DICKINSON COLLEGE

Financial Statements and Supplemental Schedule

June 30, 2012 and 2011

(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 statements of financial position of Dickinson College (the College) as of June 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the College's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our 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, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

October 22, 2012

DICKINSON COLLEGE

Statements of Financial Position

June 30, 2012 and 2011

Assets		**2012**	**2011**
Cash and cash equivalents	$	9,049,936	11,914,455
Accounts and other receivables, net of allowance for doubtful accounts of $60,885 and $50,000 at June 30, 2012 and 2011, respectively		2,788,180	2,617,298
Inventories, prepaid expenses, and other assets		1,176,201	1,766,370
Loans receivable, net of allowance for loan loss of $1,129,994 and $1,108,635 at June 30, 2012 and 2011, respectively		6,579,796	6,618,922
Investments		295,642,060	297,925,043
Funds held in trust by others		39,009,913	38,739,517
Contributions receivable, net		8,640,093	8,493,660
Settlement receivable		14,619,716	14,529,727
Deposits with trustees under debt agreements		5,320,116	6,110,398
Property and equipment, net		160,816,074	158,058,859
Deferred financing costs		2,075,383	2,187,352
Total assets	$	545,717,468	548,961,601
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	9,076,365	7,183,726
Deferred revenue		2,534,535	3,435,752
Student deposits		2,236,226	2,032,671
Postretirement benefits		305,049	1,691,584
Funds held in custody for others		884,552	944,614
Annuities payable		3,548,394	3,343,480
Obligations under capital leases		1,919,372	2,156,825
Long-term debt		109,177,552	111,510,734
U.S. government advances refundable		2,280,293	2,264,448
Total liabilities		131,962,338	134,563,834
Net assets:			
Unrestricted		259,112,330	255,662,468
Temporarily restricted		47,866,986	53,722,439
Permanently restricted		106,775,814	105,012,860
Total net assets		413,755,130	414,397,767
Total liabilities and net assets	$	545,717,468	548,961,601

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statements of Activities

Years ended June 30, 2012 and 2011

	2012				2011
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**	**Total**
Revenues:					
Tuition and fees	$ 103,022,139	—	—	103,022,139	99,877,837
Student aid	(37,716,365)	—	—	(37,716,365)	(36,282,872)
Net tuition and fees	65,305,774	—	—	65,305,774	63,594,965
Private gifts, grants, and contributions	5,866,761	4,007,938	1,537,183	11,411,882	9,990,719
Government grants and appropriations	1,722,870	—	—	1,722,870	1,638,402
Investment income	7,558,274	(1,987,536)	328,845	5,899,583	54,162,674
Change in split-interest and other agreements	119,106	(279,671)	(103,074)	(263,639)	(528,370)
Other revenues	1,923,378	—	—	1,923,378	2,612,974
Sales and services of auxiliary enterprises	29,397,736	—	—	29,397,736	28,317,992
Net assets released from restrictions	7,596,184	(7,596,184)	—	—	—
Total revenues	119,490,083	(5,855,453)	1,762,954	115,397,584	159,789,356
Expenses:					
Programs:					
Education and general:					
Instructional	43,758,351	—	—	43,758,351	40,117,997
Academic support	11,125,417	—	—	11,125,417	10,434,873
Student services	13,977,125	—	—	13,977,125	13,115,600
Research	3,127,490	—	—	3,127,490	2,900,645
Public service	928,920	—	—	928,920	791,519
Auxiliary enterprises	23,191,843	—	—	23,191,843	22,850,041
Institutional support	19,931,075	—	—	19,931,075	18,064,743
Total expenses	116,040,221	—	—	116,040,221	108,275,418
Change in net assets	3,449,862	(5,855,453)	1,762,954	(642,637)	51,513,938
Net assets:					
Beginning of year	255,662,468	53,722,439	105,012,860	414,397,767	362,883,829
End of year	$ 259,112,330	47,866,986	106,775,814	413,755,130	414,397,767

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statement of Activities

Year ended June 30, 2011

	2011			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Revenues:				
Tuition and fees	$ 99,877,837	—	—	99,877,837
Student aid	(36,282,872)	—	—	(36,282,872)
Net tuition and fees	63,594,965	—	—	63,594,965
Private gifts, grants, and contributions	5,406,062	1,776,640	2,808,017	9,990,719
Government grants and appropriations	1,638,402	—	—	1,638,402
Investment income	31,427,600	19,421,282	3,313,792	54,162,674
Change in split-interest and other agreements	(256,125)	(233,502)	(38,743)	(528,370)
Other revenues	2,612,974	—	—	2,612,974
Sales and services of auxiliary enterprises	28,317,992	—	—	28,317,992
Net assets released from restrictions	5,624,552	(5,624,552)	—	—
Total revenues	138,366,422	15,339,868	6,083,066	159,789,356
Expenses:				
Programs:				
Education and general:				
Instructional	40,117,997	—	—	40,117,997
Academic support	10,434,873	—	—	10,434,873
Student services	13,115,600	—	—	13,115,600
Research	2,900,645	—	—	2,900,645
Public service	791,519	—	—	791,519
Auxiliary enterprises	22,850,041	—	—	22,850,041
Institutional support	18,064,743	—	—	18,064,743
Total expenses	108,275,418	—	—	108,275,418
Change in net assets	30,091,004	15,339,868	6,083,066	51,513,938
Net assets:				
Beginning of year	225,571,464	38,382,571	98,929,794	362,883,829
End of year	$ 255,662,468	53,722,439	105,012,860	414,397,767

See accompanying notes to financial statements.

DICKINSON COLLEGE

Statements of Cash Flows

Years ended June 30, 2012 and 2011

		2012	2011
Cash flows from operating activities:			
Change in net assets	$	(642,637)	51,513,938
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation and amortization		8,926,635	8,692,458
Loss on disposition of fixed assets		37,224	83,117
Net realized and unrealized gains on investments		(4,164,360)	(49,420,500)
Change in value of funds held in trust by others		(270,396)	(2,893,940)
Change in allowance for loan loss		21,359	(2,127)
Other changes in annuities payable		562,229	504,411
Other changes in capital lease obligations		(95,222)	—
Gifts received for permanently restricted net assets and capital projects		(2,740,400)	(3,235,790)
Change in assets and liabilities:			
Accounts and other receivables, net		(170,882)	(46,088)
Contributions and settlement receivables		(236,422)	2,671,864
Inventories, prepaid, and other assets		590,169	(162,118)
Accounts payable and accrued expenses		506,104	(826,106)
Deferred revenue		(901,217)	608,440
Student deposits		203,555	(173,090)
Funds held in custody for others		(60,062)	83,485
Total adjustments		2,208,314	(44,115,984)
Net cash provided by operating activities		1,565,677	7,397,954
Cash flows from investing activities:			
Proceeds from sales of investments		8,958,905	20,159,132
Purchase of investments		(2,511,562)	(17,979,364)
Change in deposits with trustees under debt agreements		790,282	4,215,982
Purchase of property and equipment		(11,638,717)	(9,416,759)
Sale of property and equipment		29,612	7,174
Student loans collected		982,580	878,514
Student loans advanced		(964,813)	(831,188)
Net cash used in investing activities		(4,353,713)	(2,966,509)
Cash flows from financing activities:			
Payments on long-term debt and line of credit		(2,333,182)	(2,263,182)
Principal payments under capital lease obligation		(142,231)	(150,236)
Gifts received for permanently restricted net assets and capital projects		2,740,400	3,235,790
Payments to annuity recipients		(357,315)	(363,021)
Increase in U.S. government advances refundable		15,845	28,115
Net cash provided by financing activities		(76,483)	487,466
Net (decrease) increase in cash and cash equivalents		(2,864,519)	4,918,911
Cash and cash equivalents:			
Beginning of year		11,914,455	6,995,544
End of year	$	9,049,936	11,914,455
Supplemental disclosure of cash flow information:			
Cash paid during the year for interest	$	5,550,661	5,654,513

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. Not-for-profit accounting standards require the reporting of total assets, liabilities, and net assets in a statement of financial position; reporting the change in net assets in a statement of activities; and reporting the sources and uses of cash and cash equivalents in a statement of cash flows. Net assets and revenues, gains, expenses, and losses are classified as unrestricted, temporarily restricted, or permanently restricted based on the existence or absence of donor-imposed restrictions as follows:

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.

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. Commonwealth of Pennsylvania law permits the College to allocate to income each year a portion of endowment assets up to 7% of a three-year moving average of the market value of permanently restricted endowed assets. 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 transferred to unrestricted net assets. Temporarily restricted net assets of the College at June 30, 2012 and 2011 consist of unspent donor-restricted contributions and market appreciation of endowment funds.

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.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are generally reported as decreases in unrestricted net assets. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

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

(Continued)

(b) 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.

(c) Loans Receivable

Included in loans receivable on the statements of financial position are two forms of flexible financing to families of students, which are no longer offered by the College. Plan A provided up to $4,000 a year to parents of students. Loan terms require the payment of interest only through the date of graduation and then require payment of interest and principal over a period of six years. These notes bear 11% interest. Plan B provided up to $10,000 a year to parents of students. Loan terms require the payment of principal and interest to begin immediately and extend over a period not greater than 13 years. These notes were issued bearing interest at the prime rate plus 1% adjusted each year at June 30. The student loans receivable totaled approximately $706,263 and $839,629 at June 30, 2012 and 2011, respectively. The remaining loans receivable consist principally of student receivables related to the Federal Perkins Loan Program and the Abe and Cora Hurwitz Student Loan Program. The allowance for uncollectible notes and loans was $1,129,994 and $1,108,635 at June 30, 2012 and 2011, respectively.

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

The College's annuity agreements with donors consist primarily of charitable remainder trusts and annuity agreements for which the College serves as trustee. Assets held in these trusts are included in investments. Contribution revenues are recognized at the date the trusts 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 of 1.2% and 2.8% for the years ended June 30, 2012 and 2011, respectively. Contributions arising from annuities and life income funds amounted to $69,082 and $113,649 for the years ended June 30, 2012 and 2011, 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 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 land and land improvements, in and around Albuquerque, New Mexico, and marketable securities. The net asset value (NAV) of the

(Continued)

College's interest in the Sandia Foundation was $33,029,093 and $32,585,642 at June 30, 2012 and 2011, 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 are discounted at an appropriate discount rate commensurate with the risks involved, 1.2% and 2.8% at June 30, 2012 and 2011, respectively, which approximates the federal mid-term rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. 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.

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. Contributions restricted for the acquisition of plant and equipment are reported as temporarily restricted revenues. These contributions are reclassified to unrestricted net assets when restrictions have been met and the plant and equipment have been placed in service.

(f) Settlement Receivable

At June 30, 2012 and 2011, $14,619,716 and $14,529,727, respectively, has been recorded as a settlement 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 a discount rate of 2.8% and 3.6% for the years ended June 30, 2012 and 2011, respectively.

(g) Deposits with Trustees under Debt Agreements

Deposits with trustees under debt agreements are the unexpended construction fund proceeds of debt obligations and debt service funds. The funds are invested in short-term fixed income investments.

(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 a 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.

(Continued)

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, and the collection is not depreciated.

(i) Deferred Financing Costs

Deferred financing costs are amortized over the remaining terms of the associated debt.

(j) Conditional Asset Retirement Obligations

The College has conditional asset retirement obligations arising from regulatory requirements to the remediation of asbestos and other hazardous materials in certain campus buildings. The liability was initially measured at fair value and is subsequently adjusted for accretion expense and changes in the amount or timing of the cash flows as well as additional obligations. The corresponding asset retirement costs are recorded in accounts payable and accrued expenses. As of June 30, 2012 and 2011, the asset retirement costs were $963,000 and $961,198, respectively.

(k) 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, 2012 and 2011.

(l) 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.

(m) Fund-Raising Expenses

Direct fund-raising expenses for the years ended June 30, 2012 and 2011 were $3,318,140 and $3,507,933, respectively.

(n) 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 2012 or 2011.

(Continued)

Accounting principles generally accepted in the United States of America 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, 2012, 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. The College is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(o) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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.

(p) Risks and Uncertainties

Investments consist of a wide variety of financial instruments with no single investment individually material. 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.

(q) Reclassifications

Certain accounting reclassifications (not affecting net assets or the change in net assets) have been made from prior year amounts to conform to current year presentation.

(2) Fair Value Measurements

Fair value measurements are based on three levels of inputs:

Level 1: Quoted 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:

Investments

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.

Debt Securities

Debt securities are valued at the closing price reported in the active market in which the bond is traded, if available. If such information is not available, debt is valued based on yields currently available on comparable securities for issuers with similar credit ratings.

Alternative Investments

Valuations for alternative investments including debt and equity funds, real estate funds, private partnership, and other alternative investments are based on NAVs provided by external investment managers or on audited financial statements when available. NAVs provided by external investment managers are based on estimates, appraisals, assumptions, and methods that are reviewed by management.

Funds Held in Trust by Others

The College's beneficial interest in perpetual trusts held by others is recorded at fair value based on the fair value of the trust's holdings as reported by the trustee or the NAV of the trust or entity.

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.

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 inputs include the life expectancy of the donor and other beneficiaries as well as financial assumptions.

Debt

The fair value of long-term debt is based on Level 2 inputs including quoted prices from similar maturities based upon the rating of the credit enhancement or that of the College for each series of bonds. The fair value of long-term debt at June 30, 2012 is $112,625,835.

The following table summarizes the College's investments and other assets by major category in the fair value hierarchy as of June 30, 2012 and 2011, as well as related strategy, liquidity, and funding commitments:

	June 30, 2012				Redemption
	Level 1	**Level 2**	**Level 3**	**Total**	**or liquidation**
Long-term investment strategies:					
Fixed income:					
U.S. Treasuries	$ 7,891,415	—	—	7,891,415	Daily
Hedge funds:					
Credit/event driven	—	—	435,357	435,357	N/A (1)
Fixed income strategies	—	—	9,687,721	9,687,721	Illiquid (2)
Equity long/short	—	106,756,619	—	106,756,619	Daily to quarterly
Multistrategy	—	66,623,166	—	66,623,166	Quarterly
Private equity funds	—	—	77,483,156	77,483,156	Illiquid (3)
Real assets	—	—	2,834,449	2,834,449	Illiquid (4)
Cash and cash equivalents	11,595,906	—	—	11,595,906	Daily
Other nonpooled funds:					
Cash and cash equivalents	929,426	—	—	929,426	Daily
Fixed income funds	1,262,665	—	—	1,262,665	Daily
Global equities	1,595,873	—	—	1,595,873	Daily
Real assets	—	8,491,739	—	8,491,739	Daily
Other	—	54,568	—	54,568	Illiquid (5)
	23,275,285	181,926,092	90,440,683	295,642,060	
Other assets:					
Funds held in trust by others	—	4,079,355	34,930,558	39,009,913	
Deposits with trustees under debt agreements	5,320,116	—	—	5,320,116	
Settlement receivable	—	—	14,619,716	14,619,716	
	5,320,116	4,079,355	49,550,274	58,949,745	
	$ 28,595,401	186,005,447	139,990,957	354,591,805	

(1) – Illiquid sidepocket remaining. Unfunded future commitments aggregate $292,500.

(2) – Approximately $8.9 million is subject to 36-month rolling lockups, with 1/3 of the investment available each year with 90 days' notice. The remaining investment is expected to liquidate within 2 years. Unfunded future commitments aggregate $1,360,561.

(3) – These funds are expected to liquidate within 3 years. Unfunded future commitments aggregate $41,707,540.

(4) – These funds are expected to liquidate within 2 years. Unfunded future commitments aggregate $73,148.

(5) – Illiquid items include the cash surrender value of life insurance policies.

	June 30, 2011				Redemption
	Level 1	**Level 2**	**Level 3**	**Total**	**or liquidation**
Long-term investment strategies:					
Fixed income:					
U.S. Treasuries	$ —	7,299,020	—	7,299,020	Daily
Hedge funds:					
Credit/event driven	—	—	534,143	534,143	N/A (1)
Fixed income strategies	—	—	10,202,536	10,202,536	Illiquid (2)
Equity long/short	—	109,486,532	—	109,486,532	Daily to quarterly
Multistrategy	—	65,175,787	—	65,175,787	Quarterly
Private equity funds	—	—	71,743,181	71,743,181	Illiquid (3)
Real assets	—	—	3,699,778	3,699,778	Illiquid (4)
Cash and cash equivalents	16,304,530	—	—	16,304,530	Daily
Other nonpooled funds:					
Cash and cash equivalents	874,177	—	—	874,177	Daily
Fixed income funds	1,506,836	—	—	1,506,836	Daily
Global equities	1,949,045	—	—	1,949,045	Daily
Real assets	—	9,041,861	—	9,041,861	Daily
Other	—	55,476	52,141	107,617	Illiquid (5)
	20,634,588	191,058,676	86,231,779	297,925,043	
Other assets:					
Funds held in trust by others	—	4,256,965	34,482,552	38,739,517	
Deposits with trustees under debt agreements	6,110,398	—	—	6,110,398	
Settlement receivable	—	—	14,529,727	14,529,727	
	6,110,398	4,256,965	49,012,279	59,379,642	
	$ 26,744,986	195,315,641	135,244,058	357,304,685	

(1) – Illiquid sidepocket remaining. Unfunded future commitments aggregate $292,500.

(2) – Approximately $8.1 million is subject to 36-month rolling lockups, with 1/3 of the investment available each year with 90 days' notice. The remaining investment is expected to liquidate within 2 years. Unfunded future commitments aggregate $1,661,629.

(3) – These funds are expected to liquidate within 4 years. Unfunded future commitments aggregate $39,067,188.

(4) – These funds are expected to liquidate within 3 years. Unfunded future commitments aggregate $73,148.

(5) – Illiquid items include the cash surrender value of life insurance policies and investments in privately held companies.

U.S. Treasuries and registered mutual funds 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. Most investments classified in Levels 2 and 3 consist of shares or units in nonregistered investment funds as opposed to direct interests in the funds' underlying securities, some of which are marketable or not difficult to value. The level in which a fund's fair value measurement is classified is based on the College's ability to redeem its interest at or near the date of the statements of financial position.

Accordingly, the inputs or methodology used for valuing or classifying investments for financial reporting purposes are not necessarily an indication of the risks associated with those investments or a reflection of the liquidity of or degree of difficulty in estimating the fair value of each fund's underlying assets and liabilities.

Private equity 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.

Certain hedge funds contain “rolling” lock-up provisions. Under such provisions, tranches of the investment are available for redemption at calendar year-end once every two or three years, if the College makes a redemption request prior to the next available withdrawal date in accordance with the notification terms of the agreement.

Investment liquidity as of June 30, 2012 is aggregated below based on redemption or sale period:

Daily	$	36,111,240
Monthly		86,092,297
Quarterly		82,943,272
Subject to rolling lockups		8,924,893
Illiquid		81,570,358
Total as of June 30, 2012	$	295,642,060

The following tables present the College's activities for the years ended June 30, 2012 and 2011 for investments and other assets classified in Level 3:

		2012					
Level 3 rollforward		**Hedge funds**	**Private equity funds**	**Real assets**	**Other nonpooled funds**	**Other assets**	**Total**
Beginning balance	$	10,736,679	71,743,181	3,699,778	52,141	49,012,279	135,244,058
Net realized and unrealized gains (losses)		893,035	2,188,168	19,322	(860)	617,995	3,717,660
Acquisitions		284,771	13,248,245	—	—	—	13,533,016
Dispositions		(1,791,407)	(9,696,438)	(884,651)	(51,281)	(80,000)	(12,503,777)
Ending balance	$	10,123,078	77,483,156	2,834,449	—	49,550,274	139,990,957
Net gains (losses) in Level 3 attributable to changes in net unrealized gains (losses) relating to those investments still held at June 30, 2012	$	730,536	(2,003,829)	(70,685)	—	617,995	(725,983)

		2011					
Level 3 rollforward		**Hedge funds**	**Private equity funds**	**Real assets**	**Other nonpooled funds**	**Other assets**	**Total**
Beginning balance	$	10,481,049	51,659,159	4,224,738	78,603	47,009,284	113,452,833
Net realized and unrealized gains (losses)		792,523	13,566,853	(69,086)	(26,462)	2,082,995	16,346,823
Acquisitions		1,099,926	32,993,407	—	—	—	34,093,333
Dispositions		(1,636,819)	(26,476,238)	(455,874)	—	(80,000)	(28,648,931)
Ending balance	$	10,736,679	71,743,181	3,699,778	52,141	49,012,279	135,244,058
Net gains (losses) in Level 3 attributable to changes in net unrealized gains (losses) relating to those investments still held at June 30, 2011	$	125,319	11,158,995	(180,596)	(26,462)	2,082,995	13,160,251

(3) Investment Income

The following summarizes investment return components for the years ended June 30, 2012 and 2011:

		2012	2011
Investment income on funds held in trust by others	$	1,347,000	1,260,000
Interest and dividend income		1,576,952	1,634,150
Net realized and unrealized gains on investments and funds held in trust by others		4,434,756	52,314,440
Investment-related fees		(1,459,125)	(1,045,916)
Total investment income	$	5,899,583	54,162,674

(4) Endowments

The College's endowment consists of approximately 870 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 $283,307,789 and $284,445,507 at June 30, 2012 and 2011, 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 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) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift amount maintained as permanently restricted net assets. Deficiencies of this nature were approximately $139,800 and $96,822 as of June 30, 2012 and 2011, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions. The College interprets Pennsylvania law to allow for the aggregation of similar endowments; therefore, endowments with deficiencies are netted with gains and accounted for within temporarily restricted net assets.

(Continued)

(f) Net Asset Classifications of Endowment Funds

Net asset classification by type of endowment as of June 30, 2012:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$ —	44,058,494	107,767,936	151,826,430
Board-designated endowment funds	203,995,061	—	—	203,995,061
Total endowment assets	203,995,061	44,058,494	107,767,936	355,821,491
Annuity liabilities	—	(2,517,643)	(1,030,751)	(3,548,394)
Total endowment net assets	$ 203,995,061	41,540,851	106,737,185	352,273,097

Changes in endowment net assets for the year ended June 30, 2012:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$ 203,573,942	48,353,639	104,974,229	356,901,810
Investment return:				
Interest and dividend income	623,898	597,323	188,336	1,409,557
Net appreciation (realized and unrealized gains and losses)	1,830,106	1,997,726	292,324	4,120,156
Investment-related fees	(705,734)	(649,045)	(99,147)	(1,453,926)
Total investment return	1,748,270	1,946,004	381,513	4,075,787
Contributions	1,879,763	—	1,537,183	3,416,946
Other additions/transfers	124,788	(539,568)	—	(414,780)
Appropriation of endowment assets for expenditure	(3,331,702)	(8,219,224)	(155,740)	(11,706,666)
	$ 203,995,061	41,540,851	106,737,185	352,273,097

Net asset classification by type of endowment as of June 30, 2011:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$ —	50,704,477	105,966,871	156,671,348
Board-designated endowment funds	203,573,942	—	—	203,573,942
Total endowment assets	203,573,942	50,704,477	105,966,871	360,245,290
Annuity liabilities	—	(2,350,838)	(992,642)	(3,343,480)
Total endowment net assets	$ 203,573,942	48,353,639	104,974,229	356,901,810

Changes in endowment net assets for the year ended June 30, 2011:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning of year	$ 176,771,230	33,413,886	98,891,167	309,076,283
Investment return:				
Investment income on funds held in trust by others	1,260,000	—	—	1,260,000
Interest and dividend income	659,440	643,971	146,296	1,449,707
Net appreciation (realized and unrealized gains and losses)	25,200,537	23,283,092	3,339,292	51,822,921
Investment-related fees	(494,442)	(470,777)	(74,736)	(1,039,955)
Total investment return	26,625,535	23,456,286	3,410,852	53,492,673
Contributions	2,188,983	45,641	2,808,017	5,042,641
Other additions/transfers	840,452	(438,528)	—	401,924
Appropriation of endowment assets for expenditure	(2,852,258)	(8,123,646)	(135,807)	(11,111,711)
	$ 203,573,942	48,353,639	104,974,229	356,901,810

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

	2012	2011
Cash and cash equivalents	$ —	96,287
Investments:		
Pooled endowment investments	283,307,789	284,445,507
Life income funds	1,883,185	2,443,337
Real assets	6,613,460	7,163,582
Funds invested separately	1,607,888	1,611,351
	293,412,322	295,663,777
Funds held in trust by others	39,009,913	38,739,517
Contributions receivable, net	5,086,673	7,552,465
Settlement receivable	14,619,716	14,529,727
Property and equipment, net:		
Land and property	1,296,020	1,296,020
Rare works	2,396,847	2,367,497
	3,692,867	3,663,517
	$ 355,821,491	360,245,290

(5) Property and Equipment

As of June 30, 2012 and 2011, property and equipment at cost and accumulated depreciation are summarized as follows:

	2012	2011
Land	$ 11,344,105	11,215,155
Buildings and improvements	224,847,924	217,387,967
Leases and leasehold improvements	3,219,191	3,454,895
Furniture, equipment, and vehicles	11,379,189	11,134,638
Computers	9,406,520	8,819,857
Library books	19,981,566	18,904,491
Rare works	2,396,847	2,367,497
Construction in progress	4,327,232	2,468,600
	286,902,574	275,753,100
Less accumulated depreciation	126,086,500	117,694,241
	$ 160,816,074	158,058,859

Depreciation expense totaled $8,814,666 and $8,580,489 for the years ended June 30, 2012 and 2011, respectively.

(6) Contributions Receivable

Contributions receivable, net are summarized as follows as of June 30, 2012 and 2011:

	2012	2011
Contributions receivable expected to be collected in:		
Less than one year	$ 2,483,518	2,922,676
One year to five years	6,221,585	5,012,853
Over five years	921,597	1,826,394
	9,626,700	9,761,923
Less discount	(648,958)	(933,412)
Allowance for uncollectible contributions receivable	(337,649)	(334,851)
	$ 8,640,093	8,493,660

Contributions receivable are recorded as follows:

	2012	2011
Unrestricted	$ 4,293,785	4,823,080
Temporarily restricted	2,649,782	1,737,312
Permanently restricted	1,696,526	1,933,268
	$ 8,640,093	8,493,660

(Continued)

(7) Long-Term Debt and Lines of Credit

Long-term debt as of June 30, 2012 and 2011 consists of the following:

	2012	2011
2003 Pennsylvania Higher Education Facilities Authority Fixed Rate Revenue Bonds Series 2003 AA1, maturing annually to 2026, in principal amounts ranging from $185,000 to $1,095,000, with interest rates ranging from 2.00% to 5.25%	$ 11,080,000	11,525,000
2006 Montgomery County Higher Education and Health Authority Fixed Rate Revenue Bonds Series 2006 FF1, maturing annually to 2031, in principal amounts ranging from $45,000 to $5,220,000, with interest rates ranging from 3.60% to 5.00%	42,170,000	43,095,000
2007 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series 2007 GG1, maturing annually from 2032 to 2037, in principal amounts ranging from $3,445,000 to $4,355,000, with interest rates ranging from 4.50% to 5.00%	23,375,000	23,375,000
2008 Cumberland County Municipal Authority Fixed Rate Revenue Bonds, Series of 2008, maturing annually to 2026, in principal amounts ranging from $260,000 to $1,335,000, with interest rates ranging from 2.75% to 5.00%	16,430,000	17,335,000
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 5.00%	10,000,000	10,000,000
2009 Cumberland County Municipal Authority Multi Mode Revenue Bonds, Series 2009 Q1, maturing annually from 2037 to 2039, in principal amounts ranging from $1,570,000 to $1,765,000 (with interest at 2.75% through October 31, 2012, at which time the Bonds will either continue in the Term Mode for successive three-year periods, or be converted to a different Rate Mode at the election of the borrower)	5,000,000	5,000,000
Total long-term debt	108,055,000	110,330,000
Unamortized bond premiums, net	1,122,552	1,180,734
	$ 109,177,552	111,510,734

The bond agreements contain certain restrictive covenants, which, among other restrictions, require the pledge of certain revenues as collateral for repayment and the maintenance of a minimum level of aggregate expendable funds and a maximum level of debt service. In addition, for certain bonds, the College is required to maintain deposits with an outside trustee for the purpose of meeting scheduled debt service requirements of the respective outstanding bonds until they become due.

(Continued)

All outstanding bond issues are collateralized by a general interest in the College's revenue.

The 2003 Pennsylvania Higher Education Facilities Authority Revenue Bonds are insured for the life of the related debt by Radian Asset Assurance, Inc. The 2006 Montgomery County Higher Education and Health Authority Revenue Bonds are insured for the life of the related debt by CIFG Assurance North America, Inc. The 2007 Cumberland County Municipal Authority Revenue bonds are insured for the life of the related debt by MBIA Insurance Corporation. The 2008 and 2009 Cumberland County Municipal Authority Revenue Bonds were issued based on the creditworthiness of the College and did not require insurance.

The aggregate amount of maturities of long-term debt outstanding at June 30, 2012 is as follows:

2013	$ 2,355,000
2014	2,455,000
2015	2,570,000
2016	2,705,000
2017	2,840,000
Thereafter	95,130,000
	$ 108,055,000

The College maintains a $10,000,000 line of credit with Wells Fargo, which is due and payable by October 31, 2012, with variable interest based on LIBOR plus 80 basis points. The College also maintains a $10,000,000 line of credit with Orrstown Bank, subject to annual review, with variable interest based on the Wall Street Prime Index. At June 30, 2012 and 2011, there were no amounts outstanding on the lines of credit.

(8) Retirement and Other Benefits

(a) 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 policy with respect to its contribution is to fund 7% of employees' salaries. Expense for the years ended June 30, 2012 and 2011 under this plan was approximately $2,838,708 and $2,809,160, respectively.

(b) Postretirement Benefits

In 2010, the College announced the termination of the early retirement program as of June 30, 2011. The postretirement liability balance as of June 30, 2012 and 2011 was $305,049 and $1,691,584, respectively.

Early Retirement Program

Under the former early retirement program, eligible employees were able to choose to retire as early as age 62 and still receive benefits equal to what they would receive at age 65. Eligible employees were given the option to retire at any time from age 55 to age 62 and receive benefits reduced by 5%

for every year prior to age 62. To be eligible to participate in the early retirement program, an employee was required to be a faculty professional or an administrator, and have 10 years of employment with the College by the time age 62 was reached.

In addition, employees who elected to retire early under this program were eligible to receive three years of medical insurance, three years of paid life insurance, and a supplemental Social Security payment for four years.

A liability of $37,610 and $68,510 was recorded in postretirement benefits as of June 30, 2012 and 2011, respectively, for supplemental Social Security payments to be made over the next three years.

Phased Retirement Program

Under the voluntary phased retirement program, an eligible employee’s work schedule may be reduced to 80% of the normal workload (additional 60% option available to faculty) for a period of 1-3 years. As part of this program, College-paid health and life insurance continue based on 100% of the employee’s salary prior to the reduction in schedule. The life insurance benefit is subject to the age reduction provisions of the policy. In addition, employees are eligible to continue other benefits based on the reduced percentage of employment and salary. In order to participate in the phased retirement program, employees must provide at least three months’ notice and must have supervisory and senior officer approval. At the end of the specified phased retirement period, the employee is considered to be retired from the College.

Buy-Out Program (One-Time Option)

Eligible employees were required to retire on December 31, 2010 under the voluntary buy-out program. Employees electing this one-time option are eligible to receive College-paid health insurance for three years from the retirement date or until the employee becomes eligible for Medicare insurance, whichever occurs first. Life insurance benefits continue for three years after separation of employment based on the base salary as of July 1, 2010. The life insurance benefit is subject to the age reduction provisions of the policy. In addition, employees received one year of salary based on the base salary as of July 1, 2010. This salary was paid semimonthly from January through December 2011. Employees electing the buy-out option were required to provide six months’ notice, no later than June 30, 2010.

A liability of $267,439 and $1,623,074 was recorded in postretirement benefits as of June 30, 2012 and 2011, respectively, to accrue for employees electing to participate in the buy-out program.

(Continued)

(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, 2012:

2013	$	526,735
2014		511,987
2015		521,478
2016		533,815
2017		430,903
Thereafter		1,530,744
Total minimum lease payments		4,055,662
Less: amount representing interest		(2,136,290)
Present value of net minimum lease payments	$	1,919,372

The following is a schedule of future minimum lease payments under operating leases together with the amount of scheduled lease payments as of June 30, 2012:

2013	$	332,372
2014		318,751
2015		184,387
2016		178,762
2017		14,945
Thereafter		—

Total rental expense for all operating leases was $1,007,666 and $908,945 in 2012 and 2011, respectively.

(10) Temporarily Restricted Net Assets

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

		2012	2011
Accumulated investment gains on donor endowments subject to time restrictions under Pennsylvania law	$	41,132,118	47,203,039
Annuity funds		408,733	1,150,600
Contributions receivable		2,649,782	1,737,312
Unexpended donor-restricted funds		3,676,353	3,631,488
	$	47,866,986	53,722,439

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:

		2012	2011
Donor-contributed principal invested to support:			
Scholarship and financial aid	$	67,544,365	65,434,969
Educational and general programs		35,336,612	35,328,518
Loan funds for students		1,170,346	1,171,428
Annuity funds		1,027,965	1,144,677
Contributions receivable		1,696,526	1,933,268
	$	106,775,814	105,012,860

(12) Contingencies

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) Related-Party Transactions

The College offers a Homebuyer Program, which assists eligible employees with either the purchase of a home in a specific area or the purchase of a home for the first time. The program provides a Forgiveness Loan of up to $2,000 for closing costs and down payment assistance. It also provides a Deferred Payment Loan of up to $5,000 for additional down payment and closing cost assistance, which would be due on the sale of the house.

To be eligible, an employee must buy and occupy a single-, two-, or three-family home in the specified area or be a first-time homebuyer. The loans carry an interest rate of 0%. The balance of the homebuyer loans outstanding was $148,242 and $162,498 at June 30, 2012 and 2011, respectively.

(14) Subsequent Events

The College evaluated subsequent events through October 22, 2012, the date the financial statements were issued.

In September 2012, the College issued tax-exempt bonds with a par amount of approximately $36 million through the Cumberland County Municipal Authority at fixed rates ranging from 3% to 5% and with maturities annually beginning November 1, 2013 and ending November 1, 2042. The bonds were sold at a premium, resulting in effective yields to maturity of between 0.58% and 4.39%. The bonds were used to defease and/or refund the previously issued Series 2003A and Series 2009Q bonds, as well as to finance new capital projects and costs of issuance.

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Independent Auditors' Report on Accompanying Supplemental Schedule

The Board of Trustees
Dickinson College:

We have audited the financial statements of Dickinson College (the College) as of and for the years ended June 30, 2012 and 2011, and have issued our report separately herein dated October 22, 2012 which contained an unqualified opinion on those financial statements. Our audits were 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 22, 2012.

The supplementary information included in the 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 a whole.

KPMG LLP

October 22, 2012

DICKINSON COLLEGE

Supplemental Schedule

Year ended June 30, 2012

	Current operations	Other unrestricted	Total unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues:						
Tuition and fees	$ 103,022,139	—	103,022,139	—	—	103,022,139
Student aid	(37,392,101)	(324,264)	(37,716,365)	—	—	(37,716,365)
Net tuition and fees	65,630,038	(324,264)	65,305,774	—	—	65,305,774
Private gifts, grants, and contributions	4,016,348	1,850,413	5,866,761	4,007,938	1,537,183	11,411,882
Government grants and appropriations	653,204	1,069,666	1,722,870	—	—	1,722,870
Investment income	10,649,843	(3,091,569)	7,558,274	(1,987,536)	328,845	5,899,583
Change in split-interest and other agreements	—	119,106	119,106	(279,671)	(103,074)	(263,639)
Other revenues	685,590	1,237,788	1,923,378	—	—	1,923,378
Sales and services of auxiliary enterprises	29,397,736	—	29,397,736	—	—	29,397,736
Net assets released from restrictions	297,049	7,299,135	7,596,184	(7,596,184)	—	—
Total revenues	111,329,808	8,160,275	119,490,083	(5,855,453)	1,762,954	115,397,584
Expenses:						
Programs:						
Education and general:						
Instructional	39,668,511	4,089,840	43,758,351	—	—	43,758,351
Academic support	9,215,160	1,910,257	11,125,417	—	—	11,125,417
Student services	12,321,907	1,655,218	13,977,125	—	—	13,977,125
Research	2,146,263	981,227	3,127,490	—	—	3,127,490
Public service	573,883	355,037	928,920	—	—	928,920
Auxiliary enterprises	21,954,483	1,237,360	23,191,843	—	—	23,191,843
Institutional support	20,579,949	(648,874)	19,931,075	—	—	19,931,075
Total expenses	106,460,156	9,580,065	116,040,221	—	—	116,040,221
Change in net assets before capital items and additions to reserves	4,869,652	(1,419,790)	3,449,862	(5,855,453)	1,762,954	(642,637)
Capital items and additions to reserves	(4,869,652)	4,869,652	—	—	—	—
Change in net assets	—	3,449,862	3,449,862	(5,855,453)	1,762,954	(642,637)
Net assets:						
Beginning of year	—	255,662,468	255,662,468	53,722,439	105,012,860	414,397,767
End of year	$ —	259,112,330	259,112,330	47,866,986	106,775,814	413,755,130

See accompanying independent auditors’ report.

DICKINSON COLLEGE

Note to Supplemental Schedule

Year ended June 30, 2012

(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.