, net		16,772,599	15,053,145
Unamortized issuance costs, net		(1,245,017)	(1,200,598)
Total bonds payable		137,737,582	139,582,547
Notes payable		1,264,670	832,500
Total long-term debt	$	139,002,252	140,415,047

(a) Bonds Payable

The bond agreements contain certain restrictive covenants, which require the pledge of certain revenues as collateral for repayment and the maintenance of a minimum level of debt service coverage for new indebtedness. The College was compliant with all requirements for the years ended June 30, 2018 and 2017. All outstanding bond issues were issued based on the creditworthiness of the College.

In February 2017, the College issued tax-exempt revenue bonds through the Cumberland County Municipal Authority. The bonds were sold at a premium, resulting in effective yields between 1.00% and 3.51%. The proceeds from the sale of the bonds were used for the payment of issuance costs and to finance the current refunding of the Series 2007 GG1 bonds, along with certain capital projects.

In December 2017, the College issued tax-exempt revenue bonds through the Cumberland County Municipal Authority. The bonds were sold at a premium, resulting in an effective yield of 2.91%. The proceeds from the sale of the bonds were used for the payment of issuance costs and to finance the advance refunding of the Series 2009 HH1 bonds.

In February 2018, the College issued tax-exempt revenue bonds through the Cumberland County Municipal Authority. The bonds were sold at a premium, resulting in effective yields between 1.47% and 2.41%. The proceeds from the sale of the bonds were used for the payment of issuance costs and to finance the current refunding of the Series 2008 bonds.

The aggregate amount of maturities of bonds payable outstanding at June 30, 2018 is as follows:

2019	$	2,900,000
2020		3,020,000
2021		3,150,000
2022		3,300,000
2023		3,475,000
Thereafter		106,365,000
	$	122,210,000

(b) Notes Payable

In June 2013, the College entered into an installment sales agreement to purchase real estate adjacent to campus. Title to the property transferred to the College after the final installment payment was made in December 2017.

In May 2017, the College entered into an improvement and maintenance agreement for certain College property with quarterly payments scheduled through May 2027.

The aggregate amount of maturities of notes payable outstanding at June 30, 2018 is as follows:

2019	$	111,909
2020		118,851
2021		126,087
2022		133,627
2023		141,484
Thereafter		632,712
	$	1,264,670

(Continued)

(c) Line of Credit

The College maintains a $10,000,000 line of credit with Wells Fargo, which is due and payable by February 2019, with variable interest based on LIBOR. The College also maintains a $20,000,000 line of credit with M&T Bank, which is due and payable by June 2019, with variable interest at the bank's prime rate of interest. At June 30, 2018 and 2017, there were no amounts outstanding on either line of credit.

(8) Retirement Benefits

Retirement benefits are provided for substantially all employees through the Teacher's Insurance and Annuity Association and College Retirement Equities Fund (TIAA – CREF) and Fidelity. The College's contribution to the fund during the years ended June 30, 2018 and 2017 was $4,180,740 and $3,982,715, respectively.

(9) Lease Commitments

The following is a schedule of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2018:

2019	$	475,850
2020		372,952
2021		151,466
2022		9,087
Total minimum lease payments		1,009,355
Less amount representing interest		(61,791)
Present value of net minimum lease payments	$	947,564

The following is a schedule of future minimum lease payments under operating leases as of June 30, 2018:

2019	$	1,529,408
2020		1,028,177
2021		951,356
2022		825,577
2023		832,812
Thereafter		1,757,387
Total	$	6,924,717

Total rental expense for all operating leases was $2,073,926 and $2,156,282 in 2018 and 2017, respectively.

(10) Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at June 30:

		2018	2017
Accumulated investment gains on donor endowments subject to time restrictions under Pennsylvania law	$	60,309,257	55,419,242
Annuity funds		1,534,335	1,628,301
Contributions receivable		1,674,314	1,775,337
Unexpended donor-restricted funds		3,348,533	3,003,591
	$	66,866,439	61,826,471

Unexpended donor-restricted funds consist of funds available for scholarships and financial aid, building and capital projects, academic programs, and general operations of the College.

(11) Permanently Restricted Net Assets

Permanently restricted net assets consist principally of endowment funds and funds held in trust by others, which are designated for the following purposes at June 30:

		2018	2017
Donor-contributed principal invested to support:			
Scholarship and financial aid	$	82,409,777	79,586,452
Educational and general programs		39,278,323	37,774,219
Loan funds for students		1,143,760	1,142,285
Annuity funds		1,104,962	1,041,446
Contributions receivable		86,373	1,158,873
	$	124,023,195	120,703,275

(12) Contingencies and Commitments

At June 30, 2018 and 2017, open contracts for the construction of physical properties amounted to $3,502,046 and $17,701,296, respectively.

The College is involved in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the College's financial position.

(13) Subsequent Events

The College has evaluated subsequent events to June 30, 2018 and through October 15, 2018, the date the financial statements were issued. No additional disclosures were required as a result of this evaluation.

KPMG LLP
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PO Box 1190
Harrisburg, PA 17108-1190

Independent Auditors' Report on Supplemental Information

The Board of Trustees
Dickinson College:

We have audited the financial statements of Dickinson College as of and for the year ended June 30, 2018, and have issued our report separately herein dated October 15, 2018 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to October 15, 2018. The supplementary information included in the Supplemental Schedule is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole.

KPMG LLP

Harrisburg, Pennsylvania
October 15, 2018

DICKINSON COLLEGE

Supplemental Schedule

Year ended June 30, 2018

	Current operations	Other unrestricted	Total unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues:						
Tuition and fees	$ 121,536,416	—	121,536,416	—	—	121,536,416
Room and board	28,830,649	—	28,830,649	—	—	28,830,649
Gross student charges	150,367,065	—	150,367,065	—	—	150,367,065
Student aid	(52,348,639)	(309,618)	(52,658,257)	—	—	(52,658,257)
Net student charges	98,018,426	(309,618)	97,708,808	—	—	97,708,808
Private gifts, grants, and contributions	2,195,640	5,571,768	7,767,408	6,224,313	1,877,005	15,868,726
Government grants and appropriations	607,025	552,507	1,159,532	—	—	1,159,532
Investment income	395,476	16,507,197	16,902,673	14,522,885	3,443,310	34,868,868
Appropriations of investment income	15,717,706	(4,583,447)	11,134,259	(9,511,565)	(1,622,694)	—
Change in split-interest and other agreements	—	1,900,802	1,900,802	(36,407)	(377,701)	1,486,694
Other revenues	2,117,747	1,659,738	3,777,485	—	—	3,777,485
Sales and services of auxiliary enterprises	7,620,485	—	7,620,485	—	—	7,620,485
Net assets released from restrictions	412,051	5,747,207	6,159,258	(6,159,258)	—	—
Total revenues	127,084,556	27,046,154	154,130,710	5,039,968	3,319,920	162,490,598
Expenses:						
Education and general:						
Instructional	42,641,207	4,262,589	46,903,796	—	—	46,903,796
Academic support	11,634,878	3,437,872	15,072,750	—	—	15,072,750
Student services	16,148,457	2,927,696	19,076,153	—	—	19,076,153
Research	2,191,112	1,234,228	3,425,340	—	—	3,425,340
Public service	479,729	20,215	499,944	—	—	499,944
Auxiliary enterprises	28,491,611	373,224	28,864,835	—	—	28,864,835
Institutional support	20,353,075	1,925,120	22,278,195	—	—	22,278,195
Total expenses	121,940,069	14,180,944	136,121,013	—	—	136,121,013
Change in net assets before capital items and additions to reserves	5,144,487	12,865,210	18,009,697	5,039,968	3,319,920	26,369,585
Capital items and additions to reserves	(5,144,487)	5,144,487	—	—	—	—
Change in net assets	—	18,009,697	18,009,697	5,039,968	3,319,920	26,369,585
Net assets:						
Beginning of year	—	348,101,228	348,101,228	61,826,471	120,703,275	530,630,974
End of year	$ —	366,110,925	366,110,925	66,866,439	124,023,195	557,000,559

See accompanying independent auditors' report and note to the supplemental schedule.

DICKINSON COLLEGE

Note to Supplemental Schedule

June 30, 2018

(1) Components of Unrestricted Activities

In the supplemental schedule, unrestricted activities are broken out by current operations and other unrestricted. The current operations column includes unrestricted activity presented on the same basis as Dickinson College's operating budget. Other unrestricted includes all other activities that are classified as unrestricted.