Vassar College

Financial Statements
(and Report of Independent Auditors)
June 30, 2009 and 2008

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Report of Independent Auditors

To the Board of Trustees
of Vassar College

In our opinion, the accompanying statements of financial position and the related statements of activities and of cash flows present fairly, in all material respects, the financial position of Vassar College ("Vassar") at June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of Vassar's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements 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 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, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

During 2009, as discussed in Note 1, Vassar adopted Statement of Financial Accounting Standards No. 157, "Fair Value Measurements."

PricewaterhouseCoopers LLP

October 28, 2009

Vassar College
Statements of Financial Position
June 30, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 3,806,243	$ 26,398,930
Accounts receivable, net		
Student accounts receivable	436,582	257,804
Student loans receivable	3,323,708	3,199,721
Grants receivable	362,935	288,048
Contributions receivable	26,649,774	18,532,788
Accrued investment income receivable	1,048,290	1,286,686
Inventories	733,834	655,393
Prepaid and other assets	5,496,706	4,590,794
Deposits held by trustee	12,166,603	31,115,093
Investments	704,327,354	889,814,634
Land, buildings and equipment, net	346,221,923	315,456,583
Total assets	$ 1,104,573,952	$ 1,291,596,474
Liabilities		
Accounts payable and accrued expenses	$ 18,441,681	$ 19,326,694
Deferred revenue and students' deposits	3,990,857	3,714,139
Refundable government loan funds	2,836,715	2,835,308
Present value of beneficiary payments	10,570,744	12,442,810
Deposits held for others	3,568,664	3,756,834
Long-term debt	123,995,000	125,455,000
Accrued pension obligation	8,509,318	1,420,136
Asset retirement obligation	8,601,654	8,739,827
Accrued post retirement benefit obligation	28,002,000	22,680,000
Total liabilities	208,516,633	200,370,748
Net Assets		
Unrestricted	596,990,565	799,783,509
Temporarily restricted	66,707,583	68,651,037
Permanently restricted	232,359,171	222,791,180
Total net assets	896,057,319	1,091,225,726
Total liabilities and net assets	$ 1,104,573,952	$ 1,291,596,474

The accompanying notes are an integral part of these financial statements.

Vassar College
Statement of Activities
Year Ended June 30, 2009, with Comparative Totals for 2008

	2009				2008
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Operating revenues					
Tuition and fees	$ 101,921,210	$ -	$ -	$ 101,921,210	$ 97,597,661
Room and board	18,600,085			18,600,085	18,458,189
	120,521,295	-	-	120,521,295	116,055,850
Less: Scholarships	(36,881,374)			(36,881,374)	(31,023,340)
Net tuition, fees, room and board	83,639,921	-	-	83,639,921	85,032,510
Investment return					
Interest and dividends	3,377,288	2,807,648		6,184,936	11,960,888
Realized accumulated gains used to meet spending policy	44,430,591			44,430,591	31,362,040
Government grants	2,200,778			2,200,778	2,121,060
Private gifts and grants	11,355,342	2,254,313		13,609,655	14,408,199
Other revenue	3,587,498			3,587,498	4,312,891
Auxiliary enterprises	4,687,474			4,687,474	5,165,130
Net assets released from restrictions	3,969,827	(4,247,084)	277,257	-	-
Total operating revenues	157,248,719	814,877	277,257	158,340,853	154,362,718
Operating expenses					
Instruction	72,183,069			72,183,069	67,400,712
Research	3,048,395			3,048,395	3,059,303
Academic support	18,098,615			18,098,615	17,915,942
Student services	16,169,219			16,169,219	15,810,364
Institutional support	34,315,181			34,315,181	32,304,378
Auxiliary enterprises	20,142,752			20,142,752	19,171,574
Total operating expenses	163,957,231	-	-	163,957,231	155,662,273
Change in net assets from operations	(6,708,512)	814,877	277,257	(5,616,378)	(1,299,555)
Non-operating activities					
Private gifts	2,140,965	18,044,183	9,973,406	30,158,554	11,436,796
Interest and dividends		1,401,211		1,401,211	1,866,123
Realized and unrealized losses	(144,651,643)	(19,599,626)	(632,082)	(164,883,351)	(2,632,527)
Realized gains used to meet spending policy	(44,430,591)			(44,430,591)	(31,362,040)
Terminated deferred gifts	261,270	(134,011)	(127,259)	-	-
Loss on disposal of fixed assets	(336,864)			(336,864)	(370,806)
Changes in value of deferred gifts	(221,803)	1,214,398	26,404	1,018,999	422,674
Other non-operating expense	(150,845)			(150,845)	(474,907)
Adjustment for pension benefits liabilities other than periodic benefit cost	(7,296,142)			(7,296,142)	(2,455,548)
Adjustment for postretirement benefits liabilities other than periodic benefit cost	(5,033,000)			(5,033,000)	7,146,000
Replenishment of underwater funds	(5,402,205)	5,402,205		-	
Net assets released from restrictions	9,036,426	(9,086,691)	50,265	-	-
Change in net assets from non-operating activities	(196,084,432)	(2,758,331)	9,290,734	(189,552,029)	(16,424,235)
Change in net assets	(202,792,944)	(1,943,454)	9,567,991	(195,168,407)	(17,723,790)
Net assets at beginning of year	799,783,509	68,651,037	222,791,180	1,091,225,726	1,108,949,516
Net assets at end of year	$ 596,990,565	$ 66,707,583	$ 232,359,171	$ 896,057,319	$ 1,091,225,726

The accompanying notes are an integral part of these financial statements.

Vassar College
Statement of Activities
Year Ended June 30, 2008

	2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating revenues				
Tuition and fees	$ 97,597,661	$ -	$ -	$ 97,597,661
Room and board	18,458,189			18,458,189
	116,055,850	-	-	116,055,850
Less: Scholarships	(31,023,340)			(31,023,340)
Net tuition, fees, room and board	85,032,510	-	-	85,032,510
Investment return				
Interest and dividends	9,356,402	2,604,486		11,960,888
Realized accumulated gains used to meet spending policy	31,362,040			31,362,040
Government grants	2,121,060			2,121,060
Private gifts and grants	11,440,933	2,967,266		14,408,199
Other revenue	4,312,891			4,312,891
Auxiliary enterprises	5,165,130			5,165,130
Net assets released from restrictions	2,861,782	(2,790,508)	(71,274)	-
Total operating revenues	151,652,748	2,781,244	(71,274)	154,362,718
Operating expenses				
Instruction	67,400,712			67,400,712
Research	3,059,303			3,059,303
Academic support	17,915,942			17,915,942
Student services	15,810,364			15,810,364
Institutional support	32,304,378			32,304,378
Auxiliary enterprises	19,171,574			19,171,574
Total operating expenses	155,662,273	-	-	155,662,273
Change in net assets from operations	(4,009,525)	2,781,244	(71,274)	(1,299,555)
Non-operating activities				
Private gifts	1,278,116	4,405,536	5,753,144	11,436,796
Interest and dividends		1,866,123		1,866,123
Realized and unrealized gains (losses)	(551,743)	(1,760,576)	(320,208)	(2,632,527)
Realized gains used to meet spending policy	(31,362,040)			(31,362,040)
Terminated deferred gifts	1,046,349	(1,419,557)	373,208	-
Loss on disposal of fixed assets	(370,806)			(370,806)
Changes in value of deferred gifts	(139,320)	(142,872)	704,866	422,674
Other non-operating expense	(474,907)			(474,907)
Adjustment for pension benefits liabilities other than periodic benefit cost	(2,455,548)			(2,455,548)
Adjustment for postretirement benefits liabilities other than periodic benefit cost	7,146,000			7,146,000
Net assets released from restrictions	12,523,048	(12,545,518)	22,470	-
Change in net assets from non-operating activities	(13,360,851)	(9,596,864)	6,533,480	(16,424,235)
Change in net assets	(17,370,376)	(6,815,620)	6,462,206	(17,723,790)
Net assets at beginning of year	817,153,885	75,466,657	216,328,974	1,108,949,516
Net assets at end of year	$ 799,783,509	$ 68,651,037	$ 222,791,180	$ 1,091,225,726

The accompanying notes are an integral part of these financial statements.

Vassar College
Statements of Cash Flows
Years Ended June 30, 2009 and 2008

	2009	2008
Cash flows from operating activities		
Change in net assets	$ (195,168,407)	$ (17,723,790)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	17,781,373	15,313,948
Accretion on asset retirement obligations	436,991	447,380
Loss on disposal of fixed assets	336,864	370,806
Government loan cancellations	-	5,058
Present value of beneficiary payments	(1,872,066)	(1,048,298)
Investment income on life income and annuity agreements	(797,307)	(1,072,978)
Payments to beneficiaries	1,650,373	1,698,603
Non-operating contributions	(20,276,231)	(15,885,139)
Gifts in kind	(1,947,762)	(295,562)
Realized and unrealized losses (gains) on investments	164,883,351	2,632,527
Changes in assets and liabilities that provide (use) cash:		
Accounts receivable	(286,774)	(209,642)
Contributions receivable	(9,307,376)	3,087,738
Accrued investment income receivable	238,396	957,630
Inventories	(78,440)	65,722
Prepaid and other assets	(905,912)	279,181
Accounts payable and accrued expenses	(3,674,875)	(3,032,036)
Deferred revenue and students' deposits	276,718	(337,610)
Deposits held for others	(188,170)	(411,848)
Asset retirement obligation	(575,164)	(655,161)
Accrued pension obligation	7,089,182	2,781,566
Accrued post retirement benefit obligation	5,322,000	(6,327,922)
Net cash used in operating activities	(37,063,236)	(19,359,827)
Cash flows from investing activities		
Purchases of land, buildings and equipment	(45,835,418)	(35,236,918)
Use of deposits held by trustee	18,948,490	11,010,987
Proceeds from sale of land, buildings and equipment	1,689,464	1,081,133
Proceeds from student loans collections	387,919	437,787
Student loans issued	(478,797)	(733,639)
Purchases of investments	(254,098,944)	(519,947,711)
Proceeds from sales and maturities of investments	277,672,310	556,799,041
Net cash provided by investing activities	(1,714,976)	13,410,680
Cash flows from financing activities		
Investment in endowment	9,697,449	7,353,668
Investment in long-lived assets	8,692,714	7,067,609
Investment in life income agreements	107,021	1,463,862
Investment income on life income and annuity agreements	797,307	1,072,978
Payments to beneficiaries	(1,650,373)	(1,698,603)
(Decrease) increase in refundable government loan funds	1,407	(17,365)
Payments on long-term debt	(1,460,000)	-
Net cash provided by financing activities	16,185,525	15,242,149
Net increase in cash and cash equivalents	(22,592,687)	9,293,002
Cash and cash equivalents, beginning of year	26,398,930	17,105,928
Cash and cash equivalents, end of year	$ 3,806,243	$ 26,398,930
Supplemental data		
Interest paid	$ 5,780,646	$ 4,062,510
Noncash investing activities		
Gifts in kind	$ 1,947,762	$ 295,562
Purchases of capital assets included in accounts payable	$ 2,789,862	$ 3,802,984
Contributed securities		
Contributions for endowment	$ 617,272	$ 2,648,169
Contributions for long lived assets	$ 924,343	$ 483,102
Contributions for life income agreements	$ 237,432	$ 919,851
Contributions for unrestricted use	$ 1,190,390	$ 2,182,234

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

Organization
Vassar College (the "College") was founded in 1861 and is a coeducational, independent, liberal arts college located in Poughkeepsie, New York.

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

Resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into the following categories:

- *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 investment return on these assets. Such assets primarily include the College's permanent endowment funds.

- *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.

- *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 by contractual agreements with outside parties.

Unconditional contributions are recognized as contributions receivable at their estimated net present value when pledged. Contributions and investment return with donor-imposed restrictions are reported as permanently or temporarily restricted revenues and net assets. Temporarily restricted net assets are reclassified to unrestricted net assets when an expense is incurred that satisfies the donor-imposed restriction. Temporarily restricted contributions and investment return received and expended for the restricted purpose in the same fiscal year are recorded as unrestricted revenues. Expenses are generally reported as decreases in unrestricted net assets.

Contributions restricted for the acquisition of land, buildings and equipment are reported as temporarily restricted revenues. These contributions are reclassified to unrestricted net assets upon acquisition of the assets or when the assets are placed in service.

Non-operating activities include contributions to be used for facilities and equipment or to be invested by the College to generate a return that will support operations. Non-operating activities also include the realized and unrealized gains/losses net of spending policy for the year, the adjustment for pension and postretirement benefit liabilities other than periodic benefit cost, changes in deferred gifts as well as investment income on deferred gifts and gifts to support land, buildings and equipment.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. The College's significant estimates include the valuation of its investments, its valuation of contribution receivables, recognition of its pension and postretirement benefit obligations and other accruals for expenses incurred which will be settled in the future. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents representing operating funds include short-term, highly liquid investments with a maturity of three months or less at the time of purchase. Cash and cash equivalents are reported at cost which approximates fair value.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with realized and unrealized gains and losses included in the statement of activities. Realized gains and losses on the sale of the College's investments are based upon the average cost of the investment. All investment transactions are recorded on a trade date basis.

Risks and Uncertainties

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term could materially affect the amounts reported in the statement of financial position and the statement of activities.

Plan contributions and the actuarial present value of accumulated plan benefits for the pension and postretirement obligations are estimated based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

Valuation

During 2009, the College adopted Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under SFAS 157 as the exchange price that would be received for an asset, or 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 on the measurement date.

Receivables

The College extends credit to students in the form of accounts receivable and loans for educational purposes.

At June 30, 2009 and 2008, student accounts receivable are net of an allowance for doubtful accounts of $109,146 and $64,500, and student loans receivable are net of an allowance for doubtful accounts of $256,815 and $290,000, respectively.

It is not practicable to determine the fair value of student loan receivables because they are primarily federally sponsored student loans with U.S. government mandated interest rates and repayment terms, and are subject to significant restrictions as to their transfer or disposition.

Contributions Receivable
Contributions receivable are as follows:

	2009	2008
Within one year	$ 183,762	$ 2,831,732
One to five years	29,091,707	15,529,302
Over five years	193,300	2,787,329
	29,468,769	21,148,363
Less: Present value discount	(2,494,670)	(2,372,742)
Allowance for uncollectable pledges	(324,325)	(242,833)
	$ 26,649,774	$ 18,532,788

Conditional pledges and bequest intentions totaling approximately $48,000,000 have been excluded from these amounts and are not recorded in the financial statements.

Inventories
Inventories are valued at the lower of cost, based upon the first-in, first-out method, or market. Inventories consist primarily of items used in food preparation, health services, computer related items for sale on campus, and fuel oil stores.

Land, Buildings and Equipment
Land, buildings and equipment are recorded at cost, or if donated, at estimated fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Land improvements	10 years
Buildings	50 years
Building improvements	10 years
Equipment	7 years
Computer equipment	4 years
Library books	10 years

Works of art, historical treasures and similar assets have been recognized at their estimated fair value based upon appraisals or similar valuations at the date of acquisition or donation.

Depreciation is partially funded each year by the College through the budget process. Remaining depreciation expense is unfunded.

When an asset retirement obligation is identified, the College records the fair value of the obligation as a liability. The fair value of the obligation is also capitalized as part of land, buildings, and equipment and then amortized over the estimated remaining useful life of the associated asset.

Deferred Gift Arrangements
The College’s deferred gift arrangements with donors consist of irrevocable charitable remainder trusts, charitable gift annuities and pooled income funds for which the College is the remainder beneficiary. Assets held in these trusts are included in investments and recorded at their fair value when received. The value of these assets included in investments at June 30, 2009 and 2008 was approximately $23,822,000 and $35,819,000 respectively. Contribution revenues are recognized at the dates the trusts are established net of the liabilities for the present value of the estimated future payments to be made to the donors and/or other beneficiaries. The liabilities are adjusted during the term of the trusts for changes in the value of the assets, accretion of the discount and other

changes in the estimates of future benefits. The liability for the present value of deferred gifts is based upon actuarial estimates and assumptions regarding the duration of the arrangements and the assumed discount rate. Discount rates range from 2.76% to 6.0% as of the date of the gift. Circumstances affecting these assumptions can change the estimate of this liability in future periods.

Workers Compensation
The College recognizes a workers compensation liability for future payments for current and prior years' claims. The liability is based on estimated future payments discounted to present value.

Endowment and Similar Funds
Included in investments are assets of the College's endowment and similar funds. These institutional funds are invested in perpetuity to produce income to support operations of the College. Investment guidelines are set under the direction of the Investments Committee of the Board of Trustees with the objective to enhance the real market value of the portfolio while providing a relatively predictable and growing stream of revenue to the College's operating budget. The majority of the endowment and similar funds are unitized and invested in a consolidated pool. Non-consolidated endowed funds are invested separately. Consolidated funds are added to or withdrawn from the pool at the unit fair value of the fund at the beginning of the quarter in which the transaction occurred.

The following information is pertinent to the College's endowment and similar funds at June 30:

	2009	2008
Fair value of investments	$ 680,153,562	$ 853,643,854
Income utilized for operations	50,615,527	43,322,928
Number of units	10,050,404	10,044,461
Fair value per unit	65.49	84.99
Spending rate per unit	3.76	3.63
Yield per unit	0.57	1.14
Realized gains used to meet approved spending policy	44,430,591	31,362,040

Spending from Endowment Funds
The College has adopted a "total return" policy for endowment spending. This approach considers current yield (primarily interest and dividends) as well as the net appreciation in the fair value of investments when determining a spending amount. Under this policy, the Board of Trustees establishes a spending rate which is then applied to the average fair value of investments. Current yield is recorded as revenue and the difference between current yield and the spending rate produces the use of realized gains spent under the total return formula.

Annually, as part of the College's operating and capital budget plans, the Board approves a spending rate for endowment units. The guideline is to increase per unit spending annually based on the consumer price index, lagged one year, plus 1% provided that the resulting rate does not exceed 5.5% nor fall below 4.5% of the trailing 12-quarter average market value of the fund, lagged one year. For fiscal year 2008/09 the Board approved total endowment spending of up to $50,740,000 of which $12,645,000 represents a supplemental draw above per unit spending.

Internal Revenue Code status
The College has been granted tax-exempt status as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code.

Asset Retirement Obligation
The College accounts for its asset retirement obligation in accordance with SFAS No. 143, "Accounting for Asset Retirement Obligations" and FAS Interpretation No. 47 (FIN 47), "Accounting for Conditional Asset Retirement Obligations – An Interpretation of FASB Statement No. 143." The College accrues for asset retirement obligations in the period in which they are incurred if sufficient information is available to reasonably estimate the fair value of the obligation. Over time, the liability is accreted to its estimated settlement value. Upon settlement of the liability, the College will recognize a gain or loss for any difference between the settlement amount and the liability recorded.

Reclassifications
Certain reclassifications within balance sheet categories in the statement of financial position have been made to 2008 amounts to conform to the 2009 presentation.

2. Financial Instruments

Investments
Investments consist of the following as of June 30:

	2009	2008
Short-term investments (a)	$ 16,797,181	$ 19,079,076
Fixed income-bonds	71,759,322	63,108,970
Marketable real estate (b)	2,597,534	4,279,843
Equity investments:		
U.S. stocks	160,135,258	233,464,228
International stocks	143,415,254	203,325,819
Hedge funds (c)	179,567,483	203,034,049
Real estate, oil and gas partnerships	71,287,354	78,786,807
Venture capital/private placements	48,718,180	60,112,148
Institutional mutual fund (d)	8,383,806	22,607,381
Balanced accounts (e)	1,665,982	2,016,313
Total	$ 704,327,354	$ 889,814,634

(a) Consists of amounts temporarily invested in money market instruments, commercial paper, and cash management funds.

(b) Consists of real estate investment trusts and other real estate investments.

(c) Consists of investments in limited partnerships with managers of long and short positions in U.S. and international stocks and bonds, often through offshore fund companies.

(d) Consists of a fund investing in commodities, including derivative securities related to commodities, and fixed income.

(e) Consists of amounts invested in equity and fixed income mutual funds.

The College is committed, under certain limited partnership agreements, to advance an additional $48,390,000 for real estate, oil, and gas investments as well as an additional $49,426,000 for venture capital and private placement investments over a 5 year period.

Total dividends, interest and realized and unrealized gains and losses reflected as both operating and non-operating activities are as follows for the years ended June 30:

	2009	2008
Dividends and interest	$ 7,586,147	$ 13,827,011
Realized (losses) gains	(27,728,053)	94,788,479
Unrealized losses	(137,155,298)	(97,421,006)
Total return	$ (157,297,204)	$ 11,194,484

SFAS 157 establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the reporting entity and unobservable inputs reflect the entity's own assumptions about how market participants would value an asset or liability based on the best information available. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The fair value of the College's investments is determined in the following manner:

Investments	Fair Value
Short-term investments consisting principally of money market instruments, commercial paper, and cash management funds	At quoted market value which approximates cost
Equity securities, debt securities, mutual funds, shares in real estate investment trusts and other publicly traded securities	At quoted market value
Privately held partnerships, including alternative investments such as private equity and hedge fund limited partnerships	Estimated fair value determined by the general partner

The following table presents the College's investments utilizing the SFAS 157 valuation hierarchy defined below:

	Level 1	Level 2	Level 3	Total
Short-term investments	$ 16,797,181	$ -	$ -	$ 16,797,181
Fixed income-bonds	57,143,358	-	14,615,964	71,759,322
Marketable real estate	2,364,807	-	232,727	2,597,534
Equity investments:				
U.S. stocks	83,835,761	46,070,530	30,228,967	160,135,258
International stocks	33,988,738	109,426,516	-	143,415,254
Hedge funds	-	-	179,567,483	179,567,483
Real estate, oil and gas partnerships	-	-	71,287,354	71,287,354
Venture capital/private placements	-	-	48,718,180	48,718,180
Institutional mutual fund	-	-	8,383,806	8,383,806
Balanced accounts	1,665,982	-	-	1,665,982
Total	$ 195,795,827	$ 155,497,046	$ 353,034,481	$ 704,327,354

Fair value for Level 1 is based upon quoted prices in active markets that the College has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets.

Fair value for Level 2 is based on quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers. These assets consist of commingled fund investments that the College can enter and exit regularly, with underlying fund assets that are priced in exchange or dealer markets. Approximately 89% of the underlying investments held by these funds consist of marketable securities and 11% are securities that do not have readily determinable fair values.

Fair value for Level 3, is based on valuation techniques that use significant inputs that are unobservable as they trade infrequently or not at all. Investments included in Level 3 consist of the College's ownership in alternative investments, principally limited partnership interests in hedge, private equity, real estate, and other similar funds. The value of certain alternative investments represents the ownership interest in the net asset value (“NAV”) of the respective partnership. Approximately 7.5% of investments held by the partnerships consist of marketable securities and 92.5% are securities that do not have readily determinable fair values. The fair values of the securities held by limited partnerships that do not have readily determinable fair values are determined by the general partner and are based on appraisals, or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the general partner taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate.

The College does not adjust the quoted price for any of its investment assets or liabilities. The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the College believes its valuation methods are appropriate and consistent with methods used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following table summarizes the change in value of those investments within Level 3 of the fair value hierarchy defined above:

	Beginning	Net Purchases Sales, Settlements	Realized Gain (Loss)	Unrealized Gain (Loss)	Net Transfers	Ending
Short-term investments	$ -	$ -	$ -	$ -	$ -	$ -
Fixed income-bonds	-	155,952	286,284	1,673,728	12,500,000	14,615,964
Marketable real estate	232,727	-	-	-	-	232,727
Equity investments:						
U.S. stocks	37,500,000	-	-	(7,271,033)	-	30,228,967
International stocks	-	-	-	-	-	-
Hedge funds	203,034,049	(60,377)	(654,733)	(14,551,456)	(8,200,000)	179,567,483
Real estate, oil and gas partnerships	78,786,807	(813,000)	1,650,065	(11,836,518)	3,500,000	71,287,354
Venture capital/private placements	60,112,148	55,686	1,471,960	(17,421,614)	4,500,000	48,718,180
Institutional mutual fund	22,607,381	-	-	(8,923,575)	(5,300,000)	8,383,806
Balanced accounts	-	-	-	-	-	-
Total	$ 402,273,112	$ (661,739)	$ 2,753,576	$ (58,330,468)	$ 7,000,000	$ 353,034,481

3. Land, Buildings and Equipment

Land, buildings and equipment consist of the following as of June 30:

	2009	2008
Land	$ 2,054,487	$ 2,087,427
Land improvements	22,921,768	17,952,036
Buildings and improvements	342,523,397	327,501,429
Equipment (including computers)	68,186,836	65,072,996
Library books	42,862,217	40,460,781
Art works and collectibles	43,996,763	42,077,399
Construction in progress	30,799,459	9,764,816
	553,344,927	504,916,884
Less: Accumulated depreciation	(207,123,004)	(189,460,301)
	$ 346,221,923	$ 315,456,583

Depreciation expense for the years ended June 30, 2009 and 2008 was $17,781,373 and $15,313,948, respectively.

The Board of Trustees approved a capital budget of $10,895,000 for construction projects in fiscal year 2010. This amount may include project completion costs and retainage that will be paid in the 2010-11 fiscal year.

4. Long-Term Debt

On April 18, 2007, the College entered into an agreement with the Dormitory Authority of the State of New York, which provided for the issuance of $125,455,000 Vassar College Revenue Bonds, Series 2007. A portion of the proceeds, were deposited into trustee escrow accounts to defease the Vassar College Revenue Series 1995 and 2001 Bonds. A portion was received by the College to pay certain costs associated with the issuance and the remaining amount was deposited into a trustee escrow account to be used for capital renovations and improvements to various facilities throughout the College's campus. The funds are invested in United States Treasury obligations, which will provide for future payments of all interest, principal and call premiums on the defeased bonds. In order to meet these future obligations, the amount deposited in escrow was greater than the par value of the defeased bonds. Neither the assets of the trustee escrow account nor the outstanding defeased issues are included in the accompanying statement of financial position. The decision to defease both prior year bonds was based on current market conditions and the future savings over the life of the bonds for the College.

The Dormitory Authority of the State of New York requires the College to establish certain reserve funds. As of June 30, included in the caption "deposits held by trustee", are the following:

	2009	2008
Dormitory Authority of the State of New York:		
Construction Fund	$ 7,673,973	$ 26,599,979
Debt Service Reserve	4,376,330	4,400,036
Debt Issuance Reserve	116,300	115,078
	$ 12,166,603	$ 31,115,093

In addition, the Dormitory Authority of the State of New York requires the College to maintain certain liquidity ratios.

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

	2009	2008
Dormitory Authority of the State of New York Revenue Bonds, Series 2007, maturing in 2046, with interest ranging from 4% to 5%. Bonds are general obligations of the College.	$ 123,995,000	$ 125,455,000

Principal maturities on the long-term debt are as follows as of June 30, 2009:

2010	$ 1,515,000
2011	1,575,000
2012	1,645,000
2013	1,730,000
2014	1,815,000
Thereafter	115,715,000
	$ 123,995,000

Interest expense for the years ended June 30, 2009 and 2008 was $5,751,446 and $5,780,646, respectively.

Management believes that the fair value of the College's long-term debt at June 30, 2009 and 2008 approximates $123,780,000 and $116,463,000, respectively.

Line of Credit
The College maintains a line of credit for $10,000,000 which was unused as of June 30, 2009 and 2008. As of June 30, 2009 and 2008, $949,000 in standby letters of credit was outstanding.

5. Employee Benefits – Pension Plan

Retirement benefits for substantially all full-time employees are provided under defined contribution programs with Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF) and Fidelity Investments. The College makes monthly contributions to TIAA-CREF and Fidelity based on eligible employees' earnings and age. Contributions for the years ended June 30, 2009 and 2008 totaled approximately $7,093,000 and $6,610,000 respectively.

Retirement benefits for secretarial, clerical and technical employees were provided under a defined benefit plan until December 31, 1983. However, since 1984, these employees have participated in the previously described defined contribution plans through TIAA-CREF and Fidelity.

Retirement benefits for service, auxiliary and security employees are provided under a defined benefit plan. The College contribution for the year ended June 30, 2009 was $1,000,000. No contribution was made during the year ended June 30, 2008 due to the overfunded status of the plan. Based on the current funding level, the College anticipates making a contribution of at least $2,000,000 in 2010.

The following table sets forth information related to the College's defined benefit pension plan:

	2009	2008
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 21,177,667	$ 21,509,775
Service cost	569,999	634,372
Interest cost	1,389,551	1,307,590
Plan amendment	891,824	-
Benefits paid	(1,082,227)	(1,085,047)
Actuarial (gain) loss	584,543	(1,189,023)
Benefit obligation at end of year	$ 23,531,357	$ 21,177,667
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 19,757,531	$ 22,871,205
Actual return on plan assets	(4,653,265)	(2,028,627)
Employer contributions	1,000,000	-
Benefits paid	(1,082,227)	(1,085,047)
Fair value of plan assets at end of year	15,022,039	19,757,531
Funded status at June 30	$ (8,509,318)	$ (1,420,136)
Net amounts recognized in statement of financial position:		
Net amount recognized	$ (8,509,318)	$ (1,420,136)
Amounts recognized in unrestricted net assets:		
Net prior service cost	$ 2,640,386	$ 2,091,192
Net actuarial loss	$ 11,475,784	$ 4,728,836

The estimated net prior service cost and net actuarial loss for the defined benefit pension plan that will be amortized into net periodic benefit costs over the next fiscal year are $342,630 and $660,105, respectively.

The accumulated benefit obligation for the defined benefit pension plan was $23,531,357 and $21,177,667 as of June 30, 2009 and 2008, respectively.

Components of net periodic benefit cost for the years ended June 30 are as follows:

	2009	2008
Service cost	$ 569,999	$ 634,372
Interest cost	1,389,551	1,307,590
Expected return on plan assets	(1,626,031)	(1,894,043)
Amortization of prior service cost	342,630	278,099
Recognized actuarial loss	116,891	-
Net periodic benefit cost	$ 793,040	$ 326,018

The weighted average rates forming the basis of net periodic benefit cost and amounts recognized in the College's statement of financial position at June 30 are as follows:

	2009	2008
Benefit obligations		
Discount rate	6.20%	6.80%
Rate of compensation increase	4.00%	4.00%
Net periodic benefit cost		
Discount rate	6.80%	6.25%
Expected return on plan assets	8.50%	8.50%
Rate of compensation increase	4.00%	4.00%

Other changes in plan assets and benefit obligations recognized in unrestricted net assets for the years ended June 30 are as follows:

	2009	2008
Prior service cost arising during period	$ 891,824	$ -
Net actuarial loss	6,863,839	2,733,647
Amortization of prior service cost	(342,630)	(278,099)
Amortization of actuarial loss	(116,891)	-
Total recognized in non-operating activities	$ 7,296,142	$ 2,455,548

The discount rate as of June 30, 2008 was used to estimate the benefit obligation as of that date, and the periodic benefit cost expense for 2009. The discount rate as of June 30, 2009 was used to estimate the benefit obligation as of that date, and will be used to estimate the annual expense for 2010.

The expected long-term rate of return assumption represents the expected average rate of return or earnings on funds invested or to be invested to provide for the benefits included in the benefit obligations. This assumption is based on a number of factors, including historical market index returns, the anticipated long-term asset allocation of the plan, historical plan return data, plan expenses and the potential to out-perform market index returns.

The expected benefit payments from the Plan are as follows:

June 30, 2010	$	1,304,000
June 30, 2011		1,344,000
June 30, 2012		1,412,000
June 30, 2013		1,476,000
June 30, 2014		1,522,000
Succeeding 5 years		8,459,000

Defined Benefit Plan Investment Policy

The Committee on Investments of the Board of Trustees directs the investment of Plan assets. The Committee has established a formal investment policy for the Plan the goal of which is to generate a long-term real rate of return of 5.5% - 6.0% while sustaining moderate levels of risk. Target weightings for asset class in the investment policy have been established based upon long-term expected real rates of return and correlation of returns as developed by the College's investment consultant and staff. These target weightings, bounded by allowable ranges, are expected to allow the Plan assets to meet its objectives over the long-term with respect to investment return, volatility, and liquidity.

Target and actual weightings for each asset class in the Plan are as follows:

Asset Mix	2009 Target	Actual June 30 2009	Actual June 30 2008
Equities	60%	60%	66%
Fixed income	30%	29%	23%
Real estate	10%	9%	9%
Other	-	2%	2%
	100%	100%	100%

6. Employee Benefits – Postretirement Health Insurance

The College provides postretirement medical benefits for certain retirees and employees. The cost of postretirement benefits is accrued as earned during an employee's service with the College.

The plan was amended effective June 30, 2008, as follows:

- Faculty and administrators hired after July 1, 2008 will not be covered by the current plan.
- Faculty and administrators who retired on or after January 1, 2000 and before January 1, 2010, and participate in the current postretirement medical plan, will pay 10% of the premium beginning January 1, 2010.
- All faculty and administrators who retire on or after January 1, 2010, will pay 15% of the premium at age 65 or older.
- The eligibility for medical benefits will change for retirements on or after January 1, 2010 from age 55 with 10 years of service earned after age 45 to age 60 with 10 years of service earned after age 50. By existing policy, those retiring prior to age 65 must pay 100% of the premium until their enrollment in Medicare.

These changes resulted in a decrease in benefit obligation of $6,903,000 for the fiscal year ended June 30, 2008. In addition, the change in eligibility described above triggered a curtailment which resulted in a reduction of $1,456,000 of prior service cost which was recognized in operating expenses for the fiscal year ended June 30, 2008.

The following table presents the postretirement medical plan's funded status and amounts recognized in the financial statements. The calculations were based upon data as of July 1, 2009 and 2008, the latest available actuarial valuation date.

	Postretirement Benefits	
	2009	**2008**
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 22,680,000	$ 29,008,000
Service cost	1,256,000	1,511,000
Interest cost	1,612,000	1,778,000
Plan participants' contributions	181,000	196,000
Plan amendments	-	(6,903,000)
Retiree drug subsidy receipts	(195,000)	177,000
Special termination benefits	-	148,000
Benefits paid	(1,447,000)	(1,336,000)
Actuarial (gain) loss	3,915,000	(1,899,000)
Benefit obligation at end of year	$ 28,002,000	$ 22,680,000
Change in plan assets:		
Fair value of plan assets at beginning of year	$ -	$ -
Retiree drug subsidy receipts	(195,000)	177,000
Employer contributions	1,461,000	963,000
Plan participants' contributions	181,000	196,000
Benefits paid	(1,447,000)	(1,336,000)
Fair value of plan assets at end of year	$ -	$ -
Reconciliation of funded status and total amount recognized		
Funded status at June 30	$ (28,002,000)	$ (22,680,000)
Amounts recognized in statement of financial position:		
Net amount recognized	$ (28,002,000)	$ (22,680,000)
Amounts recognized in unrestricted net assets		
Net prior service cost	$ 6,097,000	$ 8,021,000
Net actuarial loss	$ 10,456,000	$ 7,347,000

The estimated net prior service credit and net actuarial loss for the postretirement plan that will be amortized into net periodic benefit cost over the next fiscal year are $1,924,000 and $945,000, respectively.

The College funds its postretirement medical benefits on a cash basis. The College's contributions in the next fiscal year are anticipated to be $1,300,000.

	2009	2008
Components of net periodic benefit cost		
Service cost	$ 1,256,000	$ 1,511,000
Interest cost	1,612,000	1,778,000
Amortization of prior service cost	(1,924,000)	(864,000)
Recognized actuarial loss	806,000	664,000
Net periodic benefit cost	1,750,000	3,089,000
Cost of special/contractual termination benefits	-	148,000
Curtailment	-	(1,456,000)
Total post retirement benefit cost	$ 1,750,000	$ 1,781,000

Other changes in plan assets and benefit obligations recognized in unrestricted net assets for the years ended June 30 are as follows:

	2009	2008
Net prior service credit	$ -	$ (6,903,000)
Net actuarial (gain) loss	3,915,000	(1,899,000)
Amortization of:		
prior service credit	1,924,000	864,000
actuarial gain	(806,000)	(664,000)
Prior service credit recognized due to curtailment	-	1,456,000
Total recognized in non-operating activities	$ 5,033,000	$ (7,146,000)

The estimated future benefit payments and expected contributions are as follows:

	Gross	Medicare Subsidy	Net
June 30, 2010	$ 1,473,000	$ 200,000	$ 1,273,000
June 30, 2011	1,592,000	226,000	1,366,000
June 30, 2012	1,700,000	248,000	1,452,000
June 30, 2013	1,820,000	272,000	1,548,000
June 30, 2014	1,944,000	297,000	1,647,000
Succeeding 5 years	12,157,000	1,880,000	10,277,000

Assumed health care cost trend rates have a significant effect on the amounts reported for the postretirement benefit plan. Assumed health care cost trends for the years ended June 30, 2009 and 2008 were 9.5% in 2007-08, decreasing by 0.75% per year to 6.50% in 2011-12, and then decreasing by 0.5% per year to an ultimate rate of 5.0% in 2014-15.

A one-percentage-point change in the assumed health care cost trend rates would have the following effect at June 30:

	2009	2008
Effect of 1% increase in health care cost trend rate		
Change in aggregate of current service cost and interest cost	$ 485,000	$ 680,000
Change in accumulated postretirement benefit obligation	3,825,000	2,952,000
Effect of 1% decrease in health care cost trend rate		
Change in aggregate of current service cost and interest cost	(398,000)	(539,000)
Change in accumulated postretirement benefit obligation	(3,222,000)	(2,556,000)

The subsidy related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act") has been recognized assuming that the College will continue to provide a prescription drug benefit to retirees in the PPO plan that is at least actuarially equivalent to Medicare Part D and that the College will receive the federal subsidy. The liabilities shown reflect the employer subsidy.

The weighted average rates forming the basis of net periodic benefit cost and amounts recognized in the College's statement of financial position were as follows:

	2009	2008
Benefit obligations		
Discount rate	6.30%	6.80%
Net periodic benefit cost		
Discount rate	6.80%	6.25%

7. Endowments

During 2009, the College adopted FASB Staff Position FAS 117-1, "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for all Endowment Funds" (FSP 117-1). FSP 117-1 requires enhanced disclosures about an institution's endowment funds.

The College endowment consists of approximately 900 individual donor-restricted endowment funds and 100 board-designated endowment funds for a variety of purposes. Pledges receivable and split interest agreements that have been designated for endowment are not treated as part of the endowment until funds are received. The 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.

The Board of Trustees has interpreted New York's Uniform Management of Institutional Funds Act ("UMIFA") as requiring the preservation of the original gift value as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, 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) income reinvested at the direction of the donor. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as either temporarily restricted net assets, for endowments that are purpose restricted, until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UMIFA, or as unrestricted net assets for expenditures that have no spending restrictions. The College considers the following factors in making a determination to appropriate or accumulate endowment funds:

(1) The duration and preservation of the fund

(2) The purposes of the College and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the College

(7) The investment policies of the College.

The College had the following endowment activities during the year ended June 30, 2009 delineated by net asset class and donor-restricted versus Board-designated funds:

Endowment net asset composition by type of fund as of June 30, 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ 220,442,784	$ 29,302,768	$ 224,862,306	$ 474,607,858
Funds functioning as endowment	183,631,134	-	-	183,631,134
Adjustment for underwater funds	(5,577,120)	5,577,120	-	-
Total endowment funds	$ 398,496,798	$ 34,879,888	$ 224,862,306	$ 658,238,992

Changes in endowment net assets for the year ended June 30, 2009:

	2009			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net endowment assets, June 30, 2008	$ 589,834,181	$ 44,489,713	$ 214,038,952	$ 848,362,846
Gifts and transfers				
Gifts received	160,909	-	10,153,813	10,314,722
Transfers and gifts further designated	2,060,563	-	619,276	2,679,839
Investment return				
Net losses	(143,769,939)	(15,012,030)	-	(158,781,969)
Amounts appropriated for spending	(44,430,591)	-	-	(44,430,591)
Income reinvested	43,880	-	50,265	94,145
Underwater endowment				
Current year appropriation of funds to cover permanent endowments where fair value is less than historic dollar value	(5,402,205)	5,402,205	-	-
Net endowment assets, June 30, 2009	$ 398,496,798	$ 34,879,888	$ 224,862,306	$ 658,238,992

The components of permanently and temporarily restricted endowment net assets as of June 30, 2009 are as follows:

	Permanently Restricted	Temporarily Restricted	Total
Instruction	$ 72,935,914	$ 12,271,792	$ 85,207,706
Academic support	20,289,624	2,942,488	23,232,112
Student services	2,269,951	1,171,675	3,441,626
Institutional support	4,403,324	96,464	4,499,788
Operations and maintenance	4,314,217	970,754	5,284,971
Scholarships and fellowships	76,057,484	11,758,271	87,815,755
Other	44,591,792	91,324	44,683,116
Underwater endowment coverage	-	5,577,120	5,577,120
Total	$ 224,862,306	$ 34,879,888	$ 259,742,194

Endowment net asset composition by type of fund as of June 30, 2008:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ 331,375,870	$ 44,314,798	$ 214,038,952	$ 589,729,620
Funds functioning as endowment	258,633,226	-	-	258,633,226
Adjustment for underwater funds	(174,915)	174,915	-	-
Total endowment funds	$ 589,834,181	$ 44,489,713	$ 214,038,952	$ 848,362,846

Changes in endowment for the year ended June 30, 2008:

	2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net endowment assets, June 30, 2007	$ 605,212,430	$ 44,056,305	$ 205,393,246	$ 854,661,981
Gifts and transfers				
Gifts received	444,617	-	6,909,051	7,353,668
Transfers and gifts further designated	9,435,154	-	1,714,184	11,149,338
Investment return				
Net gains (losses)	6,244,202	258,493	-	6,502,695
Amounts appropriated for spending	(31,362,040)	-	-	(31,362,040)
Income reinvested	34,733	-	22,471	57,204
Underwater endowment				
Current year appropriation of funds to cover permanent endowments where fair value is less than historic dollar value	(174,915)	174,915	-	-
Net endowment assets, June 30, 2008	$ 589,834,181	$ 44,489,713	$ 214,038,952	$ 848,362,846

The components of permanently and temporarily restricted endowment net assets as of June 30, 2008 are as follows:

	Permanently Restricted	Temporarily Restricted	Total
Instruction	$ 69,347,870	$ 19,780,671	$ 89,128,541
Academic support	20,009,919	3,643,952	23,653,871
Student services	1,779,080	1,865,769	3,644,849
Institutional support	4,290,215	181,831	4,472,046
Operations and maintenance	4,222,501	1,705,850	5,928,351
Scholarships and fellowships	73,191,360	17,117,965	90,309,325
Other	41,198,007	18,760	41,216,767
Underwater endowment coverage	-	174,915	174,915
Total	$ 214,038,952	$ 44,489,713	$ 258,528,665

Endowment Funds with Deficits

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts. When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. Deficits of this nature reported in unrestricted net assets were $5,577,120 and $174,915 as of June 30, 2009 and 2008, respectively. These deficits resulted from unfavorable market fluctuations that occurred shortly after the investment of newly established endowments, and authorized appropriation that was deemed prudent.

8. Commitments and Contingencies

Operating Leases

At June 30, 2009, minimum annual commitments under operating leases for office equipment and buildings are as follows:

June 30, 2010	$ 203,000
June 30, 2011	158,000
June 30, 2012	144,000
June 30, 2013	144,000
June 30, 2014	153,000
Years thereafter	29,417,000
Total	$ 30,219,000

Litigation

In the normal course of business, the College has been named a defendant in various claims. Although there can be no assurance as to the eventual outcome of litigation in which the College has been named, in the opinion of management, such litigation will not, in the aggregate, have a material adverse effect on the College’s financial position, statement of activities, or cash flows.

9. Subsequent Events

During 2009, the College adopted Statement of Financial Accounting Standards No. 165, "Subsequent Events," (SFAS 165). SFAS 165 provides guidance on management's assessment of subsequent events and incorporates this guidance into the accounting literature. The College has performed an evaluation of subsequent events through October 28, 2009, the date on which the financial statements were issued.